

Appendix 4E

Preliminary Final Report (unaudited) for the year ended 30 June 2025

1. Results for announcement to the market (all comparisons to the year ended 30 June 2024)

The Appendix 4E should be read in conjunction with the attached Preliminary Financial Report (unaudited) and the media release and financial results presentation lodged with the Australian Securities Exchange (ASX) on 29 August 2025.

Results in accordance with Australian Accounting Standards		Current period \$m	% change ¹
Revenue from ordinary activities		1,362.3	(18.8%)
Loss from ordinary activities after tax attributable to members of the parent		(471.5)	72.0%
Net loss after tax for the period attributable to members of the parent		(471.5)	72.0%

	Current Period Normalised ² \$m	% change ¹	Current Period Statutory ³ \$m	% change ¹
Revenue ⁴	1,187.5	(29.2%)	1,362.3	(18.8%)
Earnings before interest, tax, depreciation and amortisation	(77.1)	N.M. ⁶	(77.1)	N.M. ⁶
Depreciation and amortisation	(64.8)	46.3%	(64.8)	46.3%
Earnings before interest and tax	(141.9)	N.M. ⁶	(141.9)	N.M. ⁶
Share of associates' losses	(47.9)	N.M. ⁶	(47.9)	N.M. ⁶
Net finance costs	(49.5)	(40.2%)	(49.5)	(40.2%)
Significant items (net of tax) ⁵	-	-	(212.4)	87.5%
Income tax expense (excluding significant items)	(19.8)	(435.1%)	(19.8)	(435.1%)
Net loss after tax (NLAT)	(259.1)	N.M. ⁶	(471.5)	72.0%

¹ (Increase)/Decrease in NLAT.

² Normalised results exclude significant items.

³ Statutory results include significant items.

⁴ Normalised results present contracted costs net of revenue recoveries, these are presented on a gross basis in the Statutory results. See Note A2.

⁵ Significant items include: Impairment of the investment in DBC joint venture; Group Funding costs; regulatory, fines, penalties, duty, consultant, legal and other costs, including movements in regulatory and legal provisions; redundancy costs; partially offset by profit on sale of assets.

⁶ Not meaningful.

2. Dividend information

	Year ended 30 June 2025	Half year ended 31 December 2024
Fully franked dividend (amount per share) ¹	N/A	N/A
Record Date	N/A	N/A
Date Payable	N/A	N/A

¹ No dividend was declared for the year ended 30 June 2025.

Dividend reinvestment plan

The key terms of The Star Entertainment Group Limited's dividend reinvestment plan (**DRP**) in operation for the final dividend are:

N/A

The last date for receipt of election notices for the dividend reinvestment plan is:

N/A

3. Net tangible assets per share

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share ¹	\$0.11	\$0.26

¹ Net tangible asset backing per ordinary share excludes right of use assets.

4. Supplementary comments

Additional Appendix 4E disclosures and other significant information may be found in the attached Preliminary Financial Report (unaudited) for the year ended 30 June 2025, and the media release and financial results presentation lodged with the ASX on 29 August 2025.

5. Independent auditor's report

This Preliminary Final Report (unaudited) is based on the attached Preliminary Financial Report (unaudited) for the year ended 30 June 2025 which is in the process of being audited. The audited accounts are expected to include an emphasis of matter in relation to Going Concern and Regulatory and Legal Provisions and Contingent Liabilities.

Going Concern

There remains material uncertainty regarding the Group's ability to continue as a going concern. Key interdependent events and initiatives in the near term which are critical to the Group's liquidity and financial outlook include:

- the quantum and timing of the AUSTRAC penalty, with judgement expected to be released anytime from September 2025 onwards;
- obtaining required financial covenant waivers from lenders, including for 30 September 2025;
- completing the Bally's and Investment Holdings \$300 million strategic investment, including obtaining outstanding regulatory approvals and receipt of the remaining \$67 million from Bally's payable no later than 9 October 2025;
- completing the transaction entered into with the joint venture partners to exit the DBC joint venture (**DBC**) and consolidate the Gold Coast assets. The exit from DBC is dependent on the satisfaction of various conditions precedent, a number of which are outside the control of the Group, including releasing the Company from its parent company guarantee (~\$0.7 billion the Group's share of drawn DBC debt);
- the Group's ability to restore its casino licences; and
- driving revenue growth through customer-focused initiatives and implementing further cost out during FY26.

At 29 August 2025, there is no certainty that each of these matters can be satisfactorily resolved and in a sufficiently timely manner. The Group will include a detailed assessment of going concern considerations in its audited FY25 financial statements which it is targeting to lodge with the ASX by 30 September 2025.

Regulatory and Legal Provisions and Contingent Liabilities

The Group is subject to ongoing regulatory and legal matters which may have a material impact on the Group's financial position. Further information is included in the attached Preliminary Financial Report (unaudited), note B3.

THE  STAR ENTERTAINMENT GROUP

THE STAR ENTERTAINMENT GROUP LIMITED

A.C.N 149 629 023

ASX Code: SGR

AND ITS CONTROLLED ENTITIES

UNAUDITED PRELIMINARY FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

THE STAR ENTERTAINMENT GROUP

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FOR THE YEAR ENDED 30 JUNE 2025

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CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$m	2024 \$m
Revenue	A2	1,362.3	1,677.8
Other income	A3	5.9	2.7
Government taxes and levies	A3	(282.3)	(412.1)
Employee costs	A3	(826.2)	(723.6)
Depreciation, amortisation and impairment	A4	(172.4)	(1,559.2)
Cost of sales		(67.2)	(86.3)
Property costs		(72.3)	(72.6)
Advertising and promotions		(45.3)	(49.5)
Regulatory and legal costs	B3	(20.0)	(100.0)
Other expenses		(165.7)	(169.6)
Share of net (loss)/profit of associate and joint venture entities accounted for using the equity method	D2	(47.9)	19.7
Loss before interest and income tax (LBIT)		(331.1)	(1,472.7)
Net finance costs	A5	(120.6)	(59.0)
Loss before income tax (LBT)		(451.7)	(1,531.7)
Income tax expense		(19.8)	(152.9)
Net loss after tax (NLAT)		(471.5)	(1,684.6)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Change in fair value of cash flow hedges taken to equity, net of tax		-	5.8
Total comprehensive loss for the period		(471.5)	(1,678.8)
Loss per share:			
Basic loss per share	E1	(16.4) cents	(66.8) cents
Diluted loss per share	E1	(16.4) cents	(66.8) cents

The above consolidated income statement should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$m	2024 \$m
ASSETS			
Cash and cash equivalents	B1	267.0	299.6
Trade and other receivables		21.1	31.5
Inventories		10.7	13.6
Income tax receivable		-	56.0
Other assets		42.6	87.4
Total current assets		341.4	488.1
Restricted deposits	B1	96.8	-
Property, plant and equipment		1,007.5	1,157.4
Intangible assets		89.9	72.6
Investment in associate and joint venture entities	D2	153.9	161.7
Other assets		91.6	18.0
Total non current assets		1,439.7	1,409.7
TOTAL ASSETS		1,781.1	1,897.8
LIABILITIES			
Trade and other payables		170.8	180.4
Interest bearing liabilities	B4	7.8	6.1
Income tax payable		2.4	-
Provisions	B3	463.2	490.2
Other liabilities		125.9	75.2
Total current liabilities		770.1	751.9
Interest bearing liabilities	B4	590.5	295.7
Provisions	B3	8.3	8.1
Other liabilities		9.0	8.8
Total non current liabilities		607.8	312.6
TOTAL LIABILITIES		1,377.9	1,064.5
NET ASSETS		403.2	833.3
EQUITY			
Share capital		4,697.1	4,695.7
Accumulated losses		(4,343.5)	(3,872.0)
Reserves		49.6	9.6
TOTAL EQUITY		403.2	833.3

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$m	2024 \$m
Cash flows from operating activities			
Net cash receipts from customers (inclusive of GST)		1,416.0	1,768.0
Payments to suppliers and employees (inclusive of GST)		(1,241.3)	(1,208.8)
Payment of government levies, gaming taxes and GST		(270.5)	(413.2)
Interest received		7.2	9.0
Income taxes received		-	14.6
Regulatory, fines, penalties, duty, consultant, legal and other costs	B3	(55.5)	(123.6)
Net cash (outflow)/inflow from operating activities		(144.1)	46.0
Cash flows from investing activities			
Payments for property, plant, equipment and intangibles		(68.9)	(76.3)
Proceeds from sale of plant and equipment		138.7	0.3
Loans from joint venture entities		44.4	55.9
Payments for investment in associate and joint venture entities		(153.7)	(75.2)
Loans to joint venture entities		(6.8)	(22.7)
Distributions received from joint venture entities		6.0	8.9
Repayments of loans from joint venture entities		-	14.3
Loans from joint venture partners		10.0	-
Net cash outflow from investing activities		(30.3)	(94.8)
Cash flows from financing activities			
Proceeds from interest bearing liabilities		100.0	318.0
Repayment of interest bearing liabilities		-	(752.2)
Proceeds from settlement of derivative financial instruments		-	49.7
Payment of restricted deposits	B1	(96.8)	-
Proceeds from issue of convertible debt securities		233.3	-
Finance costs		(78.5)	(82.4)
Transaction costs related to issues of equity securities or convertible debt securities		(5.7)	-
Proceeds from issue of shares		-	734.5
Interest payment of lease liabilities		(2.6)	(2.9)
Principal payment of lease liabilities		(7.9)	(5.0)
Net cash inflow from financing activities		141.8	259.7
Net (decrease)/increase in cash and cash equivalents		(32.6)	210.9
Cash and cash equivalents at beginning of the year		299.6	88.7
Cash and cash equivalents at end of the year	B1	267.0	299.6

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Ordinary shares \$m	Treasury shares \$m	Accumulated losses \$m	Convertible notes reserve \$m	Hedging reserve \$m	Cost of hedging reserve \$m	Share based payment reserve \$m	Total \$m
2025								
Balance at 1 July 2024	4,702.1	(6.4)	(3,872.0)	-	-	-	9.6	833.3
Loss for the year	-	-	(471.5)	-	-	-	-	(471.5)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	(471.5)	-	-	-	-	(471.5)
Shares issued to settle employee share programs	-	1.4	-	-	-	-	-	1.4
Convertible notes (net of tax)	-	-	-	39.8	-	-	-	39.8
Employee share based payments	-	-	-	-	-	-	0.2	0.2
Balance at 30 June 2025	4,702.1	(5.0)	(4,343.5)	39.8	-	-	9.8	403.2
2024								
Balance at 1 July 2023	3,962.9	(7.3)	(2,187.4)	-	(8.2)	2.4	8.6	1,771.0
Loss for the year	-	-	(1,684.6)	-	-	-	-	(1,684.6)
Other comprehensive income	-	-	-	-	8.2	(2.4)	-	5.8
Total comprehensive loss	-	-	(1,684.6)	-	8.2	(2.4)	-	(1,678.8)
Issue of share capital (net of tax)	739.2	-	-	-	-	-	-	739.2
Shares issued to settle employee share programs	-	0.9	-	-	-	-	-	0.9
Employee share based payments	-	-	-	-	-	-	1.0	1.0
Balance at 30 June 2024	4,702.1	(6.4)	(3,872.0)	-	-	-	9.6	833.3

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

A KEY INCOME STATEMENT DISCLOSURES

A1 SEGMENT INFORMATION

The Group's operating segments have been determined based on the internal management reporting structure and the nature of products and services provided by the Group. They reflect the business level at which financial information is provided to those in the roles of executive decision makers, being the Group Chief Executive Officer and Managing Director and the Group Chief Financial Officer, for decision making regarding resource allocation and performance assessment.

The Group has four reportable segments:

Sydney	Comprises The Star Sydney's casino operations, including hotels, restaurants, bars and other entertainment facilities.
Gold Coast	Comprises The Star Gold Coast's casino operations, including hotels, theatre, restaurants, bars and other entertainment facilities.
Treasury Brisbane	Comprises Treasury Brisbane's casino operations, including hotel, restaurants and bars. The casino operations were closed on 25 August 2024.
The Star Brisbane	Comprises management of The Star Brisbane, including casino operations, hotel, restaurants, bars and other entertainment facilities, in exchange for an operator fee. The segment also comprises a 50% share of profits/losses from Destination Brisbane Consortium Queens Wharf Integrated Resort joint venture (DBC), reflecting the Group's 50% interest in DBC. The Star Brisbane opened on 29 August 2024.

	Sydney \$m	Gold Coast \$m	Treasury Brisbane \$m	The Star Brisbane \$m	Un- allocated \$m	Total \$m
2025						
Segment revenue ^a	685.0	410.6	62.3	204.4	-	1,362.3
Segment (loss)/earnings before interest, tax, depreciation, amortisation and significant items ((LBITDA)/EBITDA) ^b	(47.7)	21.8	(0.9)	(50.3)	-	(77.1)
Share of associate/joint venture results (refer to note D2) ^b	-	-	-	(46.1)	(1.8)	(47.9)
Depreciation and amortisation (refer to note A4) ^b	(38.6)	(19.5)	(5.7)	(1.0)	-	(64.8)
Significant items (refer to note A7)					(212.4)	(212.4)
Net finance costs (refer to note A5) ^b					(49.5)	(49.5)
Loss before income tax						(451.7)
Capital expenditure	30.0	17.3	7.6	8.8	-	63.7

^a The Star Brisbane segment revenue includes \$29.6 million in operator fees and \$174.8 million in contracted revenue (refer to note A2).

^b These items are before significant items (refer to note A7).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

	Sydney \$m	Gold Coast \$m	Treasury Brisbane \$m	The Star Brisbane \$m	Un- allocated \$m	Total \$m
2024						
Segment revenue	877.5	456.1	344.2	-	-	1,677.8
Segment earnings before interest, tax, depreciation, amortisation and significant items (EBITDA) ^a	51.8	71.3	51.6	-	-	174.7
Share of associate / joint venture results (refer to note D2) ^a	-	-	-	-	(3.2)	(3.2)
Depreciation and amortisation (refer to note A4) ^a	(64.2)	(36.2)	(20.2)	-	-	(120.6)
Significant items (refer to note A7)					(1,547.3)	(1,547.3)
Net finance costs (refer to note A5) ^a					(35.3)	(35.3)
Loss before income tax						(1,531.7)
Capital expenditure	41.6	24.6	10.1	-	-	76.3

^a These items are before significant items (refer to note A7).

A2 REVENUE

	2025 \$m	2024 \$m
Gaming	702.2	1,111.2
Non-gaming	446.1	554.7
Other	9.6	11.9
Operator fee	29.6	-
	1,187.5	1,677.8
Contracted cost recovery ^a	174.8	-
Total revenue	1,362.3	1,677.8

^a The Group has a contracted cost recovery agreement with the DBC Integrated Resort joint venture. Contracted costs includes \$164.2 million of employment and \$10.6 million other shared costs.

Revenue

Revenue is recognised when the Group satisfies its obligations in relation to the provision of goods and services to its customers in the ordinary course of business. Revenue is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for performing these obligations, including any discounts, rebates, price concessions, incentives or performance bonuses. Revenue is constrained such that the significant reversal of revenue in a future period is not highly probable. Revenue comprises net gaming win, less player and gaming promoter rebates and promotional allowances, other non-gaming revenue from hotels, restaurants and bars, the DBC operator fee and the DBC contracted cost recovery.

Customer loyalty programs

The Group operates customer loyalty programs enabling customers to accumulate award credits for on-property spend. A portion of the spend, equal to the fair value of the award credits earned and reduced for expected breakage, is treated as deferred revenue. Revenue from the award credits is recognised in the income statement when the award is redeemed or expires. The standalone selling price of complimentary services (including hotel room nights, food and beverage, and other services) that are provided to casino guests as incentives related to gaming play are recorded as revenues related to the respective goods or services, as they are provided to the patron. The residual amount is recorded as gaming revenue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

A3 OTHER INCOME AND EXPENSES

Loss before income tax is stated after charging the following expenses and significant items:

	2025 \$m	2024 \$m
Other income		
Gain on disposal of assets	4.7	0.9
Net foreign exchange (loss)/gain	-	0.4
Other	1.2	1.4
	5.9	2.7
Government taxes and levies (including gaming GST):		
New South Wales	191.1	247.2
Queensland	91.2	164.9
	282.3	412.1
Employment costs:		
Salaries, wages, bonuses, redundancies and other benefits	756.0	663.3
Defined contribution plan expense (superannuation guarantee charges)	68.7	58.7
Share based payment expense	1.5	1.6
	826.2	723.6

Total employment costs for the period includes \$164.2 million of labour contracted for The Star Brisbane, recovered through the contracted cost recovery (refer to note A2).

A4 DEPRECIATION, AMORTISATION AND IMPAIRMENT

	2025 \$m	2024 \$m
Property, plant and equipment	55.1	101.6
Intangible assets	8.9	18.1
Other	0.8	0.9
Total depreciation and amortisation	64.8	120.6
Impairment - Property, plant and equipment	-	539.0
Impairment - Goodwill	-	128.8
Impairment - Intangible assets	-	143.2
Impairment - Other non-current assets	-	16.9
Impairment - Investment in DBC joint venture (refer to note B2)	107.6	602.2
Impairment - Other	-	8.5
Total impairment (refer to note A7)	107.6	1,438.6
Total depreciation, amortisation and impairment	172.4	1,559.2

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Depreciation is calculated using a straight line method. The useful lives over which the assets are depreciated are as follows:

Freehold and leasehold buildings	10 - 95 years
Leasehold improvements	4 - 75 years
Plant and equipment	5 - 20 years
Software	3 - 10 years
Licences	Until expiry

Operating equipment (which includes uniforms, casino chips, kitchen utensils, crockery, cutlery and linen) is recognised as a depreciation expense based on usage. The period of usage depends on the nature of the operating equipment.

Right of use assets, which includes plant, equipment and property, is depreciated on a straight line basis over the shorter of its estimated useful life and the lease term. The Group's lease portfolio includes assets with lease terms between 1 and 99 years. The residual values and useful lives are reviewed annually, and adjusted if appropriate, at each financial reporting date.

A5 NET FINANCE COSTS

	2025 \$m	2024 \$m
Borrowing costs	5.0	15.8
Group funding costs	71.1	23.7
Leases interest	2.5	3.0
Interest paid on borrowings	48.6	25.5
Interest income	(6.6)	(9.0)
Net finance costs recognised in the income statement ^a	120.6	59.0

a Net finance costs include the following significant items (refer to note A7): \$71.1 million of costs, including debt refinancing, release of previously unamortised borrowing costs on amendment of debt and costs incurred for the amendment of debt. In the pcp, \$23.7 million for derivative settlement costs and debt termination fees.

A6 DIVIDENDS

No final dividend was declared.

	2025 \$m	2024 \$m
Franking credit balance		
Amount of franking credits available to shareholders	77.1	97.6

Franking credits available to shareholders decreased by \$20.5 million as a refund of income tax receivables was applied by the Australian Taxation Office to the GST amended assessments deposit (refer to Note B3).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

A7 SIGNIFICANT ITEMS

Loss before income tax (LBT) is stated after charging the following significant items:

	2025	2024
	\$m	\$m
Impairment ^a	107.6	1,438.6
Group funding ^b	71.1	23.7
Regulatory, fines, penalties, duty, consultant, legal and other costs ^c	20.0	100.0
Redundancy costs ^d	13.2	7.9
Heads of Agreement costs ^e	1.8	-
Profit on sale of assets ^f	(1.3)	(22.9)
Net significant items	212.4	1,547.3
Tax on significant items ^g	-	149.2
Significant items net of tax	212.4	1,696.5

- a Impairment of investment in DBC joint venture. In the prior comparative period (*pcp*), impairment of goodwill, property, plant & equipment, intangibles and other current and non-current assets (refer to Note B2).
- b Group funding costs include: previously unamortised borrowing costs associated with the Syndicated Facility Agreement (*SFA*), released on amendment in November 2024 of \$26.9 million; costs incurred for the amendment of the SFA in November 2024 of \$20.5 million; and debt refinancing costs in 2H FY25 of \$23.7 million. In the *pcp*, derivative settlement costs and debt termination fees.
- c Regulatory, fines, penalties, underpaid casino duty, consultant, legal, Manager, Special Manager and other costs, including movements in regulatory and legal provisions.
- d Redundancy costs associated with the Group's reorganisation. In the *pcp*, reorganisation and cessation of employment costs.
- e Costs associated with the agreement to exit DBC and consolidate the Group's Gold Coast position (refer to Note C1).
- f Gain on sale of The Star Sydney Event Centre and other additional spaces within The Star Sydney complex to Foundation Theatres. In the *pcp*, equity accounted share of Destination Gold Coast Investment's profit relating to the sale of Sheraton Grand Mirage Resort.
- g The Group has not recognised any deferred tax assets, including tax losses on significant items, as they are not considered probable of recovery. In the *pcp* includes tax benefit of \$415.0 million on significant items listed above offset by a \$564.2 million deferred tax expense in relation to the derecognition of deferred tax assets.

Significant items are non-statutory (non-IFRS) measures. The objective of measuring and reporting significant items is to provide a more meaningful and consistent representation of financial performance. Significant items are determined by management based on their nature and size. They are items of income or expense which are, either individually or in aggregate, material to the Group or to the relevant business segment and:

- not in the ordinary course of business (for example, the cost of significant reorganisation or restructuring); or
- part of the ordinary activities of the business but unusual due to their size and nature (for example, impairment of assets).

A8 LEASES

The following amounts relating to AASB16 leases are recognised in the income statement:

	2025	2024
	\$m	\$m
Depreciation expense of right-of-use assets (refer to Note A4)	0.8	2.9
Interest expense on lease liabilities (refer to Note A5)	2.5	3.0
Total	3.3	5.9

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

B KEY BALANCE SHEET DISCLOSURES

ASSETS

B1 CASH AND CASH EQUIVALENTS

	2025 \$m	2024 \$m
Current		
Cage cash	32.7	70.5
Bank balances	23.3	16.5
Short term deposits - unrestricted	211.0	182.5
Short term deposits - restricted	-	30.1
Cash and cash equivalents	267.0	299.6
Non current		
Long term deposits - restricted	96.8	-
	363.8	299.6

At 30 June 2025, available cash was \$234.3 million (2024: \$199.0 million), comprising bank balances and short term deposits - unrestricted (**Available Cash**). The Group has \$32.7 million (2024: \$70.5 million) of cage cash, held physically on the gaming floor for the day to day operation of the casino gaming floor activities.

The Group holds \$96.8 million of cash in restricted term deposit accounts (2024: \$30.1 million). The deposits include \$60.6 million of sale proceeds from the disposal of the Treasury Casino and capitalised interest, secured against the \$400.0 million syndicated facility and \$36.2 million of cash backed bank guarantees and security. The bank guarantees and security relate to workers compensation cover, property leases and transactional banking facilities.

B2 IMPAIRMENT TESTING

Indicators of impairment testing has been performed over the Sydney, Gold Coast and Treasury Brisbane cash generating units at 30 June 2025. No indicators of impairment were identified and no additional impairment was recognised during the year. The assets in these cash generating units continue to carry material accumulated impairment, following impairments recognised in December 2022, June 2023 and June 2024. Should the operating conditions affecting these cash generating units improve substantially in future years, accumulated impairment held against property, plant, equipment, intangibles and other non-current assets may be reversed.

The Star Brisbane Impairment Testing

The Star Brisbane was tested for impairment at 31 December 2024 after indicators of impairment were identified. The carrying value of the investment was nil at 30 June 2025 and thus no further testing was required.

The Star Brisbane commenced operations on 29 August 2024 under challenging conditions. Cost of living pressures, casino operating reforms and loss of market share have weighed on results. Regulations to enact the introduction of mandatory carded play, restrictions on the use of cash and mandatory player pre-commitments, including play and break limits, remain outstanding. These regulations are anticipated to have further negative impacts to earnings, consistent with the impact experienced in Sydney.

At 30 June 2024, the investment in DBC joint venture balance was impaired \$602.2 million, reflecting the negative impact of the above factors on the earnings outlook of the investment.

An impairment of \$107.6 million has been recognised at 31 December 2024 and remains for the year ended 30 June 2025. The impairment is recognised in the line 'Depreciation, amortisation and impairment expense' in the Consolidated Income Statement. The impairment has been fully allocated against investment in associates, and writes this balance down to nil.

The outlook for operating conditions at 30 June 2025 is largely consistent with those at 31 December 2024 and 30 June 2024, and does not support the carrying value of additional investments into DBC made during the period.

Impairment testing and key assumptions performed at 31 December 2024

The recoverable amount of the investment in associate has been determined based on 'fair value less costs of disposal'. This approach utilises cash flow forecasts that represent a market participant's view of the future cash flows that would arise from operating and developing the asset. These cash flows are principally based on management's forecasts for a five-year period, together with longer term projections and forecast capital investment, extrapolated using an implied terminal growth rate of 2.5%. These cash flows are then discounted using a relevant long term post-tax discount rate of 9.6%. The pre-tax discount rate is 9.7%.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

The fair value measurement is valued using level 3 valuation techniques. The key assumptions on which management based its cash flow projections when determining 'fair value less costs of disposal' are as follows:

i. Cash flow forecasts

The cash flow forecasts are based on management forecasts for a five-year period, together with longer term projections, growth rates and capital investment forecasts.

ii. Terminal value

The terminal growth rate used is in line with the forecast long term underlying growth rate in the Consumer Price Index (CPI).

iii. Discount rates

Discount rates applied are based on the post tax weighted average cost of capital. The discount rate includes a risk premium reflecting the inherent uncertainty in predicting the sustained, longer-term earnings of a property of this scale.

iv. Sensitivities

The key estimates and assumptions used to determine the 'fair value less costs of disposal' are based on management's current expectations after considering past experience, future investment forecasts and external information. They are considered to be reasonably achievable.

LIABILITIES

B3 PROVISIONS, CONTINGENT LIABILITIES AND REGULATORY MATTERS

	2025 \$m	2024 \$m
Current		
Regulatory and legal provisions ^a	364.0	399.5
Employee benefits	82.8	82.3
Worker's compensation	9.6	8.4
Other	6.8	-
	463.2	490.2
Non current		
Employee benefits	6.8	6.7
Other	1.5	1.4
	8.3	8.1

^a The Group recognised provisions relating to various regulatory and legal matters including fines issued by the New South Wales Independent Casino Commission (**NICC**), AUSTRAC proceeding, underpaid casino duty in NSW, consultants, Manager, Special Manager, External Adviser, legal and other costs. Disclosing individual amounts would seriously prejudice these matters considering the present status and range of potential outcomes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Reconciliations of each class of provision, except for employee benefits, at the end of each financial year are set out below:

	Regulatory and legal provisions	Workers' compensation (current)	Other (current)	Other (non- current)
	\$m	\$m	\$m	\$m
2025				
Carrying amount at beginning of the year	399.5	8.4	-	1.4
Provisions made during the year	20.0	6.0	6.8	0.1
Provisions utilised during the year	(55.5)	(4.8)	-	-
	364.0	9.6	6.8	1.5
2024				
Carrying amount at beginning of the year	423.1	6.4	-	1.4
Provisions made during the year	100.0	5.8	-	-
Provisions utilised during the year	(123.6)	(3.8)	-	-
	399.5	8.4	-	1.4

PROVISIONS AND CONTINGENT LIABILITIES

AUSTRAC proceeding

On 30 November 2022, the Australian Transaction Reports and Analysis Centre (**AUSTRAC**), commenced civil penalty proceedings in the Federal Court of Australia against The Star Pty Limited and The Star Entertainment QLD Limited (collectively **The Star Entities**). AUSTRAC alleges that The Star Entities contravened the *Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) Act 2006* (Cth) by failing to conduct appropriate due diligence on customers who were higher risk and by failing to have an appropriate AML/CTF program.

The parties resolved all factual issues in dispute prior to the matter being heard in June 2025. AUSTRAC submitted that a fine of \$400 million would be appropriate while the Group submitted that a fine of greater than \$100 million, payable in the next 12 months, would be challenging based on available liquidity options, including accessing equity markets. The court's judgment is not expected before September 2025.

The determination of the Federal Court's penalty (including where a penalty has been jointly proposed by AUSTRAC and the defendant to the Court) is specific to the facts of each case and arrived at after consideration of admissions made and evidence and submissions in relation to the appropriateness of the penalty.

AUSTRAC alleged that the number of contraventions committed by The Star Entities is innumerable. The Group has determined a provision on the Balance Sheet at 30 June 2025. This provision was, and is, recognised at a time where there remains significant uncertainty as to the quantum of the penalty. Any actual penalty paid by The Star Entities may differ materially to the provision recorded at 30 June 2025.

Underpaid casino duty

The Bell Inquiry of The Star Pty Ltd conducted in 2022 (**Bell One Review**) identified potential issues with the way in which the Group calculated rebate duty payable to the NSW Government.

In April 2025, NSW Treasury agreed the amount and advised that The Star's obligation to pay the underpaid Casino Duty will be deferred until 30 June 2026. The Star has recognised a provision on the Balance Sheet for this amount as at 30 June 2025.

ASIC proceedings against former directors and officers of the Company

In December 2022, the Australian Securities and Investment Commission (ASIC) commenced civil penalty proceedings in the Federal Court of Australia against 11 former directors and officers of the Company alleging contraventions of the *Corporations Act 2001* (Cth). The proceeding was heard between February and May 2025. The court's judgment will not be delivered until 2026.

As no entity of the Group is party to these proceedings, it is not possible to predict the timing and any financial impact of these claims on the Group, including in relation to the likely defence costs incurred by the Group on behalf of the defendants, or the extent to which those costs might be covered by the Group's insurance policies and indemnities in place for former officers and directors.

The Group has determined a provision on the Balance Sheet at 30 June 2025 relating to an estimate of legal costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Class Action

On 30 March 2022, a shareholder class action was commenced in the Supreme Court of Victoria, alleging the Company failed to comply with its continuous disclosure obligations and engaged in misleading or deceptive conduct in relation to the Company systems, controls, operations and regulatory risks.

The Company has filed its defence with no admissions of any contravention. A mediation occurred on 18 December 2024, at which the matter was not resolved. The parties are currently considering appropriate timetabling orders for the advancement of the matter.

At 30 June 2025, the Company has assessed there is no present obligation in respect of this matter and it represents a contingent liability and accordingly, no provision has been recognised. The outcome of the Class Action and any potential financial impacts are unknown, including the extent to which any amounts may be covered by the Group's insurance policies.

DBC Financing Arrangements

The Company and its Joint Venture Partners entered into debt facility agreements in 2020 in relation to DBC's \$1.6 billion project-level debt funding. The aggregate amount outstanding is \$1.4 billion at 30 June 2025 (**DBC Funding**). The DBC Funding comprises two equal facilities, drawn approximately equally, separately provided under a Gaming and Entertainment syndicated facility agreement (**SFA G&E**) and a Tourism and Leisure syndicated facility agreement (**SFA T&L**). Amounts outstanding under the SFA G&E are guaranteed by the Company and amounts outstanding under the SFA T&L are guaranteed by the Joint Venture Partners. The two facilities are cross-collateralised against the property leases.

The DBC Funding is scheduled to mature in December 2025, and it is anticipated that refinancing by that time will require additional capital contributions from either the then owners of DBC or the holders of the SFA G&E parent company guarantee (**PCG**). Subsequent to period end, the Group entered into long-form documentation to exit its 50% share of the DBC joint venture investment and the casino management agreement and releasing the Company from its SFA G&E PCG in relation to its share of drawn DBC debt of ~\$0.7 billion (refer to Note C1). This exit agreement is dependent on the satisfaction of various conditions precedent, a number of which are outside the control of the Group. Consequently, while the Group expects to be released from the PCG, it has been classified as a contingent liability, given the material risk that the conditions required for its release may not be satisfied.

Should the Transaction be terminated the obligations of the SFA G&E PCG on refinancing the DBC Funding will remain with the Group.

GST amended assessments

On 5 December 2023, the Group commenced proceedings against the Australian Taxation Office (**ATO**) in relation to the GST treatment of rebates paid to junket operators for The Star Pty Limited between October 2013 and August 2017. The amount in dispute for this period is approximately \$155.7 million (primary tax of \$81.9 million and interest of \$73.8 million). The Group has paid \$61.5 million as a deposit to the ATO on a no-admissions basis. The deposit is held as a non-current asset.

The Group filed its evidence on 2 October 2024. The next case management hearing is currently scheduled for 9 December 2025.

On 6 September 2021 the Group filed an application for judicial review with the Federal Court of Australia in relation to the interest assessment. On 5 December 2023 the Group appealed the outcome of the Commissioner's objection decision by commencing proceedings in the Federal Court of Australia. The outcome of this matter is adjourned pending the primary tax case discussed above.

At 30 June 2025, the Company has assessed there is no present obligation in respect of this matter and it represents a contingent liability and accordingly, no provision has been recognised.

Withholding tax penalty

The Group also filed proceedings against the ATO on 5 December 2023 in relation to the appropriate method for calculating withholding tax on rebates paid to junket operators for the 2015 to 2020 income tax years. The amount in dispute for the period is \$8.1 million (primary penalty of \$6.4 million and interest of \$1.7 million). The Group has paid \$3.2 million as a deposit to the ATO on a no-admissions basis. The deposit is held as a non-current asset.

This matter is timetabled to run alongside the GST amended assessments matter outlined above.

At 30 June 2025, the Company has assessed there is no present obligation in respect of this matter and it represents a contingent liability and accordingly, no provision has been recognised.

Financial guarantees

The Group had the following guarantees at 30 June 2025:

- Destination Brisbane Consortium: the guarantee covers 50% of the syndicated facility agreement (see DBC Financing Arrangements above).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

- Destination Gold Coast Consortium: the Tower 2 guarantee covers up to 46.9% of the \$335.2 million in facilities. At 30 June 2025, \$174.7 million of the facility is drawn and \$40.0 million has been utilised for bank guarantees. Under the long form documentation to exit DBC, the residential sale proceeds will be used to repay the construction facility and cash back the drawn bank guarantees. Consequently, the Group expects, in time, to be solely responsible for the Andaz Hotel operating loan (the draw down of which remains subject to a number of conditions). On 28 March 2025 a water leak event occurred in Tower 2 impacting both the residential apartments and the hotel. The event has delayed completion of the construction of the apartments and hotel beyond the maturity date of the Tower 2 construction loan (previously extended to December 2025). DGCC is in discussions with its lenders regarding a further extension of the construction facility and assessing the impact of the damages, including the timing and impact on residential settlements. Should DGCC be unable to extend the maturity of its construction loan with its lenders to meet a revised completion date, the obligations under the Group's parent company guarantee may be triggered. The Group currently anticipates a refinancing of the construction loan will be sought in this scenario.
- Syndicated facility: is secured against The Star Gold Coast's assets and a first charge over the assets of certain entities within the Group. The new tranche of \$100.0 million is also secured against the Disposal Proceed Account (refer to Note B4), which includes \$60.6 million of proceeds from the sale of the Treasury Brisbane Casino, including accrued interest.
- Bank guarantees: of \$41.3 million are provided in relation to workers compensation cover, property leases, construction works and transactional banking facilities. A portion of these bank guarantees are cash backed (refer to Note B1).
- Certain controlled entities of the Group have entered into a guarantee and indemnity agreement in favour of the Independent Liquor and Gaming Authority (ILGA), whereby all parties to the agreement are jointly and severally liable for the performance of the obligations and liabilities of each company participating in the agreement with respect to agreements entered into and guarantees given.

The expected loss of each of the financial guarantees above has been assessed as nil (2024: nil) and are disclosed as contingent liabilities as a result of the above risks.

Legal challenges

There are outstanding legal proceedings between the Company and its controlled entities and third parties as at 30 June 2025. The Group has notified its insurance carrier of all relevant matters and currently anticipates that any damages (other than exemplary damages) that may be awarded against the Group, in addition to its costs incurred in connection with the proceedings, may be covered by its insurance policies where such policies are in place. Provisions are made for obligations where the existence of a liability is probable and can be reasonably estimated. The outcome of other matters remain uncertain, and thus contingent liabilities exist for possible amounts eventually payable.

REGULATORY MATTERS

NEW SOUTH WALES

Regulatory reforms

From 19 August 2024, mandatory carded play was required in private gaming areas and on select games on the main gaming floor with daily cash limits of \$5,000 for carded play. Fully carded play commenced on 19 October 2024. On 5 August 2025, the NSW Government confirmed that the daily cash limit of \$5,000 for gaming customers will be maintained until 19 August 2027, after which it will be reduced to \$1,000 (replacing a previous requirement for it to be introduced by 19 August 2025). The deferral is subject to various conditions, including monitoring the use of cash for gaming purposes and providing ongoing reports to L&G NSW in relation to various customers and related data. The deferral of the introduction may be revoked at any time during the two year period to 19 August 2027.

Disciplinary action

The Star Sydney's casino licence has been suspended since 21 October 2022. On this date, the NICC also appointed a Manager. During the period of its licence suspension, The Star Sydney remains open and operating, and net earnings continue to be paid to The Star Sydney after payment of the Manager's costs. On 28 March 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 30 September 2025, at which time the NICC will reassess The Star Sydney's suitability to regain its casino licence.

Bell Two

On 17 October 2024, the NICC provided its regulatory response to the Bell Two Report (including disciplinary action in respect of the Notice) and determined to take disciplinary action against The Star Sydney in the form of: a pecuniary penalty of \$15 million in respect of the Breach Findings (payable in three equal amounts on 31 December 2024, 31 March 2025 and 30 June 2025); issued directions under the *Casino Control Act 1992 (NSW)* in respect of various governance and operational matters relating to The Star Sydney and proposed amendments to The Star Sydney's licence conditions relating to key management personnel and the composition of The Star Sydney board. All instalments have been paid in accordance with the agreed timetable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Casino duty reforms

On 11 August 2023 the NSW Treasurer and the Group announced an in-principle agreement had been reached in relation to changes to casino duty rates for casinos in New South Wales and their impact on The Star Sydney. An agreement was finalised between NSW Treasury and The Star Sydney on 20 November 2023.

The changes include rate increases for rebate duty (10% to 12.5%) and Table Games (17.91% to 20.25%) from 1 July 2023. Poker machine duty rates will remain as follows until 2030 (20.91% until 30 June 2024, 21.91% from 1 July 2024 and 22.91% from 1 July 2027). From 1 July 2030 poker machines will be taxed based on average poker machine revenue using a progressive rate scale with a maximum of 51.6%. In the period 1 July 2023 to 30 June 2030 an additional levy will apply equal to 35% of The Star Sydney's gaming revenue above \$1.125 billion per financial year. There is no change to the Responsible Gambling Levy rate.

QUEENSLAND

Disciplinary action

The Star Gold Coast's casino licence has been suspended (with suspension deferred) since 9 December 2022. A Special Manager was appointed on the same date. On 27 March 2025, the Queensland government confirmed that it had deferred the suspension of The Star Gold Coast's casino licence and extended the Special Manager's appointment to 30 September 2025.

The deferred suspension of Treasury Brisbane's licence and term of the Special Manager ceased on 23 October 2024, on surrender of its casino licence, following the opening of The Star Brisbane.

The Star Brisbane was issued an unconditional casino licence on 29 August 2024, subject to the appointment of an External Adviser and the adoption of the Group's Remediation Plan. The External Adviser's appointment has been extended to 30 September 2025.

Remediation plan approval

The Group's Approved Remediation Plan (**ARP**), applicable across all three properties and the corporate office, received formal approval from the OLGR on 19 June 2025. Following OLGR's endorsement, the ARP was subsequently updated across the Group.

Regulatory reforms

On 28 March 2024, the *Casino Control and Other Legislation Act 2024* was enacted to give effect to the balance of the recommendations of the Gotterson Report and certain other casino reforms. The proposed reforms include the introduction of mandatory carded play, restrictions on the use of cash, mandatory player pre-commitments including play and break limits, and a supervisory levy payable by casino licence holders. The supervisory levy payable by casino licence holders was introduced on 1 July 2024 and resulted in a \$9.4 million expense in FY25. The implementation of the remaining key measures noted above requires the introduction of regulations giving effect to those reforms. The timing of the remaining regulations remains uncertain.

B4 INTEREST BEARING LIABILITIES

	2025 \$m	2024 \$m
Current		
Lease liabilities	7.0	6.1
Other loans	0.8	-
	7.8	6.1
Non current		
Bank loans - secured (net of unamortised borrowing costs)	403.5	269.6
Convertible notes and subordinated debt - unsecured (net of unamortised borrowing costs)	167.4	-
Lease liabilities	19.6	26.1
	590.5	295.7

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Bank loans

On 21 November 2024, the Group and its lenders executed a deed to amend the \$450 million syndicated facility agreement (**SFA**). The key amendments include:

- Interest on the \$300 million term facility to be fixed at 13.5%;
- Reduce and amend the \$150 million revolving working capital facility to be up to \$34.5 million of existing bank guarantees, with a fixed rate of 9.15%;
- Provide a new tranche of \$100 million term facility fixed at a rate of 13.5% (fully drawn on 9 December 2024);
- Provide a second new tranche of \$100 million fixed at a rate of 13.5%, subject to more extensive conditions precedent. These conditions were not achieved by the end of the availability period, 9 April 2025, and consequently the tranche is unavailable; and
- The Group can elect for interest to be partly capitalised, with 3.5% interest capitalised into the drawn term loans and a further 10.75% paid in cash. Under this election, the all-in rate is 14.25%.

The amendment was treated as a substantial modification, resulting in the extinguishment of existing debt and recognition of new debt at fair value. Unamortised borrowing costs associated with the existing debt of \$26.9 million and costs incurred for the amendment of \$20.5 million were taken to finance costs in the income statement. No borrowing costs are capitalised (2024: \$30.4 million).

The SFA matures in December 2027 and is subject to covenants and undertakings typical of this type of facility, including interest cover ratio, leverage ratio and a liquidity ratio. Interest on the term facilities is fixed at 13.5% cash payable, or 14.25% payment-in-kind and cash (June 2024: linked to the Australian Bank Bill Swap Bid Rate, plus a margin), while interest on the bank guarantees facility is fixed at 9.15%. The facility is secured against a first charge over the assets of certain entities within the Group. During the year, the Group also provided security over The Star Gold Coast's assets.

A condition of the new tranche of \$100 million term facility was to establish a disposal proceeds account for receipt of any proceeds on disposal of the sale of the Treasury Brisbane casino along with other non-core asset proceeds (**Disposal Proceeds Account**). At 30 June 2025, the balance of this Disposal Proceeds Account was \$60.6 million, representing the proceeds of the Treasury Brisbane casino and capitalised interest. The new tranche of \$100 million is secured against the Disposal Proceeds Account.

Capitalised interest will accrue interest at the same rate as the SFA. At 30 June 2025, \$3.5 million of interest payable on the SFA was capitalised (2024: nil). At 30 June 2025, \$30.8 million (June 2024: \$29.5 million) of bank guarantees are held against the revolving working capital facility. A portion of these bank guarantees are cash backed (refer to Note B1).

The Group obtained waivers for covenant testing on 30 September 2024, 31 December 2024, 31 March 2025 and 30 June 2025. Within the next twelve months, covenants will be tested at 30 September 2025, 31 December 2025, 31 March 2026 and 30 June 2026. If these covenants were to be assessed based on the Group's circumstances at 30 June 2025, they would not pass, which will result in the debt becoming due and payable. The Group is in discussion with lenders regarding waivers for future financial covenant testing. There is no guarantee these waivers will be granted.

On 7 April 2025, the Group implemented the Strategic Investment by Bally's and Investment Holdings (see below), a \$300 million issuance of convertible notes and subordinated debt.

Convertible Notes and Subordinated Debt

On 23 May 2025 the Group entered into long form documentation with Bally's Corporation (**Bally's**) and Investment Holdings with respect to a multi-tranche convertible note and subordinated unsecured debt instrument (the **Investment** or **Strategic Investment**) with an aggregate principal value of \$300 million (the **Transaction**), being a \$200 million commitment from Bally's and a \$100 million commitment from Investment Holdings. Once all convertible notes have been issued, the aggregate principal value of \$300 million will be convertible into 3,750,000,000 ordinary shares of the Group, representing a conversion price of 8 cents per share.

The first tranche of \$100.0 million was received on 9 April 2025. On 26 and 27 June 2025, following shareholder approval at the 25 June 2025 General Meeting, the Group received \$133.3 million, with Bally's and Investment Holdings each contributing \$66.7 million. A final \$66.7 million from Bally's is receivable on the earlier of regulatory approval or 2 business days following 7 October 2025. Should regulatory approval not be obtained by 7 October 2025, the final \$66.7 million of cash will be treated as subordinated debt. The final instalment is subject to a condition precedent that the Group is in compliance with its senior lending facility (refer to covenant waivers discussion above).

At 30 June 2025, the Group has issued 701,910,611 convertible notes. This represents \$56.2 million of the \$233.3 million received. The remaining \$177.1 million is treated as subordinated debt. The 701,910,611 convertible notes are available for conversion into shares, at the holder's election, provided a prospectus is issued by the Group to remove any Corporations Act on-sale restrictions that apply to the shares issued upon conversion (no such prospectus was issued prior to, or at 30 June 2025), and conversion does not breach any of the existing restrictions (including Company Constitution, agreements with Liquor and Gaming NSW, ASX listing rules).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

On receipt of regulatory approval, the Group will issue the remaining 3,048,089,389 convertible notes in exchange for satisfaction, in full, of the subordinated debt and receipt of the outstanding \$66.7 million (where regulatory approval is received prior to 7 October 2025).

The convertible notes and subordinated debt components carry a coupon rate of 9% per annum, payable quarterly in arrears. At the election of the Group, interest can be capitalised into a separate 'Payment in Kind' liability. The Payment in Kind liability will also attract interest at 9% per annum, payable quarterly in arrears, and can, at the election of the Group, be settled in shares of the Company, using a 15 day volume weighted average price.

The convertible notes and subordinated debt, and any Payment in Kind liability, has a maturity of 2 July 2029. However, if regulatory approval has not been obtained by 7 May 2026, redemption, at the election of the investor, shall apply in relation to the subordinated debt component (30 June 2025: \$177.1 million), requiring repayment within 120 days.

At 30 June 2025, the convertible notes and subordinated debt has been treated as a compound financial instrument. The liability component, net of unamortised borrowing costs, is \$167.4 million. Borrowing costs of \$6.7 million were capitalised during the period, of which \$0.3 million have been expensed.

Compound Financial Instruments

Compound financial instruments, those containing both debt and equity elements, are separated into liability and equity components based on the terms of the contract.

On issuance of the compound financial instrument, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the compound financial instrument, based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

2025	Facility amount	Unutilised at 30 June	
Type	\$m AUD	\$m	Maturity date
Bank guarantee	34.5	3.7	December 2027
Term loans	403.5	-	December 2027
Subordinated debt and convertible notes	233.3	-	July 2029
Total	671.3	3.7	

2024	Facility amount	Unutilised at 30 June	
Type	\$m AUD	\$m ^a	Maturity date
Revolving facility	150.0	120.5	December 2027
Term loans	300.0	-	December 2027
Total	450.0	120.5	

^a \$29.5 million of bank guarantees have been issued against the revolving facility. No amount has been drawn.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

C SUBSEQUENT EVENTS

C1 SUBSEQUENT EVENTS

The following events occurred after balance date:

Agreement to exit Destination Brisbane Consortium and consolidate the Group's Gold Coast position

On 12 August 2025, the Company announced to the ASX that it had entered into binding long form transaction documents with its joint venture partners, being Chow Tai Fook Enterprises Limited and Far East Consortium International Limited (the **Joint Venture Partners**) in respect of its stapled equity interest in Destination Brisbane Consortium Pty Ltd and the Destination Brisbane Consortium Integrated Resort Holding Trust (the **Transaction**).

The Transaction involves the Group disposing of its 50% equity interest in DBC, the Treasury Brisbane Hotel and Car Park and 50% interest in Charlotte Street Car Park, and acquiring the equity interests of the Joint Venture Partners in DGCC. The Transaction will complete in two stages. The completion of the exit from DBC is the first stage, with a sunset date of 30 November 2025. The completion of the remaining assets included in the Transaction (including DGCC and The Treasury Hotel in Brisbane) is subject to a separate set of conditions precedent which are currently expected to be satisfied during 2H CY26.

The terms of the Transaction provide, among other things, that:

- the Group will not be required to make any further equity contributions to DBC after 31 March 2025;
- the Group will be released from the parent company guarantee in relation to its 50% share of the DBC loan facilities of ~\$0.7 billion (ie. SFA G&E), which reach maturity in December 2025;
- The Group will acquire the Joint Venture Partners' combined 66.6% interest in the Dorsett Hotel (**Tower 1 Hotel**) and Andaz Hotel (**Tower 2 Hotel**) on the Gold Coast, which would result in the Group's interest in each of the Tower 1 Hotel and the Tower 2 Hotel increasing to 100% ownership, and the Group will acquire the management rights for the Tower 1 Hotel after a further period of management by FEC of up to 5 years;
- The Group will assume responsibility for all equity contributions for DGCC from 31 March 2025;
- The Group will retain its rights to future development on Broadbeach Island, Gold Coast (three remaining towers to be developed). The Joint Venture Partners will retain their existing development rights for the next tower only, subject to the Group's option to buy out those rights for \$20 million;
- The Group will transfer to the Joint Venture Partners its 100% interest in the Treasury Brisbane Car Park and Treasury Hotel, and its 50% equity interest in the Charlotte Street Car Park;
- The Group will retain responsibility for the guarantee it made to the Queensland State Government for footpaths and public realm works surrounding the Treasury Casino Building (previously sold), Treasury Car Park and Treasury Hotel in Brisbane;
- The Group will no longer receive the operator fee provided for under the DBC Casino Management Agreement (**CMA**). Instead, it will receive a fixed fee of:
 - \$5 million per month until 30 June 2026;
 - \$6 million per month from 1 July 2026 to 30 June 2027;
 - \$7 million per month from 1 July 2027 to 30 June 2028.
- After 30 June 2028, the amendments made to the CMA that give effect to the fixed operator fee will be unwound and the fee will revert to the arrangements that existed prior to the fixed fee arrangements being put in place;
- For the period between 1 March 2025 to completion of the exit of DBC, the difference between the operator fee that the Group would be entitled to receive under the current formulation of the CMA and the higher fixed fee under the new arrangements (Operator Fee Delta) will be placed into escrow each month. These amounts will be released from escrow at the earlier of 31 March 2026 and three months after the nomination of a replacement operator (but not before completion of the first stage). Upon nomination of a replacement casino operator by the Joint Venture Partners, payment into escrow of the Operator Fee Delta will resume for a three month period while the Group and the replacement operator agree a transition process. These amounts will be released from escrow at the end of the three month period;
- The Joint Venture Partners are entitled to nominate a replacement operator at any time from the later of OLGR and DBC lender approval or 30 November 2025;
- If requested, the Group will enter into a transitional services agreement with the replacement operator to provide services that the Group currently provides to The Star Brisbane for a period of up to 24 months following the appointment of a replacement operator; and
- DBC / the replacement operator will assume responsibility for all employee entitlements for operational employees at The Star Brisbane other than a one-off \$5 million contribution made by the Group which will be payable over a 12 month period from appointment of the replacement operator.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Completion of the Transaction is subject to a number of conditions precedent including receipt of applicable regulatory approvals and government concessions, approval from lenders to the Group, DBC and DGCC, amendments to the DBC debt facilities, release from the Company's PCG in relation to the SFA G&E. The completion of a number of these conditions precedent is not within the Group's control, as such there remains a material risk in completing the Transaction. Should the DBC exit stage of the Transaction be terminated the obligations of the SFA G&E PCG, on refinancing the DBC Funding, and future DBC equity contributions will remain with the Group (refer to Note B3).

The Joint Venture Partners agreed to pay \$53 million to the Group, in addition to a possible future earn-out, comprising:

- an upfront payment of \$35 million on or before 7 March 2025, which has been paid. This payment reflects a prepayment of the Group's future entitlement in relation to the DGCC Tower 2 joint venture distribution;
- an additional payment of \$10 million on or before 31 March 2025, which was initially paid by the Joint Venture Partners, and then repaid by the Group when the binding heads of agreement was terminated, but was repaid again by the Joint Venture Partners when long form transaction documents were entered into;
- a further amount of \$8 million, payable on the earlier of 30 November 2025 or the repayment of the construction loan from sale proceeds and execution of the operating loan on practical completion of the Tower 2 Hotel; and
- prior to 31 December 2030, an earn out payment of up to \$225 million based on the lower of:
 - \$225 million; or
 - 50% of DBC's pro forma equity value calculated as nine-times EBITDA for the 12-month period ended 30 June 2030, less 31 March 2025 net debt (including current forecast development capital expenditure commitments of \$320 million) (the **Earn Out**).

If the long form transaction documents are terminated or the Transaction is otherwise unable to be completed, the parties have agreed that:

- The Group will repay certain cash payments it has received from the Joint Venture Partners;
- The Group must reimburse the Joint Venture Partners for its share of the equity contributions made by the Joint Venture Partners to DBC since 31 March 2025;
- For certain payments owed, the Group can, as an alternative transfer its one 1/3 interest in Tower 1 Hotel (Dorsett) to the Joint Venture Partners to offset the cash payment obligation; and
- The Joint Venture Partners must reimburse the Group for their share of equity contributions that have been made by the Group to DGCC to fund DGCC costs.

As an exception to the above, if the DBC transaction does not complete, certain amendments to the CMA will survive the unwind. These include:

- the ability of the Joint Venture Partners to terminate the CMA with 90 days' notice following nomination of a replacement operator (as well as requirements on the Group to facilitate transition to that replacement operator);
- certain revised reporting and operational arrangements will remain in place; and
- the Joint Venture Partners will retain the right to designate certain areas of the Integrated Resort as areas not managed by the Group, with the calculated CMA fee to include the revenue and EBITDA of these areas regardless of the designation.

Other than those events disclosed elsewhere in these financial statements, there have been no other significant events occurring after the balance sheet date and up to the date of this report, which may materially affect either the Group's operations or results of those operations or the Group's state of affairs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

D GROUP STRUCTURES

D1 RELATED PARTY DISCLOSURES

(i) INVESTMENTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities in accordance with the accounting policy described in note F. The financial years of all controlled entities are the same as that of the Company (unless stated otherwise below).

Name of controlled entity	Note	Country of tax residence	Country of incorporation	Equity type	Equity interest at 30 June 2025 %	Equity interest at 30 June 2024 %
Parent entity						
The Star Entertainment Group Limited	d	Australia	Australia	ordinary shares	0.0	0.0
Controlled entities						
The Star Entertainment Sydney Holdings Limited	a b	Australia	Australia	ordinary shares	100.0	100.0
The Star Pty Limited	a b	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Pty Ltd	a	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Sydney Properties Pty Ltd	a b	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Sydney Apartments Pty Ltd	a	Australia	Australia	ordinary shares	100.0	100.0
Star City Investments Pty Limited	a	Australia	Australia	ordinary shares	100.0	100.0
Star City Share Plan Company Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment QLD Limited		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment QLD Custodian Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Gold Coast Trust		Australia	Australia	units	100.0	100.0
The Star Entertainment International No.1 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment International No.2 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment (Macau) Limited	c d	Macau	Macau	ordinary shares	0.0	100.0
The Star Entertainment International No.3 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
EEl Services (Hong Kong) Holdings Limited		Australia	Hong Kong	ordinary shares	100.0	100.0
EEl Services (Hong Kong) Limited		Australia	Hong Kong	ordinary shares	100.0	100.0
EEl C&C Services Pte Ltd		Singapore	Singapore	ordinary shares	100.0	100.0
The Star Entertainment RTO Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Finance Limited		Australia	Australia	ordinary shares	100.0	100.0
Destination Cairns Consortium Pty Limited	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Technology Services Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Training Company Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Letting Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Online Holdings Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Online Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Brisbane Holdings Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Brisbane Operations Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment DBC Holdings Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Brisbane Car Park Holdings Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Gold Coast Holdings Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment GC Investments Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment GC Investments No.1 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment International No.5 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
EEl Services Holdings No.1 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
EEl Services Holdings No.2 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
EEl Services (Macau) Limited	c d	Macau	Macau	ordinary shares	0.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

Name of controlled entity	Note	Country of tax residence	Country of incorporation	Equity type	Equity interest at 30 June 2025 %	Equity interest at 30 June 2024 %
The Star Entertainment International Tourism Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
Destination Sydney Consortium Pty Limited	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Pyrmont Investments No.1 Pty Ltd	d	Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment GC No.1 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment GC No.2 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
The Star Entertainment Group Limited Employee Share Trust		Australia	Australia	units	0.0	0.0

- a These companies entered into a deed of cross guarantee with The Star Entertainment Sydney Holdings Limited on 31 May 2011, and as such are members of the closed group as defined in Australian Securities and Investments Commission Instrument 2016/785.
- b These companies have provided a charge over their assets and undertakings to ILGA, as explained in note B3.
- c This company was deregistered in 2H FY25. The company's financial year end was 31 December.
- d These companies have secured the \$450.0 million syndicated facility with a first charge over their assets as explained in note B3.

D2 INVESTMENT IN ASSOCIATE AND JOINT VENTURE ENTITIES

Set out below are the investments of the Group as at 30 June 2025. The entities listed below have share capital consisting solely of ordinary shares, which are held by the Group. The country of incorporation is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. All investments listed below are measured using the equity accounting method.

2025 Name of entity	Country of incorporation	% of ownership	Nature of ownership	Share of (loss)/profit \$m	Carrying amount \$m
Material					
Destination Brisbane Consortium Integrated Resort Holdings Pty Ltd (i)	Australia	50	Associate	(46.1)	-
Destination Gold Coast Consortium Pty Ltd (ii)	Australia	33.3	Joint venture	(2.1)	73.0
Non material					
Destination Gold Coast Investments Pty Ltd	Australia	50	Joint venture	0.1	65.7
Hua Restaurant QWB Pty Ltd	Australia	50	Joint venture	-	-
Festival Car Park Pty Ltd	Australia	50	Joint venture	(0.1)	14.1
Destination Sydney Consortium Investments Pty Ltd	Australia	50	Joint venture	0.3	1.1
Total equity accounted investments				(47.9)	153.9

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

E OTHER DISCLOSURES

E1 LOSS PER SHARE

	2025 \$m	2024 \$m
Net loss after tax attributable to ordinary shareholders	(471.5)	(1,684.6)
Basic loss per share (cents per share)	(16.4)	(66.8)
Diluted loss per share (cents per share)	(16.4)	(66.8)
	Number	Number
Weighted average number of shares used as the denominator		
Number of ordinary shares issued at the beginning of the year	2,866,535,978	1,616,195,845
Adjustment for issue of new share capital on 6 October 2023 ^a	-	680,535,539
Adjustment for issue of new share capital on 19 October 2023 ^b	-	226,669,736
Movement in treasury shares	672,741	275,977
Weighted average number of shares used as the denominator	2,867,208,719	2,523,677,097
Adjustment for calculation of diluted earnings per share:		
Adjustment for Performance Rights	-	-
Weighted average number of ordinary shares and potential ordinary shares as used as the denominator in calculating diluted earnings per share at the end of the year	2,867,208,719	2,523,677,097

^a On 6 October 2023, the Group issued 925,933,112 shares for the private placement to institutional investors under the accelerated non-renounceable entitlement offer. The capital raising is after \$8.0 million of costs, net of tax.

^b On 19 October 2023, the Group issued 324,066,888 new shares for retail component of the accelerated non-renounceable entitlement offer. The capital raising is after \$2.8 million of costs, net of tax.

1,543,137 performance rights (2024: 40,201) and 701,910,611 convertible notes (2024: nil) that could potentially dilute basic earnings per share in the future were not included in the calculation above because they are antidilutive for the period presented.

F ACCOUNTING POLICIES AND CORPORATE INFORMATION

BASIS OF PREPARATION

The Preliminary Financial Report is unaudited and has been prepared in accordance with the Australian Accounting Standards and International Financial Reporting Standards (*IFRS*) to meet the requirements of the Australian Securities Exchange listing rule 4.3A - Appendix 4E Preliminary Final Report.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The Group has prepared the Preliminary Financial Report (unaudited) on a going concern basis and in accordance with Australian Accounting Standards and IFRS. This requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

- Going concern;
- Asset useful lives and residual values (refer to Note A4);
- Impairment of assets (refer to Note B2);
- Significant items (refer to Note A7); and
- Provisions, contingent liabilities and regulatory matters (refer to Note B3).