THE STAR

ASX Announcement

30 September 2025

THE STAR ENTERTAINMENT GROUP FY2025 FINANCIAL REPORT

The Star Entertainment Group Limited (ASX code: SGR) (**The Star,** the **Group** or the **Company**) today released its audited Financial Report (including the Directors' Report and Remuneration Report) for the year ended 30 June 2025 (**FY2025**) in accordance with ASX Listing Rule 4.5.1.

This follows the release on 29 August 2025 of the Appendix 4E and Unaudited Preliminary Financial Report for FY2025.

Subsequent to the release of the Appendix 4E and Unaudited Preliminary Financial Report for FY2025, the Group received additional information which impacted the initial assessment of its tax position as at 30 June 2025. This was considered an adjusting subsequent event and the impact has been recognised in the audited Financial Report for FY2025 released today. A summary of the key impacts has been included in the table below.

FY2025 ($million)	**Unaudited Appendix 4E**	**Final Financial Report**
Normalised loss after tax	(259.1)	(215.5)
Statutory loss after tax	(471.5)	(427.9)
Net Assets (at 30 June)	403.2	446.8

As announced earlier today to the ASX, the Group's lenders under its syndicated facility agreement have agreed to provide covenant waivers for the testing date of 30 September 2025. The parties have now exchanged the signed documentation to give effect to the covenant waivers.

Further information in respect of the covenant waivers can be found in Note B7 and Note G to the financial statements included in the audited Financial Report for FY2025.

Attached is the audited Financial Report for FY2025.

Authorised by:
Board of Directors

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THE STAR ENTERTAINMENT GROUP LIMITED

A.C.N 149 629 023

ASX Code: SGR

AND ITS CONTROLLED ENTITIES

DIRECTORS', REMUNERATION AND FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

THE STAR ENTERTAINMENT GROUP

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FOR THE YEAR ENDED 30 JUNE 2025

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The Directors of The Star Entertainment Group Limited (the ***Company***) submit their report for the consolidated entity comprising the Company and its controlled entities (collectively referred to as the Group) in respect of the financial year ended 30 June 2025.

1 DIRECTORS

The names and titles of the Company's Directors in office during the financial year ended 30 June 2025 and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Directors	
Anne Ward	Chairman and Independent Non-Executive Director
Steve McCann [a]	Group Chief Executive Officer and Managing Director
Peter Hodgson	Independent Non-Executive Director
Michael Issenberg	Independent Non-Executive Director
Deborah Page AM	Independent Non-Executive Director
Antonia Thornton	Independent Non-Executive Director

a Appointed as Group Chief Executive Officer and Managing Director on 2 December 2024 following the receipt of all necessary regulatory approvals.

2 OPERATING AND FINANCIAL REVIEW

The Operating and Financial Review for the year ended 30 June 2025 has been designed to provide shareholders with a clear and concise overview of the Group's operations, financial position, business strategies and prospects. The review also discusses the impact of key transactions and events that have taken place during the reporting period and material business risks faced by the Group, to allow shareholders to make an informed assessment of the results and future prospects of the Company. The review complements the Financial Report and has been prepared in accordance with the guidance set out in ASIC's Regulatory Guide 247.

2.1 PRINCIPAL ACTIVITIES

The principal activities of the Group are the management of entertainment and leisure destinations with gaming, entertainment and hospitality services.

The Group operates The Star Sydney (***Sydney***) and The Star Gold Coast (***Gold Coast***). The Group operated Treasury Brisbane Casino up until its closure on 25 August 2024 and surrendered its licence on 23 October 2024. On 28 August 2024, Destination Brisbane Consortium Queens Wharf Integrated Resort joint venture (***DBC***) (of which the Group owns 50%) was issued a casino licence for The Star Brisbane, which subsequently commenced operation on 29 August 2024 under the management of the Group through an agreement with DBC.

The Group also manages the Gold Coast Convention and Exhibition Centre on behalf of the Queensland Government and invests in a number of strategic joint ventures. The Group owns Broadbeach Island on which The Star Gold Coast is located.

In 2022, reviews were conducted into the operations of The Star Sydney by Mr Adam Bell SC (***Bell One***) and into the operations of The Star Gold Coast and Treasury Brisbane by the Hon. Robert Gotterson AO (Gotterson). In 2024, a second review was conducted into the operations of The Star Sydney by Mr Adam Bell SC (***Bell Two***). The following actions were taken by the respective regulators relating to the Group's casino licences since the Bell and Gotterson reviews.

Sydney

The Star Sydney's casino licence has been suspended since 21 October 2022. On this date, the New South Wales Independent Casino Commission (***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 24 September 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC.

On 17 October 2024, the NICC provided its regulatory response to the Bell Two Report (including disciplinary action in respect of the show cause notice served in September 2024 (***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. The pecuniary penalty has been paid in full at 30 June 2025.

Gold Coast and Treasury Brisbane

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 25 September 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 2026.

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 28 August 2024, subject to the appointment of an External Adviser and the adoption of The Star's Remediation Plan. On 25 September 2025, the External Adviser's appointment was extended to 30 September 2026.

2.2 BUSINESS STRATEGIES

Given its current challenges, the Group's strategic priorities fall under three categories:

2.2.1 Remediation and returning to suitability to hold a Casino Licence by:

- continuing to strengthen relationships with regulators through transparent and constructive engagement; and
- continuing to deliver on our amended Remediation Plan in line with approved timelines and embed uplift in standards for governance, compliance, safer gaming and risk management.

2.2.2 Improving operating performance, particularly through:

- enhanced customer focus and revenue initiatives including the revitalisation of underutilised spaces, improving hosted services and enhancing loyalty programmes and promotions; and
- maintaining cost discipline and identifying further opportunities for cost-outs.

2.2.3 Enhancing its liquidity position, by identifying:

- alternative short term and longer-term funding solutions (e.g. debt refinancing and other proposals);
- opportunities to divest non-core assets; and
- resolve material uncertainties in relation to the business.

The Group is awaiting the AUSTRAC judgment to provide certainty on quantum and timing of penalty, which is critical to successful delivery of the following short term strategic imperatives, and ultimately to satisfy our regulators as to the Group's financial suitability to hold our licences:

- ongoing review of capital structure including refinancing of existing lenders;
- confirming outstanding regulatory approvals for the Bally's and Investment Holdings transaction and receiving the remaining $66.6 million from Bally's; and
- completing the transaction with our joint venture partners, including the exit from DBC, release of the parent company guarantee and consolidation of Gold Coast assets.

The Group is also focused on:

- continuing to deliver on the remainder of the Group's remediation program in support of the Group's casino licences being restored; and
- driving revenue growth through customer-focused initiatives and implementing further cost-out during FY26.

2.3 GROUP PERFORMANCE

LBITDA (excluding significant items) was a loss of $77.1 million, down from a profit of $174.7 million in the prior comparative period (***pcp***). Trading performance materially deteriorated during FY25 reflecting the impact of regulatory reforms, implementation of the Group's remediation program and loss of market share. The Group's results were also affected by the closure of Treasury Brisbane Casino and opening of The Star Brisbane. The results for The Star Brisbane are not reported in LBITDA (excluding significant items), they are reported through equity accounted profit / loss.

Revenue (excluding contracted cost recovery) was $1,187.5 million, down 29.2% on the pcp. Excluding Treasury Brisbane and The Star Brisbane, revenue was $1,095.6 million, down 17.8% on the pcp; gaming revenue was down 22.2%, reflecting the ongoing weakness in the operating environment; and non-gaming revenue was down 3.2%, impacted by reduced visitation, linked to the decline in non-gaming revenue.

Gaming taxes and levies were $282.3 million, down 31.5% on the pcp. Excluding Treasury Brisbane, gaming taxes and levies were $267.2 million, down 17.7%. The decline is aligned with the reduction in gaming revenue, partially offset by an increase in the NSW slots rate and introduction of the Supervisory Levy by the Queensland Government. Operating expenses were $982.3 million, down 10.0% on the pcp, driven by the closure of the Treasury Brisbane Casino and the Group's cost out program, partially offset by increased costs associated with investment in remediation, risk management, controls, IT and labour (in accordance with enterprise agreements).

Share of net loss of associates (excluding significant items) was $47.9 million, up from a loss of $3.2 million in the pcp, primarily comprised of a loss from DBC of $46.1 million. Additional DBC losses of $25.0 million have not been recognised as the investment in DBC has already been reduced to nil at 30 June 2025 (30 June 2024: nil). Recognition of these excess losses will resume only to the extent that the associate subsequently reports profits.

Significant expense items ($212.4 million after tax) relate to: the impairment of the investment in DBC joint venture; group funding costs; regulatory, fines, penalties, duty, consultants, legal and other costs; redundancy costs; and other costs associated with the transaction to exit DBC; partially offset by profit on sale of assets.

Depreciation and amortisation expense of $64.8 million was down 46.3% on the pcp, reflecting the impact of the 30 June 2024 impairment and asset disposals, including Treasury Brisbane Casino. Net finance costs (excluding significant items) of $49.5 million were up 40.2%, reflecting the revised debt package executed in November 2024 resulting in a fixed rate above the previous floating rates in FY24.

Net loss after tax was $427.9 million (Net loss after tax of $1,684.6 million in the pcp). Normalised[1] net loss after tax, excluding significant items, was $215.5 million. Basic and Diluted Loss per Share were both 14.9 cents (both 66.8 cents in the pcp).

2.4 GROUP FINANCIAL POSITION

Net debt[2] was $207.1 million at 30 June 2025 (2024: net cash of $30.0 million).

The Group has executed the following transactions to support its financial position:

- In November 2024, the Group and its lenders executed a deed to amend its previously existing debt facility of $450 million by reducing it to $334 million (plus two additional equal tranches of $100 million, with only tranche one drawn (refer to note B7);
- In April 2025, the Group entered into the Strategic Investment with Bally's and Investment Holdings with $233 million of cash received by 30 June 2025. A further $67 million is to be received in FY26 (refer to note B7);
- In 1HFY25, the Group sold the Treasury Brisbane Casino Building for net proceeds of $60.5 million (plus GST). These proceeds are held as a restricted term deposit (refer to note B1) and not able to be accessed by the Group without consent from lenders; and
- In 2HFY25, the Group sold The Star Sydney Event Centre and other additional spaces within The Star Sydney complex for $60.0 million. These proceeds were received in full in June 2025 following approval by the shareholders of the Strategic Investment.

Subsequent to year end, the Group:

- entered into long form documentation to exit the DBC joint venture, dispose of its interest in the Festival Car park joint venture and to dispose of the Treasury Hotel and Car park and consolidate the Group's Gold Coast position (***JVP Transaction***). 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 JVP Transaction is subject to a separate set of conditions precedent which are currently expected to be satisfied no earlier than 1 July 2026; and
- the Group issued a notice to voluntarily prepay $61.1 million of the syndicated facility agreement (***SFA***) Facilities using the balance of funds in the Disposal Proceeds Account (refer to note B7). This prepayment is expected to complete on 30 September 2025.

Impairment

The Star Brisbane was tested for impairment at 31 December 2024 after indicators of impairment were identified. An impairment of $107.6 million was recognised at 31 December 2024 and remains for the year ended 30 June 2025. 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. The carrying value of the investment was nil at 30 June 2025 and thus no further testing was required.

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

1 Normalised earnings excludes significant items only.

2 Net debt / cash is shown as cash and cash equivalents and restricted deposits less interest-bearing liabilities (excluding lease liabilities, supplier finance and convertible notes in equity).

Investments

*Destination Gold Coast Consortium (**DGCC**)*

On the Gold Coast, construction of the second tower (***Tower 2***), a $400 million mixed use tower, has been delayed beyond 30 June 2025 due to a water leak event in March 2025, which impacted both the residential apartments and the hotel. DGCC is assessing the impact of the damage and related insurance claim, including the timing and impact on residential settlements. The Group currently anticipates the hotel to complete in mid CY26 and the Residences to commence settlements from 2HCY26. Of the 437 apartments, 429 remain pre-sold while 8 are currently marketed for sale (as at 31 July 2025).

Tower 2 includes additional restaurants, cafes, nightlife venues and a comprehensive pool deck with complementary amenities. Upon completion of Tower 2, The Star Gold Coast will have in excess of 2,000 hotel rooms and apartments on the island. During FY25 the Group loaned $4.9 million to DGCC in relation to the delivery of Tower 2.

*Destination Brisbane Consortium (**DBC**)*

The initial stage of The Star Brisbane integrated resort owned by DBC (a joint venture owned 50% by the Group) opened to the public on 29 August 2024 and includes The Star Grand Hotel, the main gaming floor and premium gaming rooms, Events Centre, Sky Deck, pedestrian bridge, public realm and certain Food and Beverage (***F&B***) outlets. Further F&B venues and the leisure deck amenities were opened progressively throughout FY25.

The Treasury Brisbane Casino was closed on 25 August 2024. The Group holds the operator rights to The Star Brisbane through an agreement with DBC. Earnings from the Treasury Brisbane Casino have been replaced by The Star Brisbane operator fee in the Group's consolidated EBITDA. Earnings from the Group's interest in the DBC joint venture are equity accounted.

Subsequent to period end, the Group entered into long form documentation to exit its 50% share of the DBC joint venture investment and a process for transitioning its role under the casino management agreement to a new operator once identified. The exit agreement will become effective upon satisfaction of various conditions precedent (see Section 5).

2.5 SEGMENT OPERATIONS

The Group comprises the following four operating segments: Sydney; Gold Coast; Treasury Brisbane and The Star Brisbane.

Refer to note A1 for more details of the financial performance of the Company's operating segments. The activities and drivers of the results for these operations are discussed below.

Sydney

Revenue was $685.0 million, down 21.9% on the pcp and LBITDA (excluding significant items) was a loss of $47.7 million, down from a profit of $51.8 million in the pcp. Domestic gaming revenue was $549.7 million, down 25.2% on pcp, reflecting the continued impact from implementation of uplifted controls, regulatory reforms (including mandatory carded play and restrictions on the use of cash), implementation of the Group's remediation program, loss of market share and the macro economic environment. The decline was consistent across slots and table games, Private Gaming Rooms (***PGR***) and Main Gaming Floor (***MGF***). Mandatory carded play and $5,000 daily cash limits were introduced in select areas of The Star Sydney on 19 August 2024 and was fully implemented across the entire Sydney casino as of 19 October 2024. Since 19 October 2024, daily average revenue has declined by 17% to 30 June 2025 compared to the daily average four weeks prior to 19 August 2024.

Non-Gaming revenue was $130.1 million, down 4.9% on pcp. The hotel segment remained steady, achieving 2.5% growth. F&B revenue fell 8.1%, largely due to declines in mass visitation, impacting restaurants and bars.

Gaming taxes and levies were down 22.7%, driven by the decline in domestic gaming revenue, partially offset by an increase in tax rates. Slots were taxed at 33.0%, up from 32.0%, while table games remained consistent at 31.3%. Operating expenses decreased 6.4%, reflecting a change in the Group's corporate cost allocation framework for The Star Sydney from 60% to 45% offset by higher employee costs and investments in strengthening the control environment.

Gold Coast

Revenue was $410.6 million, down 10.0% on the pcp and EBITDA (excluding significant items) was $21.8 million, down 69.4% on the pcp. Gold Coast's domestic gaming revenue was $248.5 million, down 14.4% on pcp, reflecting the continued impact of the implementation of uplifted controls and regulatory reforms, implementation of the Group's remediation program, loss of market share and the macro economic environment. PGR tables were the worst affected, down 47.9%, while PGR slots (19.1%), MGF slots (12.5%) and MGF tables (10.7%) were all down.

Non-Gaming revenue was $157.7 million, down 1.7% on pcp. Similar to Sydney, F&B was down 4.1%, driven by reduced mass visitation, while hotels grew 2.8% and event conferencing grew 1.9%.

Gaming taxes and levies were down 1.8%, reflecting a decline in domestic gaming revenue partially offset by the Queensland Government's new Supervisory Levy, an incremental $9.4 million expense. Operating expenses increased 1.7%, due to higher employee costs and marketing spend. The corporate allocation framework for the Gold Coast was unchanged between FY24 and FY25.

The Star Brisbane

The Star Brisbane commenced a staged opening on 29 August 2024. Revenue (excluding contracted cost recovery) was $29.6 million, comprising operator fees earned from DBC. Operator fees are calculated as a percentage of revenue (base fee) and a percentage of EBITDA (after deducting base fee). Revenue excludes $174.8 million of contracted cost recoveries, recognised as statutory revenue under the accounting standards. Contracted cost recoveries are made under an agreement with DBC and are at cost (no markup). Contracted costs include $164.2 million of employment costs and $10.6 million of other shared costs.

LBITDA (before significant items) was a loss of $50.3 million. Operating expenses of $79.9 million (excluding costs subject to contracted cost recoveries) relates to the Group's 35% corporate cost allocation to the property since it was opened.

Treasury Brisbane

Treasury Brisbane Casino closed on 25 August 2024 ahead of the opening of The Star Brisbane on 29 August 2024. Treasury Hotel and Car park continued to operate, albeit at reduced levels. Revenue was $62.3 million, down 81.9%, in line with the reduced Casino trading days. On 12 August 2025, the Group entered long form documentation with its joint venture partners to dispose of the Treasury Hotel and Car park. It is expected settlement will occur no earlier than 1 July 2026.

2.6 SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS, REGULATORY MATTERS AND FUTURE DEVELOPMENTS

Other than those matters stated within this report, there were no significant changes in the state of affairs of the Group during the financial year. The section below discusses the impact of key transactions, events and other matters relevant to the reporting period, that are not discussed elsewhere:

SIGNIFICANT LEGAL MATTERS

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 penalty hearing 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 Group is awaiting the court's judgment.

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.

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.

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.

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 recorded 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.

Other Legal and regulatory challenges

There are outstanding legal proceedings between the Company and its controlled entities and third parties as at 30 June 2025 as well as regulatory investigations by the Group's regulators. In relation to legal proceedings, 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 outcomes of these other matters, including the outcome of certain regulatory investigations, 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 reduced to $1,000 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 24 September 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC.

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.

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). 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. 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%. 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 25 September 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 2026.

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 28 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 2026.

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 for The Star Gold Coast. 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.

FUTURE DEVELOPMENTS

Future developments in the Group's activities will be dependent on several factors outlined in this Directors' Report, notably successfully addressing the Group's trading and liquidity issues, the resolution of the AUSTRAC proceeding, and timely and effective execution of the extensive program of remediation activities necessary for a return to suitability in both NSW and Queensland. Refer to note G for more details on the factors and their impact on the Group's ability to remain a going concern.

2.7 RISK MANAGEMENT

The Group maintains a risk management framework aligned with ISO 31000, overseen by the Board and its Risk and Compliance Committee, and implemented through a three lines of accountability model—operational management, risk oversight, and internal audit. A formal risk appetite statement guides decision-making across strategic, operational, financial, and compliance areas. Key risks, including regulatory, cybersecurity, financial, operational, and reputational, are actively managed through targeted mitigation strategies such as compliance programs, IT security, financial controls, and ethical conduct. The Group is committed to continuous improvement through regular reviews, policy updates, and staff training to reinforce a resilient and accountable risk culture.

Risk and description	Mitigation strategy
Failure to complete Strategic Investment transaction	
Failure to complete the strategic investment by Bally's Corporation and Investment Holdings Pty Ltd (Strategic Investment) may materially impact the Group's ability to ensure financial stability.	The Group actively manages this risk through a governance framework that oversees the key deliverables required to complete the transaction. This includes regular engagement with key stakeholders including regulators and the investors to support a transparent process
Failure to complete projects	
Failure to deliver on projects as planned could cause delays in property development or digital transformation programs, and reduced market share in a highly regulated and rapidly evolving environment. Inadequate execution or oversight may also affect guest experience, stakeholder confidence, and the Group's reputation with regulators and the public.	The Group actively manages project risk, ensuring projects are supported by rigorous governance, stakeholder engagement, and alignment with strategic priorities. This includes oversight through dedicated Board committees, structured investment approval processes, and regular reporting on key projects, milestones and risk indicators.

Risk and description	Mitigation strategy
JVP Transaction In August 2025 The Group announced that it had entered into a binding long-form documentation with Chow Tai Fook Enterprises Limited (CTFE) and Far East Consortium International Limited (FEC) (together, the Joint Venture Partners or JVP), in relation to DBC (the owner of the Queen's Wharf Brisbane Integrated Resort), DGCC (the owner of the Gold Coast joint venture assets) and other assets in Brisbane that are owned or partially owned by The Group. If the JVP Transaction documents are terminated or the JVP Transaction is otherwise unable to be completed, the obligations of the SFA G&E PCG, on refinancing the DBC Funding, and future DBC equity contributions will remain with the Group and the Group may not be a going concern. These risks could also affect stakeholder confidence and the Group's ability to meet regulatory and operational commitments.	The JVP Transaction agreement will complete in two separate 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 JVP Transaction (including DGCC and The Treasury Hotel and Car Park in Brisbane) is subject to a separate set of conditions precedent which are currently expected to be satisfied during 2H CY26. The Group continues to work with Joint Venture Partners to satisfy conditions precedent, some of which are outside of the Group's control, including regulatory approvals. Enhanced project governance and board oversight have been implemented to support timely decision-making and effective risk management.
Suitability The failure of one or more of the relevant Group entities for The Star Sydney (TSS), The Star Gold Coast (TSGC) or The Star Brisbane (TSB) to be suitable, or return to suitability, to hold a casino licence or meet relevant suitability requirements, including demonstrating financial viability, could have an impact on the Group's reputation, financial performance and position and the ongoing operation of the business. Following the Bell and Gotterson reviews in NSW and Queensland, respectively, the Group is presently operating with a suspended licence in NSW. On 24 September 2025, the NICC notified TSS that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC. On 25 September 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 2026.	The Group has developed a comprehensive remediation program which seeks to uplift and reform the Group's governance, accountability and capabilities, culture and risk and compliance processes to meet suitability requirements for a casino operator in the states in which it operates. This is a multi-year plan, requiring significant financial and human resources to deliver. To ensure delivery and accountability a structured project has been put in place by the transformation team and risk leaders. We have continued to progress delivery of outcomes in line with our remediation plan. Recently, in consultation with our regulators, we proposed some further updates to the plan which have been endorsed – these refinements give more clarity and lift our focus in important areas like how we make decisions, understand our guests, and use technology to support the business.
Uncertainty surrounding AUSTRAC penalty outcome The uncertainty as to the timing and quantum of the impending AUSTRAC penalty creates a material risk to the Group in regards to liquidity, financial viability and going concern. Should the court's judgment as to the timing and quantum be beyond the Group's capacity to pay, given its existing liquidity and ability to access any additional funding required this may result in the Group not being able to continue as a going concern.	The Group has determined a provision on the Balance Sheet in respect of the AUSTRAC penalty. The Group continues to review its capital management strategy to ensure it is best placed to respond to the AUSTRAC penalty following its determination.

Risk and description	Mitigation strategy
Financial	
The Group faces material uncertainty that could impact its financial strength and liquidity, including the ongoing implementation of all-carded gambling and lower cash limits, disparity in regulatory settings with competitors that have led to an erosion in the Group's market share, and the economic environment, that may cast significant doubt on its ability to remain a going concern. Key risks include constrained liquidity, funding arrangements, ongoing support of SFA lenders, fees and conditions associated with SFA covenant waivers, related debt financing position and associated covenants, reduced earnings capacity, risks associated with completing the JVP Transaction and the Strategic Investment. These factors present challenges to maintain financial stability, meet regulator financial capacity expectations and deliver sustainable shareholder value.	Key to restoring market share in the medium term is regulatory change in NSW and Queensland which would deliver competitive neutrality. The imposition of comparable compliance obligations on our non casino competitors is not within the Group's control, however demonstrating that we can deliver a safer gambling environment will assist our advocacy for broader application and in turn will support growing community expectations for wider application. The Group is strengthening its capital position by securing long-term investment partnerships and pursuing refinancing arrangements to support longer term liquidity. The Group is optimising its asset portfolio by identifying and divesting non-core assets, allowing the business to focus on core operations and improve financial flexibility. In addition, operational efficiency has been targeted through disciplined cost management and initiatives aimed at diversifying revenue streams. Increasing board oversight and stronger financial controls are supporting transparent and accountable decision-making. Aligning financial strategy with long-term objectives by ensuring that all funding, investment, and restructuring activities are guided by a clear focus on sustainable value creation for shareholders.
Competitive Position and Customer Behaviour	
The disparity in regulatory requirements drives changes in customer behaviour and market share. There may be potential adverse impacts on the Group's financial performance and position from increased competition and disparity in regulatory requirements in the Group's key markets in Sydney, Gold Coast and Brisbane. The ability of the Group to respond to these may be limited by conflicting priorities and financial capacity. Further, any diminution in customer satisfaction, loyalty or changes in customer behaviour may have an impact on the operating and financial performance and position of the Group. This includes behavioural change arising from changed business processes and controls.	Achievement of consistent, gaming industry wide compliance obligations, currently imposed on casinos, is expected to support rebuilding market share, however the application of competitive neutrality is not within the Group's control. The Group markets and promotes its portfolio of facilities to seek to achieve the level of customer patronage needed to deliver the expected returns on investment. The Group is focused on continually improving customer service capabilities of employees. Efforts to diversify revenue sources continue as the Group's business moves towards a more diversified entertainment offering. The Group monitors customer satisfaction and reports related metrics to management. To support and facilitate strategic priorities, change management practices are employed with specialised communication programs in place to support customers through business changes.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Risk and description	Mitigation strategy
Transition to All-Carded and Cash-Limited Gambling The Group is undergoing a transformational shift in gaming operations following regulatory reforms. The implementation of new technology may result in unforeseen complications and complexities, including system outages, impacting revenue and customer satisfaction. Carded play was introduced progressively at TSS from 19 August 2024. In August 2025 the final milestone of the Casino 2.0 program was delivered. In August 2025 TSS also received formal confirmation from the NSW Government that TSS will continue to operate under the current $5,000 cash limit for a further two years. The resulting change and impact to the customer experience is without precedent in the gaming industry, and is also specifically limited to casinos and not other gaming providers. This has had a material negative impact on customer behaviour in the business, with a risk of further deterioration remaining. Supporting the transition, changes to business processes, technology, controls, and workforce design is transformational in scale and complex, particularly when implemented concurrently with other business priorities and objectives of the Group. There is a risk that the system and product design features necessary to meet regulatory compliance requirements deter patrons and impact revenue. There is also a risk that any new technology built in response to the regulatory change does not perform as intended resulting in potential breaches, reputational damage and poor customer experience.	The Group is delivering a significant program of work to implement the technology, business processes, controls and workforce changes required to meet these evolving regulatory obligations. This program includes thorough testing and validation, including robust compliance checks, before deployment. Close monitoring allows early detection of issues, while a strong incident response plan ensures swift remediation. Technical issues are being addressed through phased rollouts and system upgrades. Customer adoption is monitored, and learnings from trials are incorporated into future phases. This enables the integration of regulatory requirements into the design process in a way that supports usability and customer trust. The Group must demonstrate compliance with monitoring and reporting conditions necessary to maintain the daily $5,000 cash limit to 19 August 2027. The Group continues to monitor customer adoption as Casino 2.0 program transitions into our Continuous Improvement phase. Key to restoring competitive neutrality is the successful deployment of regulatory requirements (carded and cashless), coupled with restoration of revenue, aligning customer experiences with that of our competitors and rebuilding market share. Achievement of consistent, gaming industry wide compliance obligations currently imposed on casinos is key to rebuilding market share, however the application of competitive neutrality is not within the Group's control. This marks a significant step forward in enhancing customer safety, free of financial crime, meeting regulatory expectations, and reinforcing our commitment to our Vision of becoming Sydney's safest entertainment destination of choice.
Cyber Security Information systems applications and technology are essential to maintaining effective operations. TSEG faces heightened cyber security risks due to increased digital reliance. The transition to a cashless model and evolving threat landscape further amplifies the risk of data loss, regulatory breaches, and reputational damage. Threats to information systems applications and technology are continuously evolving and cyber threats and the risk of attacks are increasing. Any failure of the Group's systems and processes could result in, amongst other things, business interruption, data breaches, legal or regulatory breaches and liability, with negative impacts on the Group's reputation and financial performance.	A multi-year cyber uplift program is underway, focusing on advanced threat detection, third-party risk management, and regulatory compliance. Investments in machine learning tools, improved incident response protocols, and enhanced governance frameworks are strengthening the Group's cyber resilience and stakeholder trust. Employees are regularly trained on the importance of cyber security and related processes, with continued testing of control effectiveness and reporting to senior management and the Board.

Risk and description	Mitigation strategy
Information Security and Privacy The Group necessarily collects and manages confidential business and customer data in the course of its business operations. The Group is exposed to risks related to the protection of personal and sensitive information. The increasing volume of digital transactions and customer data, combined with evolving privacy regulations, heightens the risk of non-compliance, data misuse, and reputational harm. Any systems or process failures could result in the exposure of confidential information and sensitive customer data, leading to customer dissatisfaction, legal or regulatory breaches (including of privacy legislation) and liability, impacting the Group's reputation and financial performance.	The Group has strengthened its privacy governance framework, enhancing data handling protocols, and aligning with regulatory requirements. Key initiatives include improved third-party data controls, staff training on data protection, and integration of privacy-by- design principles into systems and processes. These efforts are supported by the broader cyber uplift program to ensure secure and compliant data management. The Group has a dedicated Privacy team as part of its Group Risk function. The Privacy team supports privacy awareness and education across the Group and works closely with Information Technology to drive data security and protection controls across the Group.
Culture Failure to transform the Group's culture in order to address historic failings may result in the inability of the Group to satisfy regulators of our suitability to hold licences. Failure to achieve a culture founded on high ethical standards may adversely impact our ability to attract and retain high quality team members. Failure to embed a culture which appropriately recognises and responds to risk may result in the inability of the Group to successfully achieve its strategic change programs.	The Group is actively fostering a risk-aware cultural change program across all levels of the organisation. This cultural shift is part of a broader transformation agenda aimed at strengthening governance, accountability, and ethical conduct. These efforts are designed to support a culture of transparency, integrity, and continuous improvement. The Group is integrating risk awareness into leadership practices by ensuring leaders consistently demonstrate and reinforce risk-conscious behaviours. The Group is building employee capability through targeted training programs that promote understanding of risk responsibilities and ethical decision-making. The Group is promoting a speak-up culture by encouraging open communication, supporting staff in raising concerns, and protecting those who report issues. Risk considerations are being embedded into daily operations by aligning risk management frameworks with business processes and decision-making. A confidential whistleblowing program is in place to support escalation when team members may not be comfortable escalating through internal channels.

Risk and description	Mitigation strategy
Safer Gambling	
Failure to provide a safe, supportive and compliant environment for our customers and minimise harm from gambling may adversely impact the trust our stakeholders have in us and meet safer gambling compliance obligations.	The Group's Safer Gambling Policy outlines industry-leading principles and practices designed to prevent and reduce gambling-related harm across all properties that prioritises harm minimisation and responsible play. These include proactive guest monitoring, exclusion protocols, and the availability of remote self-exclusion options. The Group recognises the broader context of gambling harm, including co-occurring challenges such as mental health and substance use and is implementing a public health-based approach to gambling harm minimisation, focusing on prevention, early intervention, and support. A dedicated Safer Gambling team is in place to monitor customer behaviour, apply exclusion protocols, and respond to risk indicators. Staff are trained to identify signs of gambling harm and escalate concerns appropriately. While some of these measures have impacted short-term revenue, the Group continues to advocate for a level playing field across the industry and is working to improve customer experience and engagement under the new framework.
Anti-Money Laundering and Counter-Terrorism Financing Compliance	
The Group operates in an industry that presents high money laundering risks. The Group continues to face regulatory scrutiny in relation to its Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) obligations. Civil proceedings initiated by AUSTRAC highlight historical compliance failures, including deficiencies in customer due diligence and transaction monitoring. These issues have resulted in reputational and regulatory risks, particularly in relation to the Group's suitability to hold casino licences and maintain stakeholder confidence. The outcomes of these proceedings, along with any further regulatory actions, may have a material impact on the Group's operations, financial performance, and ongoing remediation efforts.	The Group is actively engaging with regulators and community stakeholders to align practices with evolving standards and expectations, including the implementation of enhanced AML/CTF controls, including improved customer due diligence, source of funds verification, and transaction monitoring. Comprehensive training programs have been rolled out to ensure frontline and compliance teams are equipped to meet regulatory expectations. The Group continues to cooperate fully with AUSTRAC and other regulators, with ongoing dialogue to support remediation efforts. The Board and Executive Leadership Team maintain close oversight of AML/CTF compliance, with regular reporting and independent assurance reviews.

Risk and description	Mitigation strategy
Legal and Regulatory Compliance	
The Group operates in a highly regulated industry and is reliant on receiving and maintaining regulatory approvals in the jurisdictions in which it conducts gambling and non-gambling operations. The Group faces ongoing legal and regulatory compliance risks due to historical failures in anti-money laundering (AML) controls and governance oversight. These issues have led to civil proceedings by ASIC against former directors and officers, regulatory investigations by AUSTRAC, and the suspension of The Star Sydney's casino licence and the deferred suspension of The Star Gold Coast's licence. While the Group has made and continues to make significant progress in its legal and regulatory compliance frameworks, the inherent risk of breaches and non-compliance remain.	The Group has adopted a Compliance framework aligned with ISO 37301:2021 to ensure consistent compliance practices across all operations. Governance structures have been enhanced, with increased board oversight. An extension of this has been the establishment of independent property boards, facilitating the close and direct supervision of our properties. The Group has significantly upgraded its AML/CTF controls, supported by external audits and expert reviews. The Group continues to engage proactively with regulators, submitting detailed remediation plans and regular progress reports to demonstrate its commitment to reform and ongoing suitability to hold casino licences.
Legislative and Contractual Restrictions on Dealing with Assets	
The Group is subject to legislative and contractual restrictions that limit its ability to freely deal with certain assets, particularly those tied to its casino operations. Additionally, ongoing civil proceedings and potential penalties pose a risk to the Group's financial stability and may trigger further constraints on asset management and liquidity. Contractual obligations with joint venture partners and financiers also impose limitations on asset transfers, restructuring, or divestment. Due to extended regulatory approval processes, there is a risk that key strategic milestones may be missed, resulting in reputational, financial, or operational consequences.	These restrictions are a function of the legislative and contractual obligations which apply to the Group's operations in NSW and QLD. The Group seeks to ensure that it consults with relevant regulatory bodies and third parties in connection with such restrictions and limitations as appropriate. Where applicable, relevant consents or approvals are sought. The Group strives to engage early with regulators, monitor approval timelines closely, and incorporate contingency plans to minimise delays to strategic objectives relating to regulatory approval delays.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Risk and description	Mitigation strategy
Key Stakeholder Relations	
The Group faces elevated risk in managing relationships with key stakeholders, including regulators, shareholders, joint venture partners, and the broader community. Regulatory investigations and compliance failures have significantly impacted stakeholder confidence, particularly following licence suspensions and legal proceedings. These events have strained relationships with government bodies and raised concerns among investors about the Group's governance and financial stability. The Group's financial position, including pressures from remediation costs and liquidity management, has added complexity to stakeholder engagement. Key investors and financial partners are closely monitoring developments, while joint venture stakeholders remain engaged in assessing the Group's ability to meet its obligations. Public and media attention has increased, contributing to heightened community interest and reputational considerations. Maintaining transparent, constructive, and consistent communication with stakeholders is critical to preserving trust and ensuring continued support. Failure to do so may result in reduced access to capital, strained regulatory relationships, and reputational damage that could affect long-term viability.	The Group has prioritised stakeholder engagement as part of its broader governance and remediation strategy. The Group has strengthened its communication channels with regulators, providing regular updates on compliance progress and remediation efforts. The Group is also actively engaging with investors and financial partners to secure support for its recovery plans. This includes capital strategy initiatives, cost-reduction programs, and strategic restructuring to stabilise operations.
People	
The Group recognises that its people are central to the success and sustainability of its operations. The Group has experienced workforce-related challenges, including higher turnover in frontline and operational roles, and increased competition for talent in key leadership and specialist positions. These dynamics have been influenced by broader organisational changes and evolving industry conditions. The Group has also identified historical wage compliance matters, which have been voluntarily reported to the Fair Work Ombudsman. Remediation efforts, including back-payments to current and former employees, are actively underway. While the Group is engaging constructively and transparently with the regulator, it acknowledges the potential for further regulatory outcomes. In parallel, the Group continues to navigate complex industrial relations issues, focused on maintaining constructive engagement with union partners. Relationships with unions may not always be constructive and supportive, leading to challenging working environments and potentially, disruptions to business operations.	To support a stable and engaged workforce, the Group has implemented a refreshed people strategy led by a newly appointed Chief People Officer. This includes targeted initiatives to improve retention, strengthen leadership capability, and enhance internal mobility. The Culture, People and Remuneration Committee provides governance oversight of these efforts, ensuring alignment with the Group's values and strategic objectives. Wage compliance remediation is being managed through a structured and transparent process, supported by system improvements and strengthened payroll governance, reported regularly to management and the Group Board. Broader cultural initiatives, including employee engagement, wellbeing programs, and leadership development, are being prioritised to foster a respectful, inclusive, and high-performing workplace.

Risk and description	Mitigation strategy
Health and Safety	
The Group operates in a dynamic and high-traffic environment where health and safety risks both physical and psychological are inherent to daily operations. The Company seeks to operate the Group's facilities without adversely affecting the safety, security and wellbeing of its guests, the public, team members and contractors. This includes the responsible serving of alcohol for guests. These risks may arise from workplace incidents, guest interactions, or operational hazards across its properties. Inadequate safety controls or failure to meet regulatory obligations could result in harm to team members, guests, or contractors, and may lead to reputational damage, regulatory action, or operational disruption. The Group recognises the growing importance of psychological safety and wellbeing as part of its broader duty of care.	The Group operates a Safety Management System, with health and safety an integral part of our operations. Supporting this is a Group Health and Safety Strategy, and a detailed Health and Safety Policy. Regular independent audits are conducted to ensure compliance with our expected standards. Dedicated health and safety, and injury management specialists are employed at each of the Group's properties. Measures have been taken to enhance the Group's operational controls. Each property employs security and surveillance personnel to provide support in monitoring threats and managing potential incidents on a real time basis. Team members are trained on the responsible service of alcohol. The Group has implemented education and awareness activities to support psychological safety. Employee wellbeing is supported by a range of leader and employee tools, in addition to extensive support provided by our Employee Assistance Partner (including onsite attendance to provide personal support when this is required).
Operational Risks	
The Group faces operational risks in its day-to-day activities and processes. This includes risk of loss or reputational damage resulting from inadequate, changed or failed internal processes, people or systems (including, amongst other things, technology, innovation, data storage, staffing levels and skills, and information security systems), or from external events. Though controls are in place, these may not always be effective at mitigating unexpected internal or external events which may adversely impact the Group's operational and financial performance.	The remediation program includes clearly defined work streams designed to simplify the control environment and identify any control gaps. A culture of risk awareness through the Group's 'three-lines-of accountability' model provides a foundation for the Group's risk management framework. Assurance and Audit capabilities are being improved.
Political and General Business and Economic Conditions	
In light of macroeconomic events and political, economic and business conditions, geopolitical risks and natural disasters, Australia may continue to experience economic variability and uncertainty going forward. These economic and geopolitical conditions have had, and could in the future have, an adverse impact on the Group's operating and financial position and performance.	The Group works collaboratively with external stakeholders and engages actively with governments and regulators in support of common objectives. The Group monitors the external environment and responds to challenges that may impact its customers, its employees and its business, including through management of expenses and investments.

Risk and description	Mitigation strategy
Sustainability	
The Group faces sustainability risks related to environmental, social, and governance (ESG) factors that may affect its long-term viability and stakeholder trust. These include exposure to climate-related risks, energy and resource consumption, and social licence to operate. Failure to meet evolving stakeholder expectations around responsible business practices, transparency, and ethical governance could impact investor confidence, regulatory relationships, and community support.	Sustainability risks are tracked and reported by management with actions taken to remain within defined risk appetite. Sustainability matters are reported to the Board Risk and Compliance Committee. The Group manages sustainability risks in line with its "3 lines of accountability" model to identify and manage key risks and to provide assurance that critical controls are effective in managing those risks. This model is supported by the Group's risk management framework.

2.8 ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's environmental obligations are regulated under both state and federal laws. The Group complies with its environmental performance obligations. During FY25, no environmental breaches have been notified to the Group by any government agency and the Directors are not aware of any material non-compliance with environmental regulations pertaining to the operations or activities during the period covered by this report. In addition, the Group reports the annual performance of its operations under the requirements of the National Greenhouse and Energy Reporting Act 2007.

3 LOSS PER SHARE

Basic and diluted loss per share for the financial year was (14.9) cents (2024: (66.8) cents). Loss per share is disclosed in note F3 of the Financial Report.

4 DIVIDENDS

No final dividend was declared.

5 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

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 ***JVP Transaction***).

The JVP 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 JVP 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 JVP Transaction (including DGCC and The Treasury Hotel and Car Park 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 JVP 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 (refer to DBC Financing Arrangements in note B6), 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, being the DBC exit). 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 $5 million contribution made by the Group which will be payable over a 12 month period from appointment of the replacement operator.

Completion of the JVP 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 JVP Transaction. Should the DBC exit stage of the JVP Transaction be terminated, or the JVP Transaction is otherwise unable to be completed, 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 B6).

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 JVP 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.

Suspension of Casino Licences

On 24 September 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC (previously extended to 30 September 2025 as notified on 28 March 2025).

On 25 September 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 2026 (previously extended to 30 September 2025 as notified on 27 March 2025).

The Star Brisbane's External Adviser's appointment has been extended to 30 September 2026 (previously 30 September 2025).

SFA Facility partial prepayment

On 25 September 2025, the Group issued a notice to voluntarily prepay $61.1 million of the SFA Facilities using the balance of funds in the Disposal Proceeds Account. This prepayment is expected to complete on 30 September 2025.

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.

6 DIRECTORS' QUALIFICATIONS, EXPERIENCE AND SOCIAL RESPONSIBILITIES

The details of the Company's Directors in office during the financial year and until the date of this report (except as otherwise stated) are set out below.

Current Directors	
Anne Ward	**Chairman** (from 29 April 2024) **Independent Non-Executive Director** (from 18 November 2022). *Barrister and Solicitor of the Supreme Court of Victoria; Fellow of the Australian Institute of Company Directors; Bachelor of Laws; Bachelor of Arts* **Experience:** Anne Ward is an experienced company director with expertise in business management, strategy, governance, risk and finance and broad industry experience spanning financial services, banking, insurance, technology, healthcare, government, education, tourism, entertainment and gaming. Anne also has considerable experience in complex governance, transformation and risk management across highly regulated sectors, including casinos. Anne was formerly Chairman of Articore Group Ltd, Symbio Holdings Ltd, Colonial First State Investments Ltd, Qantas Superannuation Ltd and Zoos Victoria, and a director of Crown Resorts Limited, MYOB Group Ltd and Flexigroup Ltd. She was previously a Council Member at RMIT University for several years, where she contributed to an uplift in governance for the university sector in Australia. Prior to her career as a professional director, Anne was a commercial lawyer for 28 years and was General Counsel for Australia at the National Australia Bank and a partner at Minter Ellison in Melbourne. **Special Responsibilities:** - Member of the Risk and Compliance Committee - Member of the Culture, People and Remuneration Committee - Member of the Nominations Committee **Directorships of other Australian listed companies held during the last 3 years:** - Articore Group Limited (22 March 2018 to 2 June 2025) - Symbio Holdings Limited (22 July 2021 to 28 February 2024) - Crown Resorts Limited (13 January 2022 to 24 June 2022)

Current Directors	
Steve McCann	**Group Chief Executive Officer and Managing Director** (from 2 December 2024) *Bachelor of Laws; Bachelor of Economics* **Experience:** Steve's career spans finance, real estate development and investment, leisure and gaming over three decades. As well as being recognised for his extensive executive and leadership experience, Steve is highly regarded by key industry and government stakeholders for his recent leadership of Crown Resorts Limited where he set the organisation on a strong path of operational and cultural reform after joining as CEO in 2021. Prior to joining Crown, Steve spent 12 years as CEO of the global Lendlease business, with his success in the role positioning him as one of the country's most effective and respected leaders. Before being appointed as Group CEO of Lendlease, Steve was Group Finance Director and Chief Executive Officer of Lendlease's Investment Management business, roles which drew on his 15 years of experience at ABN AMRO and Bankers Trust where he held senior leadership roles spanning property, funds management, investment banking and capital markets transactions. Steve began his career as a mergers and acquisitions lawyer at Freehills after graduating from Monash University in Melbourne with a Bachelor of Laws and a Bachelor of Economics. **Special Responsibilities:** - Nil **Directorships of other Australian listed companies held during the last 3 years:** - Scentre Group (1 November 2022 to 26 June 2024) - Crown Resorts Limited (1 June 2021 to 24 June 2022)
Peter Hodgson	**Independent Non-Executive Director** (from 7 February 2024) *Master of Arts; Bachelor of Arts; Member of the Australian Institute of Company Directors* **Experience:** Peter is an experienced director with extensive global financial services experience and a strong business track record. He is a strategic thinker with in-depth experience in large complex companies. Peter recently stepped down as Chair of ASX-listed Judo Bank, remaining as senior independent director. He is Chair of Centre of Evidence and Implementation, Chair of Significant Capital Ventures Ltd and is also a director of Planum Capital. He is a member of the University of Melbourne's Trinity College Investment Management Committee and a member of the advisory board of Drummond Capital Partners. Peter previously held senior executive roles in Australian and global financial institutions including Chief Risk Officer and Group Managing Director Institutional at ANZ, and was most recently Chief Executive Officer and Managing Director of Myer Family Investments. **Special Responsibilities:** - Chair of Risk and Compliance Committee - Member of the Audit Committee - Member of the Culture, People and Remuneration Committee - Member of the Nominations Committee **Directorships of other Australian listed companies held during the last 3 years:** - Judo Capital Holdings Limited (25 January 2017 to present)

Current Directors	
Michael Issenberg	**Independent Non-Executive Director** (from 11 July 2022) *BS in Hotel Administration – Cornell University USA* *French Order of Merit (Ordre national du Mérite)* **Experience:** Michael Issenberg is an experienced executive and director with over 40 years' experience in the hotel, casino and tourism industries. Michael is currently a Non-Executive Director of TFE Hotels and Journey Beyond, a tourism experience company. Michael was formerly the Chairman of Tourism Australia and formerly Chairman of Reef Corporate Services Limited, the Responsible Entity of Reef Casino Trust, and Non-Executive Director for over 20 years. He was also previously a Director of Ascendas Hospitality REIT, a Singapore listed company. Prior to that, he held various executive roles with AccorHotels for 25 years, most recently as Chairman and Chief Executive Officer of AccorHotels Asia Pacific. He previously held the role of Chief Executive Officer of Mirvac Hotels, following a successful career at Westin Hotels and Resorts, Laventhol & Horwath, and Horwath & Horwath Services Pty Limited in San Francisco and Sydney. **Special Responsibilities:** - Chair of the Culture, People and Remuneration Committee - Member of the Audit Committee - Member of the Safer Gambling, Governance and Ethics Committee - Member of the Nominations Committee **Directorships of other Australian listed companies held during the last 3 years:** - Nil
Deborah Page AM	**Independent Non-Executive Director** (from 13 March 2023) *Bachelor of Economics, Fellow of Chartered Accountants Australia and New Zealand, Fellow of the Australian Institute of Company Directors* **Experience:** Deborah Page is a Chartered Accountant with dual audit partner and CFO experience during her executive career. She has specific experience in corporate finance, accounting, audit, mergers and acquisitions, capital markets, insurance and joint venture arrangements. Deborah has extensive experience as a company director gained across ASX listed, private, public sector and regulated entities since 2001. Her relevant sector experience includes property, technology, and the regulated sectors of insurance and funds management. Deborah's experience includes Board leadership, governance and compliance, risk management, remuneration practices, investor relations and health, safety and environment. Deborah is currently a Non-Executive Director of Magellan Financial Group Limited and Growthpoint Properties Australia Limited. Deborah is a member of Chief Executive Women and a member of the Takeovers Panel. **Special Responsibilities:** - Chair of the Audit Committee - Member of the Risk and Compliance Committee - Member of the Safer Gambling, Governance and Ethics Committee - Member of the Nominations Committee **Directorships of other Australian listed companies held during the last 3 years:** - Growthpoint Properties Australia Limited (1 March 2021 to present) - Magellan Financial Group Limited (3 October 2023 to present) - Brickworks Limited (1 July 2014 to 23 September 2025) - Pendal Group Limited (7 April 2014 to 23 January 2023) - Service Stream Limited (21 September 2010 to 30 April 2023)

Current Directors	
Antonia (Toni) Thornton	**Independent Non-Executive Director** (from 17 October 2023) *Master of Laws, Bachelor of Arts, Graduate Certificate in Finance* **Experience:** Toni is an experienced executive with more than 15 years' corporate finance and strategic advisory experience, and 13 years' experience in audit at Board-level. Toni brings a strategic commercial focus and experience in regulated industries including financial services and education, as well as strong financial acumen, and diverse enterprise risk and capital projects experience. Toni is currently a Non-Executive Director of G8 Education Limited and Habitat Early Learning. Toni was previously a Non-Executive Director of CS Energy (a Queensland Government energy company), and significant private companies including Millovate Pty Ltd (a beneficial enterprise established to manage development of a major precinct in the Moreton Bay Priority Development Area), South Bank Corporation (the development and management authority for Brisbane's South Bank precinct), Devcorp, Gallipoli Medical Research Foundation and Triathlon Queensland. Prior to embarking on her Board career, Toni had an executive career, holding senior roles with JBWere, Goldman Sachs JBWere, and National Australia Bank. **Special Responsibilities:** - Member of the Culture, People and Remuneration Committee - Member of the Risk and Compliance Committee - Member of the Nominations Committee **Directorships of other Australian listed companies held during the last 3 years:** - G8 Education Limited (29 November 2021 to present)

7 DIRECTORS' INTERESTS IN SECURITIES

At the date of this report (except as otherwise stated), the Directors had the following relevant interests in the securities of the Company:

	Ordinary Shares	Performance Rights
Anne Ward	100,000	Nil
Steven McCann [a]	Nil	10,517,458
Peter Hodgson	95,000	Nil
Michael Issenberg	32,122	Nil
Deborah Page AM	57,016	Nil
Antonia Thornton	170,000	Nil

a Appointed as Group Chief Executive Officer and Managing Director on 2 December 2024 following the receipt of all necessary regulatory approvals.

8 COMPANY SECRETARY

Jennie Yuen holds the position of Group Manager Shareholder Relations and Company Secretary (appointed on 29 July 2021).

Ms Yuen has a commercial and corporate law background in private practice and over 15 years of company secretariat and corporate governance experience with ASX listed and public companies.

Prior to joining The Star Entertainment Group, Ms Yuen was employed as a solicitor and company secretary at Company Matters Pty Limited and was the outsourced company secretary of various ASX listed companies, including Analytica Limited, National Leisure and Gaming Limited and Oaks Hotels & Resorts Limited.

Ms Yuen holds a Bachelor of Laws and a Bachelor of Commerce. She is a member of the Queensland Law Society and a Fellow of the Governance Institute of Australia.

9 BOARD AND COMMITTEE MEETING ATTENDANCE

During the financial year ended 30 June 2025, the Company held 91 meetings of the Board of Directors (including 76 out of cycle meetings and 4 Board sub-committee meetings). The numbers of Board and Committee meetings attended by each of the Directors during the year are set out in the table below.

	Board of Directors		Audit Committee		Risk & Compliance Committee		Culture, People and Remuneration Committee		Nomination Committee		Safer Gambling, Governance & Ethics Committee	
Directors	A	B	A	B	A	B	A	B	A	B	A	B
Anne Ward	89	91	-	-	5	5	4	4	2	2	2	2
Steve McCann [a]	46	48	-	-	-	-	-	-	-	-	-	-
Peter Hodgson	80	88	9	9	5	5	3	4	2	2	-	-
Michael Issenberg	87	88	9	9	-	-	4	4	2	2	2	2
Deborah Page AM	90	91	9	9	5	5	-	-	2	2	2	2
Antonia Thornton	83	87	-	-	5	5	4	4	2	2	-	-

A Number of meetings attended as a Board or Committee member.

B Maximum number of meetings available for attendance as a Board or Committee member.

a Appointed as Group Chief Executive Officer and Managing Director on 2 December 2024 following the receipt of all necessary regulatory approvals.

Details of the functions and memberships of the Committees of the Board and the terms of reference for each Board Committee are available from the Corporate Governance section of the Company's website.

10 INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Directors and Officers of the Company are indemnified against liabilities pursuant to agreements with the Company. The Company has entered into insurance contracts with third party insurance providers, in accordance with normal commercial practices. Under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of premiums paid are confidential.

11 INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the end of the financial year.

12 NON-AUDIT SERVICES

Ernst & Young, the external auditor to the Company and the Group, did not provide non-audit services to the Company during the financial year ended 30 June 2025. As such it was not necessary for the Directors to satisfy themselves that the provision of non-audit services during this period was compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001 (Cth)*. Nor that the nature and scope of each type of non-audit service provided did not compromise auditor independence. These statements are made in accordance with advice provided by the Audit Committee.

The Audit Committee reviews the activities of the independent external auditor and reviews the auditor's performance on an annual basis.

Limited authority is delegated to the Group Chief Financial Officer for the pre-approval of audit and non-audit services proposed by the external auditor, limited to $50,000 per engagement and capped at 40% of the relevant year's audit fee. Delegated authority is only exercised in relation to services that are not in conflict with the role of statutory auditors, where management does not consider the services to impair the independence of the external auditor and the external auditor has confirmed that the services would not impair their independence. Any other non-audit related work to be undertaken by the external auditor must be approved by the Chair of the Audit Committee.

Further details relating to the Audit Committee and the engagement of auditors are available in the Corporate Governance Statement in the Corporate Governance section of the Company's website.

Ernst & Young, acting as the Company's external auditor, received or is due to receive the following amounts in relation to the provision of non-audit services to the Company:

Description of services	$000
Fees for other assurance and agreed-upon-procedures services (including sustainability assurance) under contractual arrangements, where there is discretion as to whether the service is provided by the auditor	-
Fees for other advisory and compliance services	-
Total of all non-audit and other services	-

Amounts paid or payable by the Company for audit and non-audit services are disclosed in note F10 of the Financial Report.

13 ROUNDING OF AMOUNTS

The Star Entertainment Group Limited is a company of the kind specified in the Australian Securities and Investments Commission's *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.* In accordance with that Instrument, amounts in the Financial Report and the Directors' Report have been rounded to the nearest hundred thousand dollars unless specifically stated to be otherwise.

14 AUDITOR'S INDEPENDENCE DECLARATION

Attached is a copy of the auditor's independence declaration provided under section 307C of the *Corporations Act 2001 (Cth)* in relation to the audit of the Financial Report for the year ended 30 June 2025. The auditor's independence declaration forms part of this Directors' Report.

Anne Ward
Chairman
Sydney
30 September 2025

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of The Star Entertainment Group Limited

As lead auditor for the audit of the financial report of The Star Entertainment Group for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of The Star Entertainment Group Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Jarrett
Partner
30 September 2025

The Star Entertainment Group Limited

A.C.N. 149 629 023

ASX Code: SGR

and its controlled entities

Remuneration Report (audited)

for the year ended 30 June 2025

DIRECTORS', REMUNERATION AND FINANCIAL REPORT

THE STAR ENTERTAINMENT GROUP

Dear Shareholder,

On behalf of the Board, I present the Remuneration Report for the year ended 30 June 2025 **(FY25)**.

FY25 has been another challenging year for The Star as we continue to work hard to regain the trust of our shareholders, guests, regulators and the community and restore the value of your company. I want to once again thank our valued team members across the business who are working tirelessly to deliver support to our guests and contributing to our remediation program, a roadmap to restoring and retaining our suitability to hold casino licences in NSW and Queensland.

The Board is optimistic that the announcements of the investments by Bally and Investment Holdings combined with the execution of binding agreements with Destination Brisbane Consortium and Destination Gold Coast Consortium will create new opportunities and momentum to support out goals outlined above.

RESPONSE TO OUR FIRST STRIKE

The FY24 Remuneration Report resolution received 56.94% shareholder support, resulting in the Star receiving its 'first strike'.

The Culture, People and Remuneration Committee remains committed to engaging with shareholders and their advisors to better understand their concerns. The Board undertook an extensive search to identify a CEO capable of leading The Star through a period of significant remediation and renewal. The brief required a rare combination of skills - proven turnaround leadership experience operating in highly regulated environments, with strong relationships to support the rebuilding of trust with regulators, partners, customers, team members and investors. The market for executives with this profile is exceptionally tight. After a rigorous process and external benchmarking, the Board was pleased to appoint Mr McCann as CEO and MD - a rare calibre of executive.

The Board acknowledges Mr McCann's remuneration structure is not typical market practice. In securing Mr McCann, the Board's objective was to appropriately align incentives with the immediate priorities facing the Star, including licence remediation, risk and compliance uplift, operational stabilisation and cultural reset. Given the Company's exceptional circumstances and near-term milestones, a conventional remuneration mix was not considered, in the Board's view, the most effective structure.

In the context of these headwinds, in his first year as CEO and MD, Mr McCann has already demonstrated his commitment and impact. Notably, he was instrumental in successfully identifying and executing on initiatives to support the stabilisation of the Group, as outlined in my opening comments. Securing the strategic investment of Bally's highlights Mr McCann's skills and industry profile as the Star represents Bally's first investment in the Australian market. The resounding investor support for the investments, with all resolutions receiving over 98% support at the June General Meeting, further supports the Board's rationale for Mr McCann's appointment.

While the Board has approved a bespoke, transitional structure upon Mr McCann's appointment to support the CEO's immediate priorities, it is intended that the structure will revert back to a more conventional structure in FY27 onwards, once there is greater certainty around the Group's financial and operating performance and to better align performance measures. This future model will more closely align time horizons and vesting profiles to sustainable long-term value creation.

Mr McCann joined the Star at a time of heightened complexity and uncertainty. The Board firmly remains confident that his leadership, skills, experience and track record are essential to continued progress of the Group's remediation and transformation journey and understand the importance remuneration plays in attracting and retaining key talent. The Board will continue to review the CEO and MD's remuneration arrangement annually and provide transparent disclosure, including around any application of discretion.

GOVERNANCE STRUCTURE REVIEW

In FY25, in response to findings from The Bell 2 Report, a new Governance Framework was developed which allocates oversight, and corporate governance responsibilities across the Group companies (including for the Company Board and its Committees, and more particularly at the subsidiary companies that operate The Star's Integrated Resorts (Property or Properties) including casinos in each of Sydney, Gold Coast and Brisbane.

A key aspect of the new Governance Framework is to ensure that the Property Boards provide more focused direct and close supervision of the Sydney, Gold Coast and Brisbane Properties consistent with those entities' obligations under the relevant casino control legislation in NSW and Queensland.

Embedment of the Governance Framework will occur throughout 2026. This also includes finalizing appointments of external independent directors to those Property Boards.

FY25 SHORT TERM INCENTIVE OUTCOME

During FY25 the company continued to experience ongoing financial challenges and the performance measures for the Short-term incentive plan resulted in a combined outcome that was well below expectations. The Board determined that there would be no payment for short-term incentive plan participants for FY25.

Section 5.1 provides a detailed assessment of the outcomes delivered against the Group KPIs for FY25 and details of the discretion exercised by the Board.

As part of securing Mr McCann's employment, the Board approved a FY25 Short Term Incentive (STI), paid in cash, with consideration given to the factors outlined in the 'Response to First Strike' section above. Additional details are provided in Table 1A and the ASX announcement of his appointment on the 26 June 2024.

LONG TERM INCENTIVE PLAN

The FY21 LTI award was tested against the Total Shareholder Return **(TSR)**, Earnings Per Share **(EPS)** and Return on Invested Capital **(ROIC)** performance hurdles. None of the hurdles met the threshold performance required, and the awards were lapsed in full for the sixth consecutive year.

The FY22 LTI award will be tested against the relevant performance hurdles in September 2025.

LEADERSHIP CHANGES DURING FY25

There were numerous changes to KMP and more broadly across the Group Leadership Team **(GLT)** in FY25. The Company has made the following key appointments as it continues to enhance its leadership and further its remediation efforts:

KMP CHANGES

– Steve McCann, Group Chief Executive Officer | Managing Director (commenced 8 July 2024)

– Frank Krile, Group Chief Financial Officer (commenced 17 December 2024)

Following a review of roles and responsibilities, it was determined that the Chief Risk Officer and Chief Operating Officer roles are no longer KMP roles. This reflects the consolidation and stabilisation of key governance authority and decision-making responsibilities under the Chief Executive Officer and Managing Director as well as the increased scope of authority and accountability assumed by the Property CEOs across the three Integrated Resorts

Further detail around the timing of the individual KMP changes, including departures, appears at page 29.

OTHER GLT CHANGES

– Jennifer Cronin, Interim Chief Executive Officer, The Star Gold Coast (commenced 1 July 2025). This role will be included as KMP in FY26.

– Patrick McGlinchey, Group Chief Legal Officer (commenced 20 August 2024 as Interim Group Chief Legal Officer and subsequently appointed as Group Chief Legal Officer on 24 June 2025)

– Rowena Craze, Group Chief Risk Officer (commenced 30 April 2024 as Group Chief Audit Officer and subsequently appointed as Group Chief Risk Officer on 18 February 2025)

– Sarah Derry, Group Chief People Officer (commenced 31 March 2025)

– Peter Meliniotis, Group Chief Information Officer (commenced 28 January 2025 Group Technology Transformation Executive and subsequently appointed as Group Chief Information Officer on 24 June 2025)

On behalf of the Board, I invite you to read the Remuneration Report, and we welcome your feedback.

Modifications to the short-term incentive performance measures for the Group Leadership team (including KMP) have also been made. Further details on these changes will be provided in the FY26 Remuneration Report.

Yours Sincerely,

Michael Issenberg
Culture, People and Remuneration Committee Chair


REMUNERATION REPORT

FOR THE YEAR ENDED 30 JUNE 2025

CONTENTS

The Directors of The Star Entertainment Group Limited (**The Star Entertainment Group** or the **Company**) have approved this Remuneration Report for the consolidated entity comprising the Company and its controlled entities (collectively referred to as the **Group**) in respect of the financial year ended 30 June 2025.

This Remuneration Report outlines the remuneration arrangements for Key Management Personnel (KMP) (as set out in Section 300A of the Corporations Act 2001 (Cth) and the Australian Accounting Standards are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director whether executive or otherwise) of The Star Entertainment Group Limited. This report has been prepared in accordance with the requirements of the Corporations Act 2001, (Cth) (the Corporations Act) and its regulations. The information has been audited as required by section 308(3C) of the Corporations Act where indicated.

For the purposes of this report, the term 'Executive KMP' means the Group Chief Executive Officer | Managing Director (Group CEO | MD), the Group Chief Financial Officer, the Chief Executive Officer, The Star Sydney, the Chief Executive Officer, The Star Brisbane, and excludes Non-Executive Directors (NEDs).

THE STAR ENTERTAINMENT GROUP LIMITED
A.C.N. 149 629 023
ASX CODE: SGR
AND ITS CONTROLLED ENTITIES

01. KEY MANAGEMENT PERSONNEL

The names and titles of the Company's KMP for the year ended 30 June 2025 are set out below.

CURRENT NON-EXECUTIVE DIRECTORS		
Anne Ward	Chair of the Board, Chair of Safer Gambling, Governance & Ethics Committee and Chair of Nominations Committee	Full Financial Year
Deborah Page AM	Chair of Audit Committee	Full Financial Year
Michael Issenberg	Chair of Culture, People and Remuneration Committee	Full Financial Year
Peter Hodgson	Chair of Risk & Compliance Committee	Full Financial Year
Antonia Thornton	Chair of Compliance Committees	Full Financial Year
CURRENT EXECUTIVE KMP[1]		
Steve McCann[2]	Group Chief Executive Officer and Managing Director	Appointed 8 July 2024
Frank Krile[3]	Group Chief Financial Officer	Appointed 17 December 2024
Janelle Campbell	Chief Executive Officer, The Star Sydney	Full Financial Year
Daniel Finch	Chief Executive Officer, The Star Brisbane	Full Financial Year
FORMER EXECUTIVE KMP		
Neale O'Connell	Acting CEO / Interim Group Chief Financial Officer	Ceased 28 March 2025
Scott Saunders	Group Chief Risk Officer	Ceased 31 January 2025

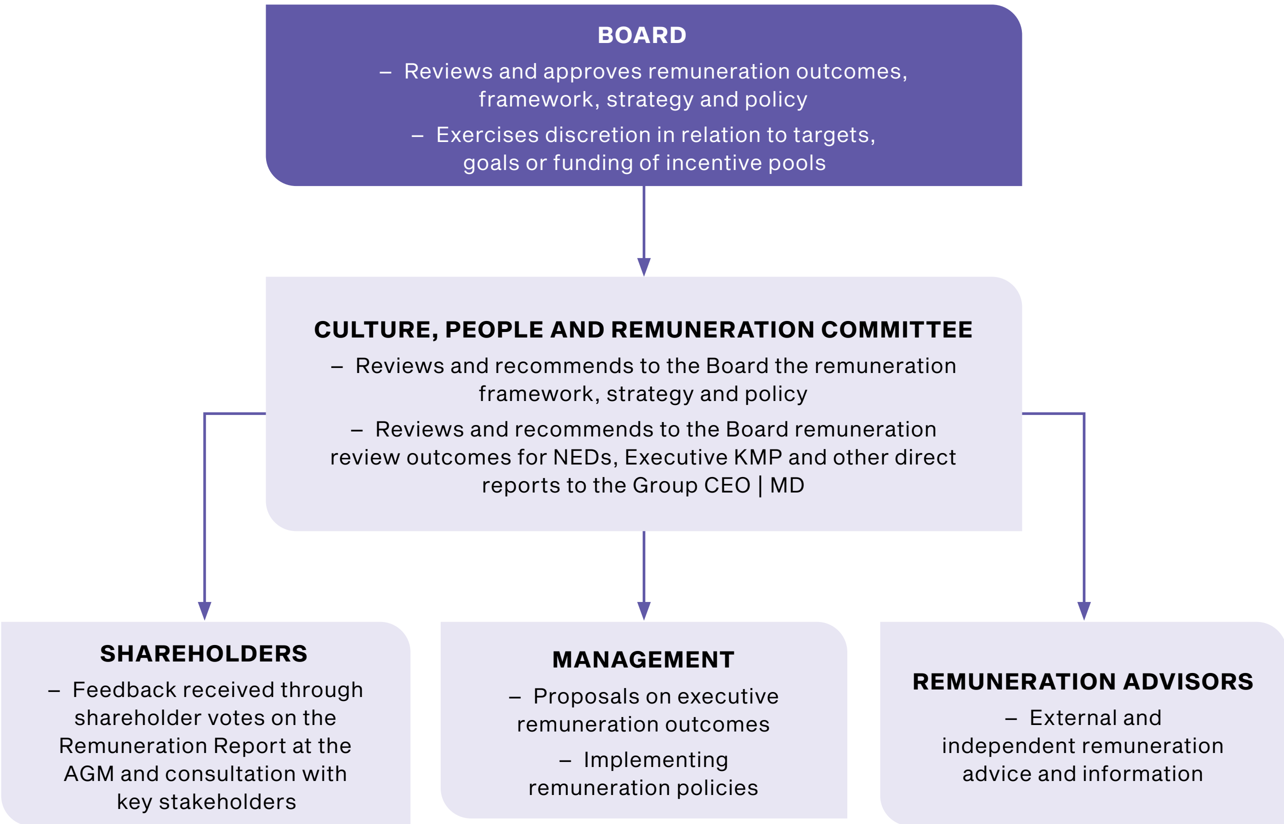
[1] For FY25, the Board has resolved to remove the Chief Risk Officer and Chief Operating Officer from the list of Key Management Personnel (KMP). This decision reflects a reassessment against the definition of KMP under the Corporations Act, which refers to individuals who have authority and responsibility for planning, directing, and controlling the activities of a company, including any director (executive or otherwise). This definition aligns with the accounting standards under AASB 124.
Significant progress has been made this year in stabilizing Group operations.
[2] On 26 June 2024, the Company announced the appointment of Steve McCann as its Group Chief Executive Officer and Managing Director. Mr. McCann joined the Company on 8 July 2024 (subject to regulatory approval which was received on 28 November 2024).
[3] On 17 December 2024, the Company announced the appointment of Frank Krile as its Group Financial Officer. Mr. Krile joined the Company on 17 December 2024 (subject to regulatory approval which was received on 17 March 2025).

02. REMUNERATION GOVERNANCE

The Culture, People & Remuneration Committee (the Committee) provides oversight and considers matters relating to the remuneration of KMP as well as the remuneration policies of the Group generally. This includes reviewing and recommending to the Board, the remuneration of the Chairman and NEDs, Executive KMP and other direct reports to the Group MD | CEO. The main responsibilities of the Committee are outlined in the Committee Charter available on the corporate governance page of the Company's website at: www.starentertainmentgroup.com.au/corporate-governance/

Under the Committee's Charter, the majority of Committee members must be independent non-executive directors, and the Chair of the Committee must be an independent non-executive director. All members of the Committee (including the Chair) are independent non-executive directors. The background of the Committee members is included in the Directors' Report on Page 19.

THE FOLLOWING DIAGRAM REPRESENTS THE STAR ENTERTAINMENT GROUP'S REMUNERATION DECISION-MAKING STRUCTURE



USE OF REMUNERATION ADVISORS

The Committee seeks external advice from time to time to ensure it is fully informed when making remuneration decisions. Remuneration advisors are engaged by, and report directly to, the Committee. No remuneration recommendations as defined by the Corporations Act were provided during FY25.

GENDER PAY EQUITY

The Group remains committed to ensuring that our employees continue to be remunerated fairly and equitably. The Group conducts annual gender pay equity reviews that are presented to the Committee and continues to address any gender pay equity issues as they arise.

03. REMUNERATION STRATEGY AND PROGRAMS

3.1 REMUNERATION OVERVIEW

REMUNERATION PRINCIPLES

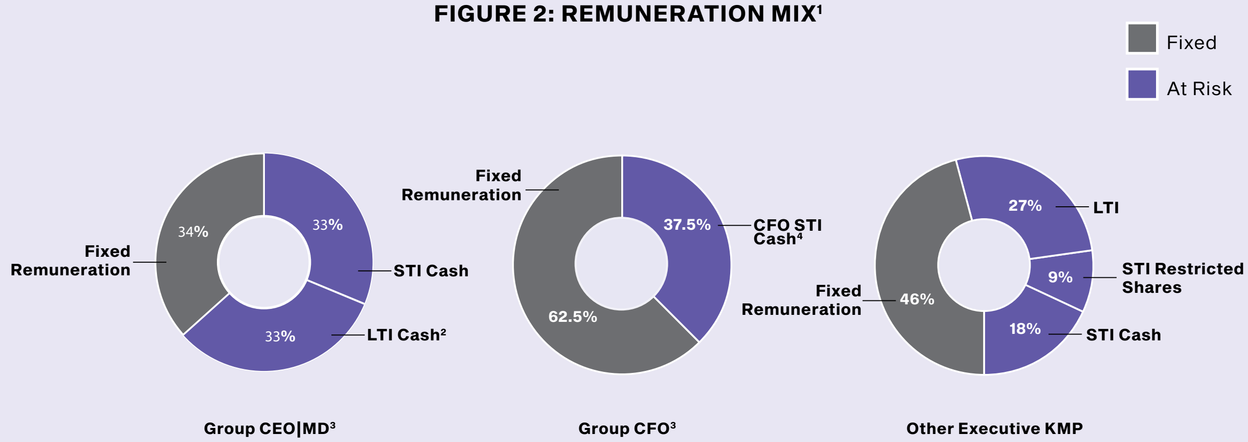
The following remuneration principles underpin and guide the design of remuneration programs:

FIGURE 1: REMUNERATION PRINCIPLES

REMUNERATION MIX AT TARGET

Variable remuneration (comprising STI and LTI at target amounts) accounts for the majority of the total remuneration mix for the Group CEO | MD, Group CFO and other Executive KMP as illustrated in Figure 2 below.

FIGURE 2: REMUNERATION MIX[1]

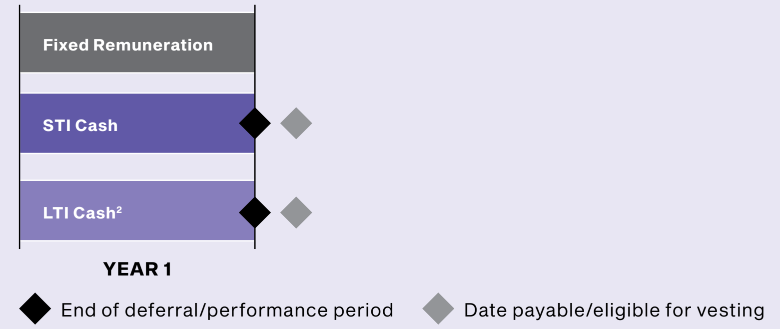


[1] This does not include one-time sign on bonus amounts which have been included as additional items (refer to table 13 for further detail)
[2] Sign on bonus paid in cash 15 July 2024, in lieu of FY25 LTI
[3] In addition to the above remuneration, the CEO / MD was granted 10,517,458 sign on performance rights (approved by Shareholders at the AGM on 28 November 2024). These are excluded from Table 1A as they are considered a one-time award and not reflective of their ongoing Total Annual Reward (TAR) This has been considered in Table 13. The Sign-on Performance Rights will vest three years after commencement (8 July 2027) subject to Mr McCann not resigning or being terminated by the Company for cause within the three-year period. The Sign-On Performance Rights will also vest if there is a Trigger Event (see below), or a “Fundamental Change” occurs pursuant to a transaction that results in a substantial diminution to Mr McCann's role, or Mr McCann’s employment is terminated without cause before the vesting date, The Star will pay the cash equivalent as calculated at that time, with an initial payment within statutory limits under Part 2D.2 of the Corporations Act at the time of the Trigger Event or Fundamental Change or termination of employment and the balance on the original vesting date had there been no Trigger Event or Fundamental Change or had Mr McCann remained in employment with The Star.
If the Convertible Notes issued to Bally's and Investment Holdings are converted, and the Board of The Star is reconstituted to comprise a majority of Directors appointed by Bally's and Investment Holdings, the Strategic Investments will constitute a 'trigger event' at the relevant time under the Employment Agreement of Mr McCann. A 'trigger event' includes a 'change in control' in The Star and entitles Mr McCann to payment of any unpaid remuneration entitlement due during the first two years of employment, including any remaining fixed remuneration due for the period and any incentives or retention bonus amounts due during this term.
[4] The CFO STI Cash comprises a cash retention bonus of $1,140,000, payable in two equal tranches of $570,000. The first tranche is payable in September 2025 and subject to a claw back period should the CFO give notice of resignation or is validly terminated in the first twelve months following the payment being made. The second tranche is payable in September 2026. The retention bonus's intention was to be in lieu of the CFO's participation in the Group's STI Plan in FY25 and FY26, and throughout the remuneration report has been referred to as CFO STI CASH.
[5] In addition to the above remuneration, the Group CFO was granted 2,477,829 sign on performance rights. These are excluded from Table 1B as they are considered a one-time award and not reflective of their ongoing Total Annual Reward (TAR) This has been considered in Table 13. The Sign-on Performance Rights will vest two years after commencement (17 Dec 2026) subject to Mr Krile not resigning or being terminated by the Company for cause within the two-year period. The Sign-On Performance Rights will also vest if there is a Trigger Event (see below), or a “Fundamental Change” occurs, or Mr Krile’s employment is terminated without cause before the vesting date, The Star will pay the cash equivalent as calculated at that time, with an initial payment within statutory limits under Part 2D.2 of the Corporations Act at the time of the Trigger Event or Fundamental Change or termination of employment and the balance on the original vesting date had there been no Trigger Event or Fundamental Change or had Mr Krile remained in employment with The Star

REMUNERATION TIME HORIZON

Figure 3A provides an illustrative indication of how remuneration is delivered to Group CEO | MD.

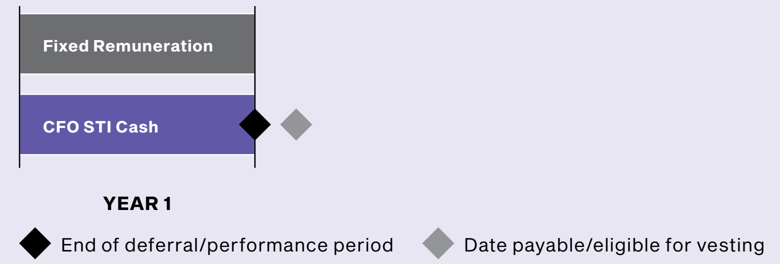
FIGURE 3A : REMUNERATION TIME HORIZON GROUP CEO | MD[1]



[1] The CEO | MD's remuneration will revert to the standard Executive KMP pay structure from FY27, which is shown in Figure 3C below
[2] Sign on bonus paid in cash 15 July 2024, in lieu of FY25 LTI

Figure 3B provides an illustrative indication of how remuneration is delivered to Group CFO.

FIGURE 3B: REMUNERATION TIME HORIZON GROUP CFO[1]



[1] The Group CFO's remuneration will revert to the standard Executive KMP pay structure from FY27, which is shown in Figure 3C below

Figure 3C provides an illustrative indication of how remuneration is delivered to Executive KMP.

FIGURE 3C: REMUNERATION TIME HORIZON EXECUTIVE KMP

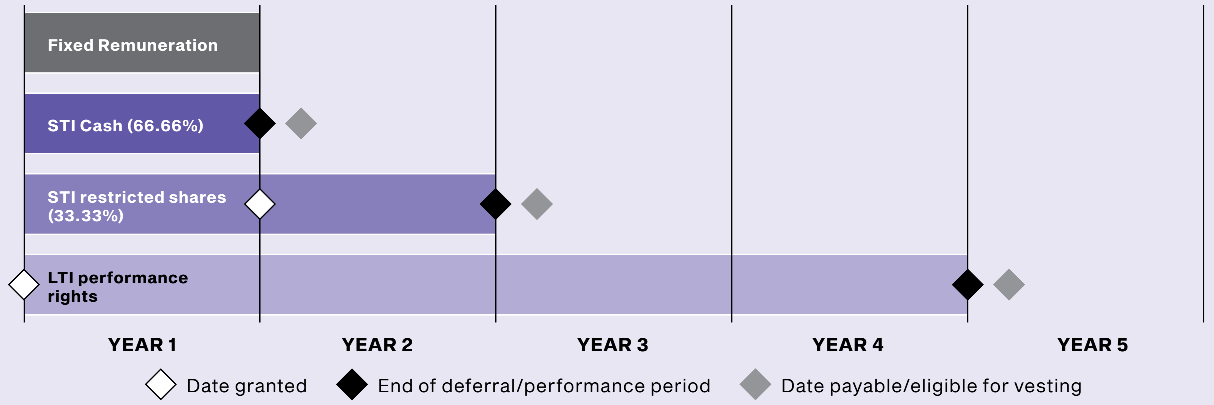


Table 1A below summarises the components of the CEO|MD Total Annual Reward (TAR) and their link to the strategic objectives of the Group.

TABLE 1A: COMPONENTS OF CEO | MD[1] - EXECUTIVE KMP'S TAR STRUCTURE FOR FY25 & FY26

	Fixed Remuneration	STI	LTI
Rationale	Fixed remuneration forms an integral component of the overall employee value proposition of the Group, designed to attract and retain the talent required to operate the business and provide excellent guest experience. Annual pay reviews occur in August each year with remuneration changes effective from 1 September.	For FY25 and FY26, the CEO | MD 's STI has been structured to support leadership continuity and stability during a critical phase for the organisation. The arrangement reflects the importance of retaining the CEO | MD to lead the Company's transformation and cultural renewal. It is designed to ensure alignment with strategic priorities and stakeholder expectations.	For FY25 and FY26, the CEO | MD 's LTI has been structured to support leadership continuity and stability during a critical phase for the organisation. The arrangement reflects the importance of retaining the CEO | MD to lead the Company's transformation and cultural renewal. It is designed to ensure alignment with strategic priorities and stakeholder expectations.
Structure	Base salary and superannuation (Cash).	Cash	Cash
Quantum	Targeted at the median of relevant external peer group.	100% of fixed remuneration	100% of fixed remuneration
Amount	$2,500,000	$2,500,000 - FY25 $2,500,000 - FY26	$2,500,000 - FY25 $2,500,000 - FY26

[1] The Group CEO | MD Steve McCann has an individual arrangement with-in his respective employment contract. Further details are included in Table 12 and Table 13 respectively.

Table 1B below summarises the components of the Group CFO Total Annual Reward (TAR) and their link to the strategic objectives of the Group.

TABLE 1B: COMPONENTS OF GROUP CFO[1] - EXECUTIVE KMP'S TAR STRUCTURE FOR FY25 & FY26

	Fixed Remuneration	CFO STI CASH
Rationale	Fixed remuneration forms an integral component of the overall employee value proposition of the Group, designed to attract and retain the talent required to operate the business and provide excellent guest experience. Annual pay reviews occur in August each year with remuneration changes effective from 1 September.	For FY25 and FY26, the Group CFO's STI has been structured to support leadership continuity and stability during a critical phase for the organisation. The arrangement reflects the importance of retaining the Group CFO to lead the company's transformation and cultural renewal.
Structure	Base salary and superannuation.	Cash
Quantum	Targeted at the median of relevant external peer group.	60% of fixed remuneration
Amount	$950,000	$570,000 – FY25 $570,000 – FY26

[1] The Group CFO Frank Krile has an individual arrangement with-in his respective employment contract. Further details are included in Table 12 and Table 13 respectively.

Table 1C below summarises the components of Executive KMP's Total Annual Reward (TAR) and their link to the strategic objectives of the Group.

TABLE 1C: COMPONENTS OF STANDARD EXECUTIVE KMP'S TAR OPPORTUNITY FOR FY25

	Fixed Remuneration	STI	LTI
Rationale	Fixed remuneration forms an integral component of the overall employee value proposition of the Group, designed to attract and retain the talent required to operate the business and provide excellent guest experience. Annual pay reviews occur in August each year with remuneration changes effective from 1 September.	The STI is designed to reward participants for execution of the Company's strategic priorities and achievement of operational goals during the performance period. Company KPIs are reviewed annually and reflect the most critical strategic priorities and during the financial year.	The LTI is designed to provide direct alignment with shareholders and reward participants for their contribution towards achieving the Group's strategic priorities and are orientated around delivering long term sustainable shareholder value creation. Performance for FY25 is measured against: – Relative Total Shareholder Return (TSR)
Structure	Base salary and superannuation	Two thirds are paid in cash, with one third delivered as restricted shares, deferred for one year (to align to shareholder interests).	Performance rights with vesting subject to performance over a four-year period.
Quantum	Targeted at the median of relevant external peer group.	Executive KMP: 60% of fixed remuneration (at target opportunity) , with maximum being 90% fixed remuneration.	Executive KMP target 60% of fixed remuneration (at target opportunity). The maximum opportunity is the same as target.

3.2 FIXED REMUNERATION

The fixed remuneration received by Executive KMP includes base salary, superannuation and non-monetary benefits. The amount of fixed remuneration an executive receives is based on the following:

- Scope and responsibilities of the role;
- With reference to the level of remuneration paid to executives of comparable ASX-listed organisations and/or appropriate gaming and entertainment peers, with Board discretion exercised where necessary, informed by market insights (at the time each Executive KMP received their employment offer, taking into the market capitalisation at the time) and the strategic requirements of the business; and
- Level of international and domestic gaming knowledge, skills and experience of the individual.

Fixed remuneration is reviewed annually, the company policy aims at positioning target fixed remuneration at the median of the market,although this may deviate from the market median according to the individual's capabilities, demand for talent and other business factors.

3.3 STI DESIGN

The Company undertook a review of the design of its remuneration programs to ensure that the remuneration tools in place support the Board and Management in the embedment of strong risk management and regulatory remediation and cultural transformation. The summary below outlines the changes made to the STI plan as a result of this review.

Changes to the FY25 STI plan design:

- Streamlining of the Company KPIs from four to three categories for FY25 and consolidation of the Group Regulatory Compliance and Risk Management category
- Removing safety from individual scorecards roles that do not require a strategic focus on safety. For other roles, safety is considered part of our ordinary operating rhythm and the expectation of our teams in the focus on safety is part of business-as-usual activity and is covered within a variety of policies, including the Code of Conduct.
- Introduction of a mandatory Compliance Training individual gateway which acts as a gate opener (as eligibility for the individual STI component), for the individual component of STI plan participation each year.
- Introduction of Property Scorecards (previously one scorecard existed for all roles) aligned to our strategic priorities in FY25.

For FY25 ~950 team members participated in the STI plan (which increased from 888 for FY24). All Executive KMP participated in the plan except for Steve McCann and Frank Krile due to alternative arrangements which are set out in their respective employment contracts and as previously communicated to Shareholders. Refer to page 47 for contract details.

Table 2 sets out the key features of the STI.

TABLE 2: KEY DESIGN FEATURES OF THE STI

<table>
<tr><td>Purpose</td><td>To reward participants for execution of the Group's strategy and achievement of operational goals during the performance period.</td></tr>
<tr><td>Remediation Gateway[1]</td><td>Delivery of FY25 Remediation Program milestones, per the timings in the remediation plan, evidenced by closure memos assured by KPMG and submitted to the Special Manager's Team. A minimum of 90% of milestones must be delivered in order for the remediation gateway to open. Milestones that the Company is unable to deliver due to external factors will be excluded from the delivery count.</td></tr>
<tr><td>Group Performance Metrics and weightings</td><td><table>
<tr><th>Metric</th><th>Weighting</th></tr>
<tr><td>Group EBITDA</td><td>30%</td></tr>
<tr><td>Progressed Cultural Transformation</td><td>30%</td></tr>
<tr><td>Individual Performance</td><td>40%</td></tr>
</table></td></tr>
<tr><td>Property Performance Metrics and weightings</td><td><table>
<tr><th>Metric</th><th>Weighting</th></tr>
<tr><td>Property EBITDA</td><td>20%</td></tr>
<tr><td>Group EBITDA</td><td>10%</td></tr>
<tr><td>Embed Safer Gambling strategies</td><td>15%</td></tr>
<tr><td>Progressed Cultural Transformation</td><td>15%</td></tr>
<tr><td>Individual Performance</td><td>40%</td></tr>
</table></td></tr>
<tr><td>Group and Property Performance Metrics Payment Scale</td><td>Group and Property performance metrics are assessed by measuring each individual outcome against the Board approved targets.<table>
<tr><th>Outcome %</th><th>Payout %</th></tr>
<tr><td><90%</td><td>No payment</td></tr>
<tr><td>90%</td><td>50%</td></tr>
<tr><td>95%</td><td>75%</td></tr>
<tr><td>100%</td><td>100%</td></tr>
<tr><td>105%</td><td>125%</td></tr>
<tr><td>110%</td><td>150%</td></tr>
</table></td></tr>
<tr><td>Individual Gateway - Mandatory Training[2]</td><td>Completion of mandatory compliance training.</td></tr>
</table>

Individual Performance Payment Scale	Individual performance is determined by assessing performance against individual priorities to arrive at a performance rating. Individual ratings may then be modified by the individual behavioral assessment, if behaviors are either exceed or are misaligned with expectations. Performance ratings link to indicative payouts as follows:
Payment calculation	A participant's individual STI award is based on the following calculation:
Incentive opportunity levels	Opportunities are based on the participant's incentive target as set out in individual contracts of employment (refer Table 13). The payment range available is 0% – 150% of the participant's incentive target.
Delivery of payments	Two-thirds of payments are delivered in cash in September. One-third of all payments are held in restricted shares for a period of twelve months from the date of the award. These shares are forfeited in the event that the participant voluntarily terminates from the Group or is terminated with cause (refer Clawback below). Restricted shares may also be forfeited in part or full in instances of fraud, dishonesty, breach of obligations including the Group's Code of Conduct. Participants are entitled to receive dividends and have voting rights during the restriction period, however they are unable to vote on remuneration resolutions at the AGM.
Clawback	Incentives may be clawed back where there has been a material misrepresentation of the financial outcomes on which the payment had been assessed and/or the participant's actions have been found to be fraudulent, dishonest or in breach of the Group's Code of Conduct (e.g. misconduct). This provision may extend up to the prior three financial years of STI payments.
Guiding Principles for informing discretion	1. **Nature and timing of adjustments** – adjustments, both positive and negative, will only be made to the performance/reward outcome (rather than the target) at the time of payment and/or vesting. 2. **Transparency** – the Company will provide a clear rationale and disclosure for any adjustments made (for example, providing a reconciliation to statutory results), especially in cases where, prima facie, performance has not been achieved. 3. **Material or significant events** – adjustments will only be made for events or items over the performance period that have a material impact on the outcome. Adjustments will also only be made where it has an impact on the result of the award. 4. **Balancing short term and long term performance** – adjustments will be made that balance the interests of short term performance outcomes with long term performance outcomes. For example, where a short term objective was not met because a strategic decision was taken to support a longer term objective. Adjustments will, where appropriate, be informed by the assumptions used in the business plan from which the target was set, to determine whether there has been a material deviation in the assumptions used and whether this was outside of management's control. 5. **Maintain plan integrity** – adjustments will be carefully considered to ensure they maintain the plan's integrity and purpose. 6. **Assessing behavioral impacts on performance outcomes** – the actions of participants will be considered in the achievement of performance metrics to assess adherence to the Company's code of conduct. 7. **Exercising discretion consistently and fairly** – the use of discretion will be applied consistently both positively and negatively and information used will be sufficiently objective and free from bias to ensure decisions are arrived at fairly.

Rating	Payout % Range
1 – Not met	No payment
2 – Below Target	25%
3 – Low on Target	50%
4 – On Target	100%
5 – High on Target	110%
6 – Exceeds Target	120%
7 – Outstanding	150%

Fixed Remuneration	X	Individual Target STI %	X	Performance Metrics Outcome % (0 – 150%)	=	Individual STI award (capped at 150% x target)

[1] Remediation gateway is applicable to Group performance metrics only.
[2] Mandatory compliance gateway is applicable to Individual Performance metrics only.

3.4 LTI DESIGN

The LTI was also subject to review for FY25 to ensure the design aligned to the Company's long term suitability goals. Following this review, the LTI design was amended, and the following changes were implemented:

- 100% of the award was allocated as performance rights subject to a relative total shareholder return (TSR) hurdle, with the previous performance conditions of absolute earnings per share and return on invested capital hurdles being removed.

In FY25, there were 5 participants invited to participate in the plan (34 participants in FY24). All Executive KMP participated in the plan except for Steve McCann and Frank Krile due to alternative arrangements which are set out in their respective employment contracts and as previously communicated to Shareholders. Refer to page 47 for contract details.

TABLE 3: KEY DESIGN FEATURES OF THE LTI PLAN

Purpose	The LTI is designed to reward participants for their contributions towards achieving the Group's strategic priorities orientated around delivering long term sustainable shareholder value.
Type of Equity Award	Performance rights are used for the LTI. Each performance right is a right to receive a number of fully paid ordinary shares in the Company, subject to the satisfaction of the Performance Condition. In general, upon satisfaction of Performance Condition and provided the holder is still employed on the Vesting Date, performance rights will Vest and will be automatically exercised. The holder will receive full voting and dividend rights corresponding to the rights of all other holders of ordinary shares in the Company.
Determination of the number of rights	The number of performance rights allocated to a participant is based on their Target LTI award, divided by the Face Value of a Performance Right as shown in the following calculation: Target LTI ($) ÷ Face Value of a performance right = Number of performance rights allocated The Face Value reflects the face value of the share at the effective Grant Date with reference to the volume weighted average price (VWAP) of the Company's shares traded on the ASX on the 20 trading days prior to the Effective Grant Date. Details of annual grants to Executive KMP are set out in Table 10.
Dividend entitlements	Participants are not entitled to dividends until shares are allocated (based on meeting the relevant performance hurdles). At that time, dividends will either be paid by allocating dividend equalisation shares or by means of a cash equivalent payment, based on actual dividends paid to shareholders during the vesting period, the degree to which performance hurdles were met and the extent of vesting of the award.
Test Date and Vesting date	Performance rights are tested on the fourth anniversary of the Effective Grant Date and are not subject to retesting.
Vesting conditions - Performance Rights	**Relative Total Shareholder Return** The Company's TSR ranking against the peer group of companies (relative TSR) is used as a performance hurdle, as it directly aligns the interests of participants with the interests of shareholders, which is to maximise its TSR compared with the TSR for peer companies. The table below sets out the vesting scale for TSR. The Company's TSR ranking, compared to its peer group, must be at least at the 50th percentile for any vesting to occur.

TSR Percentile Ranking	Percentage of awards vesting
Below the 50th percentile	0% vesting
At the 50th percentile	50% vesting
Above the 50th and below the 75th percentile	Pro-rata between 50% (at 50th percentile) and 100% (at 75th percentile)
At or above the 75th percentile	100%

Cessation of employment, Change of Control and Clawback	All unvested performance rights and options lapse immediately upon cessation of employment with the Group. However, the Board has discretion in special circumstances to determine the number of performance rights or options retained and the terms applicable. Special circumstances include events such as retirement, redundancy, death and permanent disability. If a Change of Control Event occurs, or the Board determines in its absolute discretion that a Change of Control Event may occur, the Board will determine in its absolute discretion appropriate treatment regarding any awards. Unvested rights or options may be forfeited where there has been a material misrepresentation of the financial outcomes on which the award had been assessed and/or the participant's actions have been found to be fraudulent, dishonest or in breach of the Company's Code of Conduct (e.g. misconduct).
Guiding principles for informing discretion	The Board has adopted a set of guiding principles when it considers adjustments to performance outcomes under the LTI. The process for adjustments and principles applied are outlined below 1. **Nature and timing of adjustments –** adjustments, both positive and negative, will only be made to the performance/reward outcome (rather than the target) at the time of vesting. 2. **Transparency –** the Company will provide a clear rationale and disclosure, for any adjustments made (for example, providing a reconciliation to statutory results), especially in cases where, prima facie, performance has not been achieved. Where possible, advance disclosure of events that may give rise to adjustments will be disclosed to ensure early communication with shareholders. 3. **Material or significant events –** adjustments will only be made for events or items over the vesting period that have a material impact on the outcome. Adjustments will also only be made where it has an impact on the result of the award. Where possible, the item will be referenced back to the assumptions used in the business plan from which the target was set, to determine whether there has been a material deviation in the assumptions used and whether this was outside of management's control. For example, if there has been a change to accounting policies resulting in the rTSR target being determined in a different way to how the outcome is determined at the time of vesting. 4. **Balance interests of shareholders and management –** adjustments will be made to balance the interests of shareholders and management, for example, if shareholders are experiencing poor results, then management should share in the burden, and vice versa (unless there are compelling reasons for this not being the case, in which event, details will be provided 5. **Maintain plan integrity –** adjustments will be carefully considered to ensure they maintain the plan's integrity and purpose (i.e. to incentivise and reward management for undertaking transactions that deliver long-term sustainable shareholder value). 6. **Exercising discretion consistently and fairly –** the use of discretion will be applied consistently (both positively and negatively) and information used will be sufficiently objective and free from bias to ensure decisions are arrived at fairly.

3.5 CONSEQUENCE MANAGEMENT FRAMEWORK

The Consequence Management Framework remains in place to provide a structure for the review of remuneration consequences for serious and egregious risk and misconduct incidents, including behaviours which contravene the Company's Purpose, Values and Principles (PVP). The Consequence Management Framework applies to all incentive programs offered by the Company.

Consequence to remuneration under the Consequence Management Framework are informed by inputs from the Group Risk, Internal Assurance and Employee Relations functions and are overseen by the Consequence Management Committee consisting of the Group CEO | MD, Group Chief Risk Officer and Group Chief People Officer. Remuneration outcomes determined by the Consequence Management Committee are provided to the Culture, People & Remuneration Committee of the Board for oversight and approval (where required under the policy).

Where a serious or egregious risk or misconduct issue is identified and raised to the Consequence Management Committee, variable remuneration may be impacted and in some cases, reduced to zero. In each case, judgment will be applied to determine the appropriate remuneration consequence given the circumstances of the incident.

There was no remuneration consequence applied to any of the Executive KMP for the FY25 period.

3.6 MINIMUM SHARE HOLDING POLICY

To support the alignment of the interests of the Board and executives with the interests of shareholders, the Group has a minimum shareholding policy in place.

The minimum shareholding policies for NEDs, Executive KMP and Other Executives are reviewed every two years to ensure that they remain suitable for the business, to align the interests of these individuals and with shareholders generally.

The Group CEO | MD is to progressively acquire over a five-year period from the date of his commencement, a minimum number of shares equal to 150% of his fixed pay. Other Executive KMP are to accrue a minimum amount of shares equal to 100% of the base rate of pay upon commencement over the course of five years. Direct and indirect holdings in shares will count towards the minimum shareholding target. Unvested performance rights do not count towards minimum shareholding requirements.

All Executive KMP were appointed during the course of 2024 and, as such, each is early into the five-year timeframe.

Table 4 shows the number of shares, options and performance rights held by Executive KMP at the beginning and end of the financial year unless otherwise stated.

TABLE 4: SHARES, OPTIONS AND RIGHTS HELD BY EXECUTIVE KMP AT 30 JUNE 2025

Name	Holding	Balance at start of the year[1]	Granted as compensation	Vested during the year[2]	Disposed/ Lapsed / Forfeit during the year	Balance at the end of the year[3]
Current Executive KMP						
Steve McCann	Performance Rights	–	10,517,458	–	–	10,517,458
	Ordinary Shares	–	–	–	–	–
	Restricted Shares	–	–	–	–	–
	Service Rights	–	–	–	–	–
Frank Krile	Performance Rights	–	2,477,829	–	–	2,477,829
	Ordinary Shares	–	–	–	–	–
	Restricted Shares	–	–	–	–	–
	Service Rights	–	–	–	–	–
Janelle Campbell	Performance Rights	–	1,954,022	–	–	1,954,022
	Ordinary Shares	–	–	283,333	–	283,333
	Restricted Shares	283,333	–	141,667	–	425,000
	Service Rights	1,133,333	–	(425,000)	–	708,333
Daniel Finch	Performance Rights	–	1,494,252	–	–	1,494,252
	Ordinary Shares	–	–	208,928	–	208,928
	Restricted Shares	208,928	–	104,465	–	313,393
	Service Rights	835,714	–	(313,393)	–	522,321

Former Executive KMP						
Neale O'Connell	Performance Rights	–	–	–	–	–
	Ordinary Shares	–	–	–	–	–
	Restricted Shares	–	–	–	–	–
	Service Rights	–	–	–	–	–
	Premium Exercise Priced Options[4]	–	–	–	–	–
Scott Saunders[5]	Performance Rights	638,540	–	–	–	638,540
	Ordinary Shares	–	–	145,920	(145,920)	–
	Restricted Shares	145,920	–	(145,920)	–	–
	Service Rights	583,682	–	–	(583,682)	–
	Premium Exercise Priced Options[4]	1,162,500	–	–	–	1,162,500

[1] For KMP who commenced in the role during the year, the balance disclosed is from the date they commenced as a KMP.

[2] Restricted shares that are no longer subject to a holding lock are transferred into the ordinary shares category. Service rights for which the service period has been met are transferred to the restricted shares category and subject to a 12 month holding lock.

[3] For KMP who ceased their role during the year, the balance is disclosed until the date they ceased as a KMP.

[4] Premium Exercise Priced Options were granted under the FY24 LTI plan, with each premium exercise priced option providing the right (but not the obligation) to buy a share at a predetermined price on or before a future date. Participants must be employed on vesting date, unless The Board has exercised discretion for them to be retained upon termination of employment.

[5] The Board exercised discretion for the balance at end of year for Performance Rights and Premium Exercise Priced Options is the portion of FY24 LTI remaining on foot and subject to performance hurdles being achieved as set out in table 3. Service Rights forfeited on termination date 31 January 2025.

04. EXECUTIVE REMUNERATION RECEIVED FY25

REMUNERATION OUTCOMES FOR EXECUTIVE KMP IN FY25

Table 5 provides a summary of total remuneration received by Executive KMP during the 2025 financial year. This non-IFRS information differs from the Statutory Remuneration in Table 15, which presents remuneration in accordance with accounting standards.

TABLE 5: FY25 EXECUTIVE REMUNERATION

Name	Fixed remuneration[3]	STI	Other amounts paid	Service Rights Grant[4]	LTI vested during the year $	Total value of remuneration $	LTI lapsed during the year[4]
Current Executive KMP							
Steve McCann	2,454,710	–	2,500,000[1]	–	–	4,954,710	–
Frank Krile	489,707	–	665,000[2]	-	–	1,154,707	–
Janelle Campbell	850,000	–	–	57,375	–	907,375	–
Daniel Finch	650,000	–	–	42,308	–	692,308	–
Former Executive KMP							
Neale O'Connell[5]	1,650,284	–	170,000	–	–	1,820,284	–
Scott Saunders[6]	501,786	–	133,333	–	–	635,119	–
TOTAL	**6,596,487**	**–**	**3,468,333**	**99,683**	**–**	**10,164,503**	**–**

[1] Sign on bonus paid in cash 15 July 2024, in lieu of FY25 LTI.

[2] Sign on bonus paid in cash 27 December 2024.

[3] Includes payments made during notice period, including any gardening leave, leave payout, payments in lieu notice and / or termination payments.

[4] Represents the award value (share price at 30 June 2025) of the FY21 performance rights that lapsed/were foregone during the year as the minimum performance hurdles required for vesting were not met.

[5] Fixed Remuneration is comprised of Total Employment Cost paid up to termination date ($1,599,127) which includes an $85,000 a month payment in addition to his salary to compensate him for not being invited into the Company's STI and LTI plans. He also received a higher duties payment of $40,000 per month for his Acting CEO role, which ceased on 1 December 2024 when Mr. McCann received regulatory approval to commence in his role of Group CEO | MD and contractual annual leave entitlement ($51,157). Other amounts paid represents a Sign-on Bonus ($170,000) paid on 15 August 2024.

[6] Fixed Remuneration is comprised of Total Employment Cost paid up to termination date ($452,083) and contractual annual leave entitlement ($49,703). Other amounts paid represents a Retention cash Bonus ($133,333) paid on 15 September 2024 which was subject to being employed on the payment date.

05. VARIABLE REWARD OUTCOMES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

5.1 STI OUTCOME FOR FY25

GROUP PERFORMANCE:

Under the Company's new STI design, as detailed in Table 2, awards for eligible Executive KMP are generated by performance against three Company metrics, comprising 60% of the award, and individual performance comprising 40% of the award.

Details of the Company's targets and outcomes for FY25 are noted in Table 6 below.

TABLE 6: FY25 PERFORMANCE OUTCOMES AGAINST KEY PERFORMANCE INDICATORS FOR THE STI

Gateway	Outcome
Remediation Gateway[1] Delivery of FY25 Remediation Program milestones, per the timings in the remediation plan, evidenced by closure memos assured by KPMG and submitted to the Special Manager's Team (SMT). A minimum of 90% of milestones must be delivered in order for the remediation gateway to open. Milestones that the Company is unable to deliver due to external factors will be excluded from the delivery count.	MET

STI Metric	Weighting	Target	Outcome	Outcome % of Target	Weighted Outcome %
EBITDA – Deliver Budgeted Group EBITDA	30%	Achieve budget[2]	$(77.1)m	0%	0%
Progressed Cultural Transformation – Cultural Survey outcomes - improvement in majority of survey questions (between surveys)	30%	>4	2	0%	0%
Weighted Group STI Outcome					0%
Individual STI Component					30%
Final Group STI outcome (Board discretion applied)					0%

[1] Delivery of FY25 Remediation Program milestones, per the timings in the remediation plan, evidenced by closure memos approved by the Program Sponsors and the Board.

[2] EBITDA target based on budget.

FY25 STI OUTCOME

Whilst the remediation milestone, which acts as a gateway to the plan, was met for FY25, none of the Group Key Performance Indicators were achieved. The Board carefully considered these outcomes, along with the financial challenges and stability of the Group, and determined that no STI pool would be formed in relation to the Company-based STI metrics. Additionally, the Board exercised its discretion to reduce the individual component of the STI award to zero for all participants. This decision was made based on a holistic assessment of performance, alignment with shareholder outcomes, and strategic priorities of the Company.

Table 7 details the variable remuneration of Executive KMP under the STI during the period.

TABLE 7: VARIABLE REMUNERATION UNDER THE STI FOR THE YEAR ENDED 30 JUNE 2025

Executive	Financial year	Cash Award $	Restricted Share Grant $	As a % of total remuneration	STI not achieved as a % of target[1]
Current Executive KMP					
Steve McCann	**2025**	**–**	**–**	**–**	**–**
	2024	–	–	–	–
Frank Krile	**2025**	**–**	**–**	**–**	**–**
	2024	–	–	–	–
Janelle Campbell	**2025**	**–**	**–**	**0%**	**100%**
	2024	–	–	0%	100%
Daniel Finch	**2025**	**–**	**–**	**0%**	**100%**
	2024	–	–	0%	100%
Former Executive KMP					
Neale O'Connell	**2025**	**–**	**–**	**0%**	**100%**
	2024	–	–	–	–
Scott Saunders	**2025**	**–**	**–**	**0%**	**100%**
	2024	–	–	0%	100%
TOTAL FY25		**–**	**–**		
TOTAL FY24		**–**	**–**		

[1] Maximum opportunity is 150% of the executives' target incentive level.

Table 8 outlines the performance of the Group and shareholder returns over the last five financial years.

TABLE 8: STATUTORY KEY PERFORMANCE INDICATOR

Performance metric	FY21	FY22	FY23	FY24	FY25
Statutory NPAT / (NLAT)	$57.9m	$(202.5)m	$(2,435.2)m	$(1,684.6)m	$(427.9)m
Basic EPS (statutory)	6.1c	(21.3)c	(211.7)c	(66.8)c	(14.9)c
Full year dividend (fully franked, cents per share)	0.0c	0.0c	0.0c	0.0c	0.0c
Share price at year end	$3.69	$2.79	$1.16	$0.49	$0.14
Increase/(decrease) in share price	+30%	(24%)	(59%)	(58%)	(72%)

5.2 VESTING UNDER THE LTI

Table 9 sets out the details of performance rights and premium exercise priced options issued under the Company's LTI plan over the last five financial years.

TABLE 9: DETAILS OF LTI AWARDS ACTIVE DURING THE YEAR

Detail	FY21 Award[1]	FY22 Award	FY23 Award	FY24 Performance Rights	FY24 Premium Exercise Priced Options	FY25 Award
Effective Grant Date	24 Sep 2020	23 Sep 2021	26 Sep 2022	22 Dec 2023	22 Dec 2023	10 Dec 2024
Test date	24 Sep 2024	23 Sep 2025	26 Sep 2026	3 Oct 2027	Any time up to expiry date of 24 Nov 2027	1 Nov 2028
Vesting hurdle(s)	TSR, EPS & ROIC	TSR, EPS & ROIC	TSR, EPS & ROIC	TSR	Return to Suitability	TSR
Test result	All rights lapsed	N/A	N/A	N/A	N/A	N/A

[1]The FY21 LTI Award was tested on 24 September 2024 and did not vest as performance hurdles were not met. The next test date will be in September 2025, for performance rights granted in FY22.

FY21 LTI PERFORMANCE OUTCOME

Performance rights relating to the FY21 award were tested in October 2024 and 100% lapsed. In summary the achievement of performance hurdles on testing date was as follows:

Earnings Per Share (EPS) - The target hurdle of 32 cents per share was set by reference to the Company's Board approved five-year business plan (adjusted to conform to current normalisation methodology) and the threshold hurdle of 23.5 cents per share. The EPS performance was -66.8 cents per share and was below the threshold and target approved by the Board

Relative Total Shareholder Return (rTSR) - The performance of the Group was -82.352% (excluding the value of franking credits), which was a ranking of 66 out of the 67 Companies in the defined peer group and was at the 1.52 percentile

Return on invested capital (ROIC) - The target hurdle of 10.3% was set by reference to the Company's Board approved five-year business plan. The threshold hurdle of 7.7% was set by the Board by reference to the Company's ROIC levels at the time. For FY24, the ROIC performance was -92.9% and was below the threshold and target approved by the Board

Table 10 summarises the unvested performance rights and options held by Executive KMP as at 30 June 2025.

TABLE 10: PERFORMANCE RIGHTS AND OPTIONS BY AWARD HELD BY EXECUTIVE KMP AT 30 JUNE 2025

Executive KMP		FY22 Award	FY23 Award	FY24 Award	FY25 Award	Total
Current Executive KMP						
Steve McCann	Performance rights	–	–	–	10,517,458	**10,517,458**
Frank Krile	Performance rights	–	–	–	2,477,829	**2,477,829**
Janelle Campbell	Performance rights	–	–	–	1,954,022	**1,954,022**
Daniel Finch	Performance rights	–	–	–	1,494,252	**1,494,252**
Former Executive KMP[1]						
Neale O'Connell	Performance rights	–	–	–	–	**–**
Scott Saunders[1]	Performance rights	–	169,047	469,493	–	**638,540**
	Premium Exercise Priced Options	–	–	1,162,500	–	**1,162,500**
Total performance rights		**–**	**169,047**	**469,493**	**16,443,561**	**17,082,101**
Total premium exercise priced options		**–**	**–**	**1,162,500**	**–**	**1,162,500**

[1]FY24 LTI Rights and Options for Mr. Saunders remain on foot subject to achieving the applicable performance hurdles as set out in Table 3.

Table 11 shows movements in the variable remuneration of Executive KMP under the LTI (Performance Rights) during the period. Details of the number of performance rights granted, vested or lapsed during the period are also provided as required under the Corporations Act and its regulations, including the relevant Australian Accounting Standard principles.

TABLE 11: VARIABLE REMUNERATION UNDER THE LTI (PERFORMANCE RIGHTS) FOR THE YEAR ENDED 30 JUNE 2025

Executive	Financial Year	Number of Performance Rights Granted	Fair Value of Performance Rights Granted	Fair Value at Grant Date	Effective Grant Date[1]	Test Date	As a % of total remuneration[2]	Number of Performance Rights Vested	Number of Performance Rights Lapsed[3]
Current Executive KMP									
Steve McCann	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Frank Krile	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Janelle Campbell	**2025**	**1,954,022**	**214,942**	**0.11**	**10/12/2024**	**01/11/2028**	**3%**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Daniel Finch	**2025**	**1,494,252**	**164,368**	**0.11**	**10/12/2024**	**01/11/2028**	**3%**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Former Executive KMP									
Neale O'Connell	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	–	–	–	–	–	–	–	–
Scott Saunders	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	469,493	122,068	0.26	22/12/2023	3/10/2027	3%	–	–
TOTAL FY25		**3,448,274**	**379,310**					**–**	**–**
TOTAL FY24[4]		**469,493**	**122,068**					**–**	**–**

[1] The Effective Grant Date is the date used to determine the VWAP and commencement of TSR performance hurdle measurement.

[2] Percentage calculation based on accounting LTI expense and total remuneration as reported in Table 14.

[3] Performance rights granted in FY21 were tested in September 2024 and 100% of the award lapsed. Performance rights granted in FY22 are due for testing in September 2025.

[4] The totals for FY24 of 469,493, 122,068 and (0) are different to the totals in the FY24 Remuneration Report of 2,286,887, 594,591 and (2,851,894) respectively as they do not include the FY24 Former Executive KMP Robbie Cook, Christina Katsibouba and Jessica Mellor.

5.3 SPECIAL AWARDS GRANTED IN FY25

Table 12 details the number of performance rights granted to Executive KMP in FY25.

During FY25 the Company issued a One-Off Grant of Performance Rights as part of the sign on arrangements for certain Executive KMP, including the Group Chief Executive Officer and Managing Director and the Group Chief Financial Officer. The Performance Rights will vest provided that these Executive KMP remain employed with the Company for the entire period from the Effective Grant Date to the Vesting Date and has not resigned as at the vesting date.

TABLE 12: PERFORMANCE RIGHTS AWARD GRANTED FY25

Executive	Financial Year	Number of Performance Rights Granted	Fair Value of Performance Rights Granted[1]	Fair Value at Grant Date	Effective Grant Date	Test Date	As a % of total remuneration[2]	Number Performance Rights Vested	Number of Performance Rights Lapsed
Current Executive KMP									
Steve McCann	**2025**	**10,517,458**	**2,050,904**	**0.20**	**28/11/2024**	**08/07/2027**	**8%**	**–**	**–**
Frank Krile	**2025**	**2,477,829**	**475,000**	**0.19**	**17/12/2024**	**17/12/2026**	**10%**	**–**	**–**
Janelle Campbell	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Daniel Finch	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Former Executive KMP									
Neale O'Connell	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Scott Saunders	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
TOTAL FY25		**12,995,287**	**2,525,904**					**–**	**–**

[1] The number of performance rights issued as part of the CEO | MD sign-on bonus is determined using the 5 day VWAP of the company shares immediately before the ASX announced appointment date of 26 June 2024. The fair value of the performance rights is based on the share price at grant date of 28 November 2024, when AGM approval was obtained

[2] Percentage calculation based on accounting expense and total remuneration as reported in Table 14.

06. EXECUTIVE KMP CONTRACTS AND REMUNERATION

Remuneration arrangements for Executive KMP are reviewed annually by the Board. Table 13 outlines the remuneration arrangements for Executive KMP in FY25 and their contracted employment details.

TABLE 13: EXECUTIVE KMP REMUNERATION AND EMPLOYMENT CONTRACTS[1]

CURRENT EXECUTIVE KMP	**Steve McCann** Group Chief Executive Officer and Managing Director		**Frank Krile** Group Chief Financial Officer		**Janelle Campbell** Chief Executive Officer, The Star Sydney		**Daniel Finch** Chief Executive Officer, The Star Brisbane	
	FY24	**FY25**	FY24	**FY25**	FY24	**FY25**	FY24	**FY25**
Fixed remuneration[2]	N/A	**$2,500,000**	N/A	**$950,000**	$850,000	**$850,000**	$650,000	**$650,000**
Short-term incentive target	N/A	**$2,500,000**	N/A	**$570,000**	$510,000	**$510,000**	$390,000	**$390,000**
Long-term incentive (annual award value)[3]	N/A	**$2,500,000**	N/A	**$–**	$510,000	**$510,000**	$390,000	**$390,000**
Total Target Annual Reward	N/A	**$7,500,000**	N/A	**$1,520,000**	$1,870,000	**$1,870,000**	$1,430,000	**$1,430,000**
Short-term incentive maximum value	N/A	**$2,500,000**	N/A	**$570,000**	$765,000	**$765,000**	$585,000	**$585,000**
Long-term incentive maximum value	N/A	**$2,500,000**	N/A	**$–**	$510,000	**$510,000**	$390,000	**$390,000**
Additional Items[4]	N/A	**$–**	N/A	**$665,000**	$–	**$–**	$–	**$–**
Non-monetary benefits[7]	Access to car parking and accommodation at The Star Sydney		Access to car parking in Sydney		Access to car parking and accommodation at The Star Sydney		Access to car parking and accommodation at The Star Brisbane	
Notice by the Executive	12 months		12 months		12 months		12 months	
Notice by the Group	12 months		12 month		12 months		12 month	
Restraint[6]	12 months		12 months		12 months		12 months	
Non solicitation	12 months		12 months		12 months		12 months	
Contract duration	Open ended		Open ended		Open ended		Open ended	

FORMER EXECUTIVE KMP	**Neale O'Connell** Acting CEO | Interim Group Chief Financial Officer		**Scott Saunders** Group Chief Risk Officer	
	FY24	**FY25**	FY24	**FY25**
Fixed remuneration[2]	$850,000	**$850,000**	$775,000	**$775,000**
Short-term incentive target	N/A	**N/A**	$465,000	**$465,000**
Long-term incentive (annual award value)	N/A	**N/A**	$465,000	**$465,000**
Total Target Annual Reward	$850,000	**$850,000**	$1,705,000	**$1,705,000**
Short-term incentive maximum value	N/A	**N/A**	$697,500	**$697,500**
Long-term incentive maximum value	N/A	**N/A**	$465,000	**$465,000**
Additional Items[5]	$125,000 per month	**$125,000 per month and $170,000 Sign-on Bonus**	$–	**$133,333**
Non-monetary benefits[7]	Access to car parking and accommodation at The Star Sydney		Access to car parking and accommodation at The Star Sydney	
Notice by the Executive	3 months		6 months	
Notice by the Group	3 months		6 month	
Restraint[6]	12 months		12 months	
Non solicitation	12 months		12 months	
Contract duration	Maximum Term ending 28 March 2025		Open ended	

[1] In addition to the below remuneration, the CEO / MD and Group CFO was granted 10,517,458 and 2,477,829 ,sign on performance rights respectively. Refer to Table 12.

[2] The Star Entertainment Group deducts superannuation from the Executives' fixed remuneration as per the Australian Taxation Office Superannuation Guarantee Cap.

[3] Mr. Steve McCann received a sign on bonus of $2,500,000, in lieu of FY25 LTI, upon joining in July 2024.

[4] Mr. Frank Krile received a sign on bonus of $665,000 upon joining in December 2024.

[5] Mr. O'Connell received an $85,000 a month payment in addition to his salary to compensate him for not being invited into the Company's STI and LTI plans. He also received a higher duties payment of $40,000 per month for his Acting CEO role, which ceased on 1 December 2024 when Mr. McCann received regulatory approval to commence in his role of Group CEO | MD. Mr. O'Connell received a Sign-on Bonus of $170,000 paid on 15 August 2024. Mr Saunders received a Retention cash Bonus ($133,333) paid on 15 September 2024 which was subject to being employed on the payment date.

[6] Exclusion from being engaged in any business or activity in Australia which competes with or is substantially similar to the business of The Star Entertainment Group.

[7] This table includes only contractual non-monetary benefits—specifically car parking and accommodation. Both contractual and non-contractual non-monetary benefits, including airfares and travel costs, are reported in Table 14.

07. STATUTORY EXECUTIVE KMP REMUNERATION

Table 14 sets out Executive KMP remuneration as required by the Corporations Act and its regulations, including the relevant Australian Accounting Standard principles.

TABLE 14: STATUTORY EXECUTIVE KMP REMUNERATION

Executive	Financial year	Short-term			Long-term	Post-Employment	Charge for share based allocations			Termination payments[7]	Total remuneration	Performance related[8]
		Salary[1] $	Other amounts paid $	Non-monetary benefits[2] $	Long service leave $	Superannuation[3] $	Performance rights[4] $	Restricted shares[5] $	Service rights[6]	$	$	%
Current Executive KMP												
Steve McCann	**2025**	**2,640,985**	**6,166,437[9]**	**91,337**	**3,507**	**29,932**	**727,387**	**–**	**–**	**–**	**9,659,585**	**8%**
	2024	–	–	–	–	–	–	–	–	–	–	–
Frank Krile	**2025**	**512,073**	**705,504**	**2,203**	**696**	**22,449**	**136,879**	**–**	**–**	**–**	**1,379,804**	**10%**
	2024	–	–	–	–	–	–	–	–	–	–	–
Janelle Campbell	**2025**	**859,203**	**–**	**142,244**	**2,242**	**29,932**	**35,824**	**–**	**207,138**	**–**	**1,276,583**	**3%**
	2024	386,263	–	52,525	511	13,699	–	–	225,346	–	678,344	0%
Daniel Finch	**2025**	**644,592**	**–**	**42,874**	**1,679**	**29,932**	**27,395**	**–**	**184,377**	**–**	**930,849**	**3%**
	2024	245,914	250,000	1,875	330	13,699	–	–	166,169	–	677,987	0%
Former Executive KMP												
Neale O'Connell	**2025**	**1,608,814**	**170,000**	**112,545**	**(317)**	**22,449**	**–**	**–**	**–**	**–**	**1,913,491**	**0%**
	2024	526,775	–	46,135	317	6,850	–	–	–	–	580,077	0%
Scott Saunders	**2025**	**383,847**	**133,333**	**60,322**	**(2,353)**	**21,627**	**125,517**	**–**	**(116,056)**	**58,967**	**665,204**	**19%**
	2024	761,134	266,666	129,601	1,960	27,399	46,467	–	116,056	–	1,349,283	3%
TOTAL FY25		**6,649,514**	**7,175,274**	**451,526**	**5,454**	**156,321**	**1,053,002**	**–**	**275,459**	**58,967**	**15,825,517**	**–**
TOTAL FY24[10]		1,920,086	516,666	230,136	3,118	61,647	46,467	–	507,571	–	3,285,691	–

[1] Comprises salary, salary sacrificed benefits (including motor vehicle novated leases) and annual leave expense.
[2] Comprises car parking, accommodation, airfares and travel costs where applicable. These amounts are non-contractual. The 2024 amounts have been updated for benefits previously erroneously omitted, including accommodation and travel.
[3] Comprises superannuation contributions per Superannuation Guarantee legislation and salary sacrificed superannuation.
[4] Represents the fair value of share based payments expensed / (credited) by The Star Entertainment Group in relation to LTI awards. Credits in FY25 are due to the forfeitures of rights on termination.
[5] Represents the fair value of share based payments expensed by The Star Entertainment Group in relation to STI awards. The expense is recognised over a 26 month holding lock period.
[6] Service rights were issued in FY24 and vest in 3 tranches. Holding lock period is 12 month after vesting date. Credits in FY25 are due to the forfeiture of rights on termination.
[7] Termination payments include salary and other on-costs expected to be incurred between the executives' resignation date and termination date.
[8] Performance related is calculated as the charge for performance rights share based allocations divided by total remuneration. The prior year disclosure has been updated to match the current year presentation.
[9] The remuneration shown of $6,166,437 relates to sign on bonus (cash) in lieu of FY25 LTI, FY25 STI (cash) and accrual for FY26 LTI (cash).
[10] The total for FY24 of 3,285,691 is different to the total in the FY24 Remuneration Report of 10,446,114 as it does not include FY24 former executive KMPs Robbie Cooke (4,947,636), Christina Katsibouba (1,206,226), Jeannie Mok ($44,556) and Jessica Mellor (1,183,203) and has been amended for an error in non-monetary benefits (-221,198).

08. NED REMUNERATION

8.1 REMUNERATION POLICY FOR NEDS

–NEDs (excluding the Chairman) receive a Board fee and a Committee fee for their participation as Chair or member of each Committee.

– The Chairman receives an all-inclusive fee as Chairman of the Board and as an ex-officio member of all Board Committees.

– NEDs do not receive any performance or incentive payments and are not eligible to participate in any of the Group's remuneration programs. This policy aligns with the principle that NEDs act independently and impartially.

– Board fees are not paid to the Group CEO | MD.

– Executive KMPs do not receive fees for directorships of any subsidiaries.

– NEDs do not receive fees for participation in the Nominations Committee.

– NEDs do receive fees for participation in the Company's other subsidiary Boards.

8.2 FY25 NED FEES

The aggregate fees payable to NEDs for their services as directors are limited to the maximum annual amount approved by shareholders, currently set at $2,500,000 including superannuation contributions.

There was no change to Committee fees in FY25.

Table 15 sets out the annual Board and Committee fee structure for FY25.

TABLE 15: ANNUAL NED FEES (INCLUSIVE OF SUPERANNUATION)

	Board	Audit	Risk & Compliance	Culture, People & Remuneration	Safer Gaming, Governance and Ethics	Compliance Committees[1]
Chair	$501,458	$35,000	$35,000	$35,000	$35,000	$35,000
Member	$168,912	$17,500	$17,500	$17,500	$17,500	$17,500

[1] Compliance Committees are standing committees of The Star Entertainment Group Limited Board which have been established for each of The Star Pty Limited (effective 30 March 2023), The Star Entertainment QLD Limited and The Star Entertainment QLD Custodian Pty Limited (both effective 1 April 2023). The Compliance Committees provide independent oversight of the respective subsidiary's compliance with its obligations under regulatory statues applicable to the operation of a casino in New South Wales and Queensland respectively, both Commonwealth and State.

Individuals invited to join the Board prior to receipt of all required regulatory approvals are appointed Board observers ("Board Observers") until such time as they are appointed to the Board as NED's. Board Observers receive the equivalent of directors' fees and committee fees as determined by the Board.

Table 16 sets out total remuneration received by each NED.

TABLE 16: NED REMUNERATION[1]

NED	Financial year	Board and Committee Fees $[2]	Executive Salary $	Superannuation[3] $	Total $
Current Non-Executive Directors					
Anne Ward[4]	**2025**	**571,526**	**–**	**29,932**	**601,458**
	2024	301,870	–	24,607	326,477
Deborah Page AM	**2025**	**214,271**	**–**	**24,641**	**238,912**
	2024	215,236	–	23,676	238,912
Michael Issenberg	**2025**	**214,271**	**–**	**24,641**	**238,912**
	2024	224,445	–	24,689	249,134
Antonia Thornton	**2025**	**214,271**	**–**	**24,641**	**238,912**
	2024	152,459	–	16,770	169,229
Peter Hodgson	**2025**	**229,966**	**–**	**26,446**	**256,412**
	2024	92,584	–	10,184	102,768
TOTAL FY25	**2025**	**1,444,305**		**130,301**	**1,574,606**
TOTAL FY24[6]	2024	986,594		99,926	1,086,520

[1] The Group agrees to indemnify directors and officers against any liabilities incurred in the course of their duties.

[2] Fees paid to Directors from the time they receive regulatory approval. Observer fees are not included.

[3] Comprises superannuation contributions per Superannuation Guarantee legislation and salary sacrificed superannuation.

[4] From her appointment to Chairman on 29 April 2024, Ms. Ward was given an increased duties fee of $20,000 per month up until November 2024 to assume additional responsibilities until Steve McCann received all necessary regulatory approvals.

[5] FY24 Non-Executive Director (NED) remuneration figures disclosed in this report have been restated to reflect a back payment of fees made in FY25. The back payment relates to adjustments following a review of Board and Committee participation during FY24, which identified underpayments to certain Directors. These adjustments were processed in FY25 and are reflected in the corrected FY24 figures presented in this report.

[6] Total for FY24 of 1,086,520 is different to the total in the FY24 Remuneration report of 1,653,669 as it does not include FY24 former non-executive director David Foster (612,440) and includes re-stated FY24 remuneration figures of 45,291.

8.3 MINIMUM SHAREHOLDING POLICY FOR NEDS

To support the alignment of the interests of the Board and executives with the interests of shareholders, the Group has a minimum shareholding policy in place subject to the securities trading policy and legislative requirements. NEDs are required to progressively acquire shares over a three year period from the date of commencement of their unconditional appointment. NEDs are to hold shares of equal value to their respective annual base fee applicable at the time of their unconditional appointment. Direct and indirect holdings will count towards the minimum shareholding target.

All NEDs are currently on track to meet their minimum shareholding requirements within the required timeframes and in accordance with Company policies and legislative requirements

TABLE 17: SHARES HELD BY NEDS AT 30 JUNE 2025

Name	Balance at start of the year[1]	Number acquired	Number divested	Balance at the end of the year[2]
Current Non-Executive Directors				
Anne Ward	100,000	–	–	100,000
Deborah Page AM	57,016	–	–	57,016
Michael Issenberg	32,122	–	–	32,122
Antonia Thornton	170,000	–	–	170,000
Peter Hodgson	95,000	–	–	95,000
Total ordinary shares	**454,138**	–	–	**454,138**

[1] For NEDs who commenced their role during the year, the balance disclosed is from the date they commenced as NED.
[2] For NEDs who ceased their role during the year, the balance disclosed is to the date they ceased as a NED.

09. OTHER INFORMATION

9.1. LOANS AND OTHER TRANSACTIONS WITH KMP

There have been no loans or other transactions with KMP during the year.

THE STAR ENTERTAINMENT GROUP

The Star Entertainment Group Limited

A.C.N. 149 629 023

ASX Code: SGR

and its controlled entities

Financial Report

for the year ended 30 June 2025

THE STAR ENTERTAINMENT GROUP

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	B6	(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	D4	(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 benefit/(expense)	F2	23.8	(152.9)
Net loss after tax (NLAT)		(427.9)	(1,684.6)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Change in fair value of cash flow hedges taken to equity, net of tax	F1	-	5.8
Total comprehensive loss for the period		(427.9)	(1,678.8)
Loss per share:			
Basic loss per share	F3	(14.9) cents	(66.8) cents
Diluted loss per share	F3	(14.9) cents	(66.8) cents

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

THE STAR ENTERTAINMENT GROUP

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	B2	21.1	31.5
Inventories		10.7	13.6
Income tax receivable	F2	-	56.0
Other assets	F4	42.6	87.4
Total current assets		341.4	488.1
Restricted deposits	B1	96.8	-
Property, plant and equipment	B3	1,007.5	1,157.4
Intangible assets	B4	89.9	72.6
Investment in associate and joint venture entities	D4	153.9	161.7
Income tax receivable	F2	41.2	-
Other assets	F4	91.6	18.0
Total non current assets		1,480.9	1,409.7
TOTAL ASSETS		1,822.3	1,897.8
LIABILITIES			
Trade and other payables	F5	170.8	180.4
Interest bearing liabilities	B7	7.8	6.1
Provisions	B6	463.2	490.2
Other liabilities	F6	125.9	75.2
Total current liabilities		767.7	751.9
Interest bearing liabilities	B7	590.5	295.7
Provisions	B6	8.3	8.1
Other liabilities	F6	9.0	8.8
Total non current liabilities		607.8	312.6
TOTAL LIABILITIES		1,375.5	1,064.5
NET ASSETS		446.8	833.3
EQUITY			
Share capital	F7	4,697.1	4,695.7
Accumulated losses		(4,299.9)	(3,872.0)
Reserves	F7	49.6	9.6
TOTAL EQUITY		446.8	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	F2	-	14.6
Regulatory, fines, penalties, duty, consultant, legal and other costs	B6	(55.5)	(123.6)
Net cash (outflow)/inflow from operating activities	F8	(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	E2	100.0	318.0
Repayment of interest bearing liabilities	E2	-	(752.2)
Proceeds from settlement of derivative financial instruments	E2	-	49.7
Payment of restricted deposits	B1	(96.8)	-
Proceeds from issue of convertible debt securities	E2	233.3	-
Finance costs		(78.5)	(82.4)
Transaction costs related to issues of equity securities or convertible debt securities	F7	(5.7)	-
Proceeds from issue of shares	F7	-	734.5
Interest payment of lease liabilities	E2	(2.6)	(2.9)
Principal payment of lease liabilities	E2	(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		-	-	(427.9)	-	-	-	-	(427.9)
Other comprehensive income	F1	-	-	-	-	-	-	-	-
Total comprehensive loss		-	-	(427.9)	-	-	-	-	(427.9)
Shares issued to settle employee share programs	F7	-	1.4	-	-	-	-	-	1.4
Convertible notes (net of tax)	F7	-	-	-	39.8	-	-	-	39.8
Employee share based payments	F9	-	-	-	-	-	-	0.2	0.2
Balance at 30 June 2025		4,702.1	(5.0)	(4,299.9)	39.8	-	-	9.8	446.8
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	F1	-	-	-	-	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)	F7	739.2	-	-	-	-	-	-	739.2
Shares issued to settle employee share programs	F7	-	0.9	-	-	-	-	-	0.9
Employee share based payments	F9	-	-	-	-	-	-	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

Refer to the Operating and Financial Review (*OFR*) within the Directors' Report for details of the key transactions during the year.

CONTENTS

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.

2025	Sydney $m	Gold Coast $m	Treasury Brisbane $m	The Star Brisbane $m	Un-allocated $m	Total $m
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 D4) [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)	(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).

2024	Sydney $m	Gold Coast $m	Treasury Brisbane $m	The Star Brisbane $m	Un-allocated $m	Total $m
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 D4) [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)	(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.

The Group has a contract with the DBC Integrated Resort joint venture to supply labour and other shared costs in relation to the components of the DBC Integrated Resort for which the Group is operator (***Contracted Costs***). Revenue is recognised when the Group satisfies its obligations in relation to the provision of the goods and services associated with the Contracted Costs. The recovery of costs is at cost with no margin.

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.

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 (refer to note F9)	1.5	1.6
	826.2	723.6

The Group has secured the Group Chief Executive Officer and Managing Director's (Group CEO & MD's) FY25 and FY26 salary, FY25 and FY26 short term incentive and FY26 Retention bonus (refer to D1(iv).

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 (refer to note B3)	55.1	101.6
Intangible assets (refer to note B4)	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 B5)	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

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, 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 B6).

A7 SIGNIFICANT ITEMS

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

	2025 $m	2024 $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 B5).

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 C2).

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 $m	2024 $m
Depreciation expense of right-of-use assets (refer to note A4) (refer to note B3)	0.8	2.9
Interest expense on lease liabilities (refer to Note A5)	2.5	3.0
Total	3.3	5.9

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 TRADE AND OTHER RECEIVABLES

	2025 $m	2024 $m
Trade receivables	42.2	48.5
Less provision for impairment	(30.1)	(32.9)
Net trade receivables	12.1	15.6
Other receivables	9.0	15.9
	21.1	31.5

Trade receivables are non-interest bearing and are generally on 30 day terms.

(i) PROVISION FOR IMPAIRMENT RECONCILIATION

	2025 $m	2024 $m
Balance at beginning of year	(32.9)	(33.0)
Increase in bad and doubtful debts [a]	(0.5)	(0.4)
Less amounts written off during the year	3.3	0.5
	(30.1)	(32.9)

a These amounts are included in other expenses in the income statement.

(ii) AGEING OF TRADE AND OTHER RECEIVABLES

Trade receivables	0 - 30 days $m	30 days - 1 year $m	1 - 3 years $m	3 years + $m	Total $m
2025					
Not yet due	12.1	-	-	-	12.1
Past due not impaired	-	-	-	-	-
Considered impaired	-	-	-	30.1	30.1
	12.1	-	-	30.1	42.2
2024					
Not yet due	15.6	-	-	-	15.6
Past due not impaired	-	-	-	-	-
Considered impaired	-	-	2.3	30.6	32.9
	15.6	-	2.3	30.6	48.5

OTHER RECEIVABLES

Other receivables are not past due or considered impaired. It is expected that these balances will be received as they fall due.

Impairment of trade receivables

The Group impairment analysis is performed at each reporting date to measure expected credit losses. The provision reflects the probability-weighted outcome of reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Debtor balances have been individually assessed based on criteria, including: patron's financial circumstances; payment history; relationship with the Group; international gambling activity; and whether a legal claim has commenced to collect the balance.

B3 PROPERTY, PLANT AND EQUIPMENT

	Note	Freehold land $m	Freehold and leasehold buildings $m	Leasehold improvements $m	Plant and equipment $m	Right of use asset $m	Total $m
2025							
Cost							
Opening balance at beginning of the year		72.6	2,741.4	301.6	1,220.4	56.4	4,392.4
Additions		-	13.4	-	18.8	10.0	42.2
Disposals / write offs		-	(144.3)	(154.4)	(220.1)	(14.4)	(533.2)
Reclassification / transfer		-	(11.6)	6.2	9.0	-	3.6
Closing balance at end of the year [a]		72.6	2,598.9	153.4	1,028.1	52.0	3,905.0
Accumulated depreciation							
Opening balance at beginning of the year		-	1,868.4	188.9	1,130.6	47.1	3,235.0
Depreciation expense	A4	-	29.8	3.1	21.4	0.8	55.1
Disposals / transfers		-	(79.9)	(102.8)	(202.4)	(7.5)	(392.6)
Closing balance at end of the year		-	1,818.3	89.2	949.6	40.4	2,897.5
Carrying Amount							
Opening balance at beginning of the year		72.6	873.0	112.7	89.8	9.3	1,157.4
Closing balance at end of the year		72.6	780.6	64.2	78.5	11.6	1,007.5
2024							
Cost							
Opening balance at beginning of the year		74.1	2,760.9	302.2	1,205.8	58.4	4,401.4
Additions		-	18.7	-	27.3	1.6	47.6
Disposals / write offs		-	(16.5)	-	(35.3)	(3.6)	(55.4)
Reclassification / transfer		-	(21.3)	(0.5)	22.6	-	0.8
Non-current asset held for sale		(1.5)	(0.4)	(0.1)	-	-	(2.0)
Closing balance at end of the year [a]		72.6	2,741.4	301.6	1,220.4	56.4	4,392.4
Accumulated depreciation							
Opening balance at beginning of the year		-	1,405.5	154.7	1,052.2	36.7	2,649.1
Depreciation expense	A4	-	35.9	8.7	54.1	2.9	101.6
Disposals / transfers		-	(16.5)	-	(34.8)	(3.4)	(54.7)
Impairments	A4	-	443.5	25.5	59.1	10.9	539.0
Closing balance at end of the year		-	1,868.4	188.9	1,130.6	47.1	3,235.0
Carrying Amount							
Opening balance at beginning of the year		74.1	1,355.4	147.5	153.6	21.7	1,752.3
Closing balance at end of the year		72.6	873.0	112.7	89.8	9.3	1,157.4

	2025 $m	2024 $m
a Includes capital works in progress of:		
Buildings - at cost	4.5	11.2
Plant and equipment - at cost	3.6	7.3
Total capital works in progress	8.1	18.5

Property, plant and equipment is comprised of the following assets:

- Freehold land - Gold Coast property;
- Freehold and leasehold buildings - Brisbane, Gold Coast and Sydney properties;
- Leasehold improvements - Brisbane and Sydney properties;
- Plant and equipment - operational and other equipment: and
- Right-of-Use assets - Property and other equipment.

Asset useful lives and residual values
For the accounting policy on depreciation and useful lives of property, plant and equipment refer to note A4.

Impairment
Refer to note B5 for details of the accounting policy and key assumptions included in the impairment calculation.

B4 INTANGIBLE ASSETS

	Note	Goodwill $m	Sydney and Brisbane casino licences $m	Sydney casino concessions $m	Software [a] $m	Other $m	Total $m
2025							
Cost							
Opening balance at beginning of the year		1,442.2	294.7	100.0	373.1	20.2	2,230.2
Additions		-	-	-	31.5	-	31.5
Disposals / write offs		-	(38.7)	-	(18.8)	-	(57.5)
Reclassification / transfer		-	-	-	(3.6)	-	(3.6)
Closing balance at end of the year [a]		1,442.2	256.0	100.0	382.2	20.2	2,200.6
Accumulated amortisation							
Opening balance at beginning of the year		1,442.2	260.2	87.2	353.0	15.0	2,157.6
Amortisation expense	A4	-	0.5	0.2	8.1	0.1	8.9
Disposals		-	(38.7)	-	(17.1)	-	(55.8)
Closing balance at end of the year		1,442.2	222.0	87.4	344.0	15.1	2,110.7
Carrying Amount							
Opening balance at beginning of the year		-	34.5	12.8	20.1	5.2	72.6
Closing balance at end of the year		-	34.0	12.6	38.2	5.1	89.9
2024							
Cost							
Opening balance at beginning of the year		1,442.2	294.7	100.0	357.9	20.1	2,214.9
Additions		-	-	-	30.3	0.1	30.4
Disposals		-	-	-	(14.3)	-	(14.3)
Reclassification / transfer		-	-	-	(0.8)	-	(0.8)
Closing balance at end of the year [a]		1,442.2	294.7	100.0	373.1	20.2	2,230.2
Accumulated amortisation							
Opening balance at beginning of the year		1,313.4	185.0	69.8	301.8	12.1	1,882.1
Amortisation expense	A4	-	1.8	0.4	15.6	0.3	18.1
Disposals		-	-	-	(14.6)	-	(14.6)
Impairments	A4	128.8	73.4	17.0	50.2	2.6	272.0
Closing balance at end of the year		1,442.2	260.2	87.2	353.0	15.0	2,157.6
Carrying Amount							
Opening balance at beginning of the year		128.8	109.7	30.2	56.1	8.0	332.8
Closing balance at end of the year		-	34.5	12.8	20.1	5.2	72.6

a Includes capital works in progress of $10.0 million (2024: $26.0 million).

Intangible asset additions relate predominantly to software as the Group strives to maximise value from technology, including developing technologies to enable compliance with regulatory requirements as well as delivering new integrated IT platforms.

Asset useful lives and residual values

Intangible assets are amortised using the straight line method as follows:

- The Sydney casino licence (currently suspended) is amortised from its date of issue until expiry in 2093 (refer note B6).
- The Sydney casino concessions granted by the New South Wales government include product concessions in New South Wales which are amortised over the period of expected benefits.

- The Brisbane casino licence was amortised over the remaining life of the lease to which the licence was linked. The Group continued to amortise the casino licence over its current term up until its surrender, on 23 October 2024. This followed the closure of Treasury Brisbane on 25 August 2024. On 28 August 2024, Destination Brisbane Consortium Integrated Resort Joint Venture (***DBC*** and ***DBC Queens Wharf Integrated Resort)*** (of which the Group owns 50%) was issued a casino licence for The Star Brisbane, which subsequently commenced operation on 29 August 2024 under the management of the Group.
- Software is amortised over useful lives of 3 to 10 years.
- Other assets include the contribution to the construction costs of the state government owned Gold Coast Convention and Exhibition Centre. The Group's Gold Coast casino is deriving future benefits from the contribution, which is being amortised over a period of 50 years.

B5 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 was 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%.

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
B6 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.

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

2025	Regulatory and legal provisions $m	Workers' compensation (current) $m	Other (current) $m	Other (non-current) $m
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 penalty hearing 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 Group is awaiting the court's judgment.

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 Group's obligation to pay the underpaid Casino Duty will be deferred until 30 June 2026. The Group 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.

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 a process for transitioning its role under the casino management agreement to a new operator once identified 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 JVP Transaction in note C2). 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 JVP Transaction be terminated, or the JVP Transaction is otherwise unable to be completed, 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 recorded 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 recorded 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).
- 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 JVP Transaction (refer to note C2), 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 B7), which includes $60.6 million of proceeds from the sale of the Treasury Brisbane Casino, including accrued interest.
- Bank guarantees and other security: $41.3 million of bank guarantees in relation to workers compensation cover, property leases and construction works, and transactional banking security. A portion of these bank guarantees are cash backed and the transactional banking security is fully cash backed (refer to note B1).
- Certain controlled entities of the Group (denoted (b) in note D1) 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 and regulatory challenges
There are outstanding legal proceedings between the Company and its controlled entities and third parties as at 30 June 2025 as well as regulatory investigations by the Group's regulators. In relation to legal proceedings, 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 outcomes of these other matters, including the outcome of certain regulatory investigations, 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 reduced to $1,000 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 24 September 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC (previously extended to 30 September 2025 as notified on 28 March 2025).

Bell Two
On 17 October 2024, the NICC provided its regulatory response to the Bell Two Report (including disciplinary action in respect of the show cause notice served in September 2024 (***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.

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). 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. 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%. 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 25 September 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 2026 (previously extended to 30 September 2025 as notified on 27 March 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 28 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 2026 (previously 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 for The Star Gold Coast. 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.

B7 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

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. On 25 September 2025, the Group issued a notice to voluntarily prepay $61.1 million of the SFA Facilities using the balance of funds in the Disposal Proceeds Account. This prepayment is expected to complete on 30 September 2025.

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's lenders have agreed to provide a covenant waiver for 30 September 2025. To the extent future required waivers are not available, including for 31 December 2025, the Group will need to execute a refinancing of the SFA within the available timeframes to avoid a default of the SFA (refer to note G for further detail).

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).

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	$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		[a]	
Revolving facility	150.0	120.5	December 2027
Terms 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.

C COMMITMENTS AND SUBSEQUENT EVENTS

C1 COMMITMENTS

CAPITAL COMMITMENTS [a]

	2025	2024
	$m	$m
Not later than one year	4.6	15.0
Later than one year but not later than five years	-	1.4
Later than five years	-	-
	4.6	16.4

a Capital commitments as at 30 June 2025 have decreased in line with the reduction in capital projects across the Group.

DBC

On 12 August 2025, the Group entered into long form documentation to exit its 50% share of the DBC joint venture investment and a process for transitioning its role under the casino management agreement to a new operator once identified. The exit agreement will become effective upon satisfaction of various conditions precedent (refer to note C2). The Group paid an additional $26.0 million in equity contributions between 31 December 2024 and 31 March 2025. Under the long form documentation, the Group has no further requirements to contribute equity to the DBC joint venture after 31 March 2025. The Group estimates approximately $230.0 million of further equity contributions would be required from 1 April 2025.

DGCC

On 28 March 2025 a water leak event occurred in Tower 2 on the Gold Coast property impacting both the residential apartments and the hotel that were under construction (Water Damage Event). Damage assessment in relation to the event is continuing. The event is expected to delay completion of the construction of the apartments and hotel, which was due to start completing in 2HFY25. 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). Destination Gold Coast Consortium's (*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.

At 30 June 2025, the Group estimated approximately $40.0 million in contributions will be payable in FY26 and FY27 combined. DGCC executed a $309.5 million facility in April 2024, revised to $335.2 million in November 2024, which is expected to fund the remaining construction costs (construction loan component represents $221.6 million, noting the construction loan limit subsequently increased to $227.6 million).

On 12 August 2025, the Group entered into long form documentation to acquire the Joint Venture Partners share of DGCC. Under the long form documentation, the Group will assume responsibility for certain remaining Tower 2 hotel development costs that are specifically excluded from the construction loan in addition to certain net unfunded claims, damages and variations from the Tower 2 principal contractor.

DGCC has insurance in place which is currently anticipated to respond to the required rectification works based on current estimates.

Refer to note D4 for commitments in respect of investment in associate and joint venture entities.

C2 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 ***JVP Transaction***).

The JVP 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 JVP 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 JVP Transaction (including DGCC and The Treasury Hotel and Car Park 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 JVP 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, being the DBC exit). 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 $5 million contribution made by the Group which will be payable over a 12 month period from appointment of the replacement operator.

Completion of the JVP 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 JVP Transaction. Should the DBC exit stage of the JVP Transaction be terminated, or the JVP Transaction is otherwise unable to be completed, 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 B6).

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 JVP 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.

Suspension of Casino Licences

On 24 September 2025, the NICC notified The Star Sydney that its casino licence will remain suspended and that the Manager's term has been extended until 31 March 2026, unless terminated earlier by the NICC (previously extended to 30 September 2025 as notified on 28 March 2025).

On 25 September 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 2026 (previously extended to 30 September 2025 as notified on 27 March 2025).

The Star Brisbane's External Adviser's appointment has been extended to 30 September 2026 (previously 30 September 2025).

SFA Facility partial prepayment

On 25 September 2025, the Group issued a notice to voluntarily prepay $61.1 million of the SFA Facilities using the balance of funds in the Disposal Proceeds Account. This prepayment is expected to complete on 30 September 2025.

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) PARENT ENTITY

The ultimate parent entity within the Group is The Star Entertainment Group Limited.

(ii) 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 G. 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	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
EEI Services (Hong Kong) Holdings Limited		Australia	Hong Kong	ordinary shares	100.0	100.0
EEI Services (Hong Kong) Limited		Australia	Hong Kong	ordinary shares	100.0	100.0
EEI 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	d	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	d	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

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 %
EEI Services Holdings No.1 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
EEI Services Holdings No.2 Pty Ltd		Australia	Australia	ordinary shares	100.0	100.0
EEI Services (Macau) Limited	c	Macau	Macau	ordinary shares	0.0	100.0
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 B6.

c This company was deregistered in 2H FY25. The company's financial year end was 31 December.

d These companies have secured the syndicated facility with a first charge over their assets as explained in note B6.

(iii) TRANSACTIONS WITH CONTROLLED ENTITIES

The Star Entertainment Group Limited

During the period, the Company entered into the following transactions with controlled entities:

- loans of $169.1 million were repaid by controlled entities (2024: $432.5 million were advanced by controlled entities); and
- income tax and GST paid on behalf of controlled entities was $86.4 million (2024: $83.5 million).

The amount receivable by the Company from controlled entities at year end is $1,315.6 million (2024: $1,484.7 million). All the transactions were undertaken on normal commercial terms and conditions.

(iv) TRANSACTIONS WITH OTHER RELATED PARTIES

Other transactions

During the period, in addition to equity contributions (refer to note D4), the Group entered into the following transactions with related parties:

DBC Operator Fee

The Star Brisbane commenced operating on 29 August 2024. The Group manages The Star Brisbane on behalf of the DBC Integrated Resort joint venture, in exchange for an operator fee. For the year, the operator fee was $29.6 million (2024: nil). At 30 June 2025, $6.1 million was receivable (2024: nil).

DBC Contracted Revenue

The Group has a contracted cost recovery agreement with the DBC Integrated Resort joint venture (at cost, with no margin) in relation to the supply of labour and other shared costs in respect of the portion of the DBC Integrated Resort operated by the Group. For the year, the contracted revenue was $174.8 million (2024: nil). At 30 June 2025, there was no outstanding amount (2024: nil).

DBC sale of assets and liabilities

The Group sold assets, including electronic gaming machines, and certain working capital liabilities to DBC for net consideration of $8.2 million (2024: nil). A gain of $2.2 million (2024: nil) was recognised on the sale of the electronic gaming machines. 50% of the gain has been deferred, representing the Group's ownership percentage of the DBC Integrated Resort, and will be released over the expected useful life of the electronic gaming machines or upon exit of the Group's DBC investment. At 30 June 2025, $2.5 million was receivable (2024: nil).

DBC pre-opening costs

Pre-opening costs incurred on behalf of DBC and reimbursement for assets purchased on their behalf of $33.3 million (2024: $49.1 million) was charged during the year. At 30 June 2025, $0.2 million was receivable (2024: $6.4 million).

DGCC labour supply and building management services
The amount recharged to DGCC was $9.9 million (2024: $9.9 million) in relation to labour supply and building management services provided to the Dorsett Hotel. At 30 June 2025, $0.2 million was receivable (2024: nil).

DGCC amounts loaned
The Group loaned $4.9 million (2024: nil) to DGCC in relation to the delivery of Tower 2 on the Gold Coast. At 30 June 2025, $4.9 million was receivable (2024: nil).

DGCC loaned Tower 2 residential proceeds
The Group was loaned $35.0 million (2024: nil) of proceeds in relation to the upcoming residential apartment sales, as agreed with the Joint Venture Partners under the long form documentation. The amount is recognised as an other payable at 30 June 2025 (2024: nil).

DGCC Tower 2 development
The Group paid $9.9 million (2024: $15.9 million) associated with the development of Tower 2. At 30 June 2025, $1.1 million (2024: $1.2 million) was payable.

DGCI loaned sale proceeds
DGCI loaned $9.4 million of sale proceeds from the sale of the Sheraton Grand Mirage (2024: $55.9 million). At 30 June 2025, $65.3 million (2024: $55.9 million) is owing to DGCI.

HUA Restaurant
The Group loaned $1.9 million to Hua Restaurant (2024: nil) in relation to the fitout and setup of the restaurant. At 30 June 2025, $1.9 million was receivable (2024: nil).

Security over Group CEO and MD remuneration
At 30 June 2025, current other assets includes $5.2 million (2024: nil) and non current other assets includes $5.0 million (2024: nil) held in escrow to secure the Group CEO & MD's FY25 and FY26 salary, FY25 and FY26 short term incentive and FY26 Retention bonus. Actual payments of these amounts are recovered from escrow as and when they are made by the Company. The balance of the escrow account will be released to the MD & CEO if a trigger event should occur. A "trigger event" will occur where there is a change in control of the Company, the Company is placed in administration or receivership, a decision is made by the relevant regulatory authority to cancel any casino or gaming licence, or the Queensland authorities fail to make The Star Queen's Wharf Brisbane licence free of conditions such that The Star Brisbane can commence gaming prior to 31 December 2024 (which were satisfied), so long as that decision or failure is not attributable to any acts or omissions of the Group CEO & MD. Where his employment continues beyond the trigger event, the balance released will be reduced by any fixed remuneration payments he receives from the Company up to the end of the first 2 years of his employment.

D2 PARENT ENTITY DISCLOSURES

The Star Entertainment Group Limited, the parent entity of the Group, was incorporated on 2 March 2011.

	2025 $m	2024 $m
Result of the parent entity		
Loss for the year [a]	(426.5)	(1,677.8)
Total comprehensive loss for the year [b]	(426.5)	(1,677.8)

a The Company's investments and intercompany loans were impaired $131.5 million (2024: $1,247.9 million).

b No final dividend was declared (refer to note A6).

	2025 $m	2024 $m
Financial position of the parent entity		
Current assets	1,502.1	1,895.5
Non current assets	215.1	83.4
Total assets	1,717.2	1,978.9
Current liabilities	60.1	96.9
Non current liabilities	1,210.3	1,048.7
Total liabilities	1,270.4	1,145.6
Net assets	446.8	833.3
Total equity of the parent entity		
Issued capital	4,695.4	4,695.4
Retained earnings	110.6	110.6
Loss reserve	(4,408.8)	(3,982.3)
Shared based payments benefits reserve	49.6	9.6
Total equity	446.8	833.3

CONTINGENT LIABILITIES

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.

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 recorded 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.

Financial Guarantees

The Company had the following guarantees and securities at 30 June 2025:

- Destination Brisbane Consortium: the guarantee covers 50% of the syndicated facility agreement (refer to note B6).
- 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 (denoted (d) in note D1). The new tranche of $100.0 million is also secured against the Disposal Proceed Account (refer to note B7), which includes $60.6 million of proceeds from the sale of the Treasury Brisbane Casino, including accrued interest.
- Bank guarantees and other security: $41.3 million of bank guarantees in relation to workers compensation cover, property leases and construction works, and transactional banking security. A portion of these bank guarantees are cash backed and the transactional banking security is fully cash backed (refer to note B1).

The Parent has no other contingent liabilities at 30 June 2025.

CAPITAL EXPENDITURE

The parent entity does not have any capital expenditure commitments for the acquisition of property, plant and equipment contracted but not provided for at 30 June 2025 (2024: nil).

ACCOUNTING POLICY FOR INVESTMENTS IN CONTROLLED ENTITIES

All investments are initially recognised at cost, being the fair value of the consideration given. Subsequently, investments are carried at cost less any impairment losses.

D3 KEY MANAGEMENT PERSONNEL DISCLOSURES

	2025 $000	2024 $000
Compensation of Key Management Personnel		
Short term	15,720	7,797
Long term	292	159
Share based payments	1,328	320
Termination benefits	59	3,824
Total compensation	17,399	12,100

The above reflects the compensation for individuals who are Key Management Personnel of the Group. The note should be read in conjunction with the Remuneration Report.

D4 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 a	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

[a] The carrying amount of DGCI is offset by a loan from DGCI of $65.3 million (refer to note D1 (iv)) and therefore the net carrying amount of $0.4 million is not material.

Parent Company Guarantees over associate and joint venture entity debt facilities

The Group has guaranteed debt facilities held by Destination Brisbane Consortium and Destination Gold Coast Consortium (refer to note E1).

For those investments considered material to the Group, further information is provided below:

(i) DESTINATION BRISBANE CONSORTIUM INTEGRATED RESORT HOLDINGS PTY LTD

The Group has partnered with Hong Kong-based organisations Chow Tai Fook Enterprises Limited (***CTFE***) and Far East Consortium International Limited (***FECI***) to form DBC for the Queen's Wharf Brisbane Project. The parties have formed two vehicles (the Integrated Resort Joint Venture and the Residential Joint Venture), which together are responsible for completing the Project. The Group is not a party to the Residential Joint Venture.

The Group contributed 50% of the capital to the development of the Integrated Resort Joint Venture up to 31 March 2025. No further capital contributions have been made since this date under the terms of the JVP Transaction (refer to note C2). The Group's interest is accounted for using the equity method.

The initial stage of The Star Brisbane integrated resort owned by DBC opened to the public on 29 August 2024 and includes The Star Grand Hotel, the main gaming floor and premium gaming rooms, Events Centre, Sky Deck, pedestrian bridge, public realm and certain Food and Beverage (***F&B***) outlets. Further F&B venues and the leisure deck amenities were opened progressively throughout FY25. The Group holds the operator rights to The Star Brisbane through an agreement with DBC.

Subsequent to period end, the Group entered into long form documentation to exit its 50% share of the DBC joint venture investment and a process for transitioning its role under the casino management agreement to a new operator once identified. The exit agreement will become effective upon satisfaction of various conditions precedent (refer to note C2).

Commitments and contingent liabilities
DBC has current capital commitments of approximately $542.5 million (2024: $690.5 million) to fund the remaining construction of the entertainment and leisure destination. There were no other contingent liabilities.

Summarised financial information
The financial statements of the associate is prepared for the same reporting period as the Group and follow the same accounting policies of the Group.

	2025 $m	2024 $m
Balance sheet		
Cash and cash equivalents	94.0	68.8
Total current assets excluding cash and cash equivalents	29.2	70.1
Total non current assets	2,531.6	2,625.1
Current interest bearing liabilities	(1,385.3)	(100.1)
Total current liabilities excluding interest bearing liabilities	(42.8)	(38.7)
Non current interest bearing liabilities	-	(1,382.1)
Total non current liabilities excluding interest bearing liabilities	(58.0)	(0.4)
Net assets	1,168.7	1,242.7
Reconciliation to investment carrying amount:		
Carrying amount at the beginning of the year	-	535.3
Equity contributions	153.7	74.5
Share of loss for the period [a]	(46.1)	(7.6)
Impairment	(107.6)	(602.2)
Carrying amount at the end of the year	-	-
Income statement		
Revenue and other income	375.9	-
Operating expenses	(380.8)	(13.3)
Depreciation and amortisation expense	(99.0)	(2.0)
Net finance costs	(38.3)	-
Loss before tax	(142.2)	(15.3)
Income tax benefit	-	-
Loss for the year (continuing operations)	(142.2)	(15.3)
Other comprehensive loss	(39.3)	(41.5)
Total comprehensive loss for the year (continuing operations)	(181.5)	(56.8)
Group's share of loss for the year	(46.1)	(7.6)

[a] The investment has been reduced to nil at 30 June 2025 (2024: nil). The excess share of loss of $25.0 million has not been recognised. Recognition of these excess losses will resume only to the extent that the associate subsequently reports profits

(ii) DESTINATION GOLD COAST CONSORTIUM PTY LTD

On 22 November 2016, a 33.3% interest was acquired in Destination Gold Coast Consortium Pty Ltd (*DGCC*). DGCC is a joint venture with CTFE and FECI for the purpose of constructing a new residential and hotel tower in Gold Coast. The Group's interest is accounted for using the equity method.

Commitments and contingent liabilities
DGCC has current capital commitments of $40.7 million (2024: $70.4 million) in relation to Tower 2. There were no other contingent liabilities.

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 an 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.

Summarised financial information

The financial statements of the joint venture are prepared for the same reporting period as the Group and follow the same accounting policies of the Group.

	2025 $m	2024 $m
Balance sheet		
Cash and cash equivalents	28.7	25.3
Total current assets excluding cash and cash equivalents	355.4	88.7
Total non current assets	479.7	518.1
Total current liabilities	(345.1)	(162.4)
Total non current liabilities	(267.0)	(210.1)
Net assets	251.7	259.6
Reconciliation to investment carrying amounts:		
Carrying amount at the beginning of the year	75.6	76.4
Share of loss for the period	(2.1)	(1.7)
Share of equity contributions for the Group	-	9.8
Distributions received	(0.5)	(8.9)
Other	-	-
Carrying amount at the end of the year	73.0	75.6

	2025 $m	2024 $m
Income statement		
Revenue and other income	53.1	56.2
Operating expenses	(47.4)	(47.9)
Depreciation and amortisation expense	(5.2)	(5.3)
Finance costs	(6.9)	(7.9)
Loss before tax	(6.4)	(4.9)
Income tax expense	-	-
Loss for the year (continuing operations)	(6.4)	(4.9)
Total comprehensive loss for the year (continuing operations)	(6.4)	(4.9)
Group's share of loss for the year	(2.1)	(1.7)

Significant accounting policies

The following accounting policy is unique to DGCC's accounting within the Group.

Apartment sales revenue

Revenue in respect of the development project is recognised upon fulfillment of all performance obligations on a contract. The revenue is measured at the transaction price agreed under the contract. Payment is received on actual settlement of individual units when risk and benefits of ownership are transferred to the customer.

E RISK MANAGEMENT

E1 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash, short-term deposits, Australian denominated bank loans and convertible notes and subordinated debt.

The main purpose of these financial instruments is to provide funding for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations, and financial guarantee contracts, which support the ongoing viability of associates and joint ventures. Derivative transactions can also be entered into by the Group, being interest rate swaps, cross currency swaps and forward currency contracts, the purpose being to manage interest rate and currency risks arising from the Group's operations and sources of finance.

The Group's risk management policy is carried out by the Group Treasury function under the Group Treasury Policy approved by the Board. Group Treasury reports regularly to the Board on the Group's risk management activities and compliance with policies. It is, and has been throughout the period, the Group's policy that no speculative trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk.

Details of significant accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument, are disclosed in note G.

Interest rate risk

The Group manages interest rate risk by using a floating versus fixed rate debt framework. The relative mix of fixed and floating interest rate exposure is managed through: utilising assets which receive a floating rate of interest to provide a natural hedge; the issuance of both fixed rate and floating rate debt; or by using interest rate swap (***IRS***) contracts. At 30 June 2025, 100% of the Group's borrowings are at fixed rates of interest. At 30 June 2024, 74.6% of the Group's borrowings were naturally hedged by cash in bank, short term deposits and restricted cash.

Credit risk

Credit risk on financial assets which have been recognised on the balance sheet, is the carrying amount less any allowance for non recovery. The Group minimises credit risk via adherence to a strict credit risk management policy. Collateral is not held as security.

Customer credit risk

Credit risk in trade receivables is managed in the following ways:

- The provision of non gaming credit is covered by a risk assessment process for customers using the Credit Reference Association of Australia, bank opinions and trade references; and
- The provision of cheque cashing facilities for casino gaming patrons was ceased on 7 December 2022. Gaming patron cheque cashing facilities issued prior to this date remain, however have been fully provided for (refer to note B2).

Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is carefully managed and controlled.

Financial institution credit risk

Credit risk arising from other financial assets of the Group, which comprise cash and cash equivalents, is reduced by transacting with relationship banks that have acceptable credit ratings, as determined by a recognised ratings agency.

Cash investments, bank guarantees, and other contingent instruments create credit risk in relation to the relevant counterparties, which are principally large relationship banks. As such, there is a low level of credit risk.

Credit risk includes liabilities under financial guarantees

For financial guarantee contract liabilities, the fair value at initial recognition is determined using a probability weighted discounted cash flow approach. The fair value of financial guarantee contract liabilities has been assessed as nil (2024: nil). Details of the financial guarantee contracts are outlined below.

Fixed and floating charges

The controlled entities denoted (b) in note D1 have provided the ILGA with a fixed and floating charge over all of the assets and undertakings of each company to secure payment of all monies and the performance of all obligations which they have to the ILGA.

Guarantees and indemnities

The Group had the following guarantees and securities at 30 June 2025:

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

- 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 (denoted (d) in note D1). The new tranche of $100.0 million is also secured against the Disposal Proceed Account (refer to note B7), which includes $60.6 million of proceeds from the sale of the Treasury Brisbane Casino, including accrued interest.
- Bank guarantees and other security: $41.3 million of bank guarantees in relation to workers compensation cover, property leases and construction works, and transactional banking security. A portion of these bank guarantees are cash backed and the transactional banking security is fully cashed backed (refer to note B1).
- The controlled entities denoted (b) in note D1 have entered into a guarantee and indemnity agreement in favour of 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.

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 a process for transitioning its role under the casino management agreement to a new operator once identified 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 C2). 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 JVP Transaction be terminated, or the JVP Transaction is otherwise unable to be completed, the obligations of the SFA G&E PCG on refinancing the DBC Funding will remain with the Group.

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due.

At 30 June 2025, the Group faces significant near-term liquidity requirements (refer to note G), including: funding of the Group's operations at current trading levels; ongoing transformation and remediation related activities; and anticipated outflows associated with ongoing regulatory matters (refer to note B6). A range of initiatives and other measures have been identified and are in the process of being implemented to improve the liquidity outlook for the Group, including the execution of the long form documentation to exit the DBC investment (refer to note C2) and the Strategic Investment (refer to note B7)

The Group manages liquidity risk through maintaining sufficient cash and available debt facilities above the forecast requirements of the business. The debt portfolio is periodically reviewed to ensure there is funding flexibility across an appropriate maturity profile. Refer to notes B7 and E2 for maturity of financial liabilities.

The Group needs to continue to have the support of its existing lenders in respect of the SFA requirements. The Group's lenders have agreed to provide a covenant waiver for 30 September 2025 (refer note B7). To the extent future required waivers are not available, including for 31 December 2025, the Group will need to execute a refinancing of the SFA within the available timeframes to avoid a default of the SFA (refer to note G for further detail).

The contractual timing of cash flows on derivatives and non-derivative financial assets and liabilities at the reporting date, including drawn borrowings and estimated interest, are set out in the tables below:

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

(i) NON-DERIVATIVE FINANCIAL INSTRUMENTS

	2025			2024		
	< 1 year $m	1 - 5 years $m	> 5 years $m	< 1 year $m	1 - 5 years $m	> 5 years $m
Financial assets						
Available cash	56.0	-	-	87.0	-	-
Short term deposits	211.0	-	-	212.6	-	-
Long term deposits	-	96.8	-	-	-	-
Trade and other receivables	21.1	-	-	31.5	-	-
	288.1	96.8	-	331.1	-	-
Financial liabilities						
Trade and other payables	159.2	-	-	176.1	-	-
Syndicated Facility	44.3	502.3	-	35.1	385.8	-
Convertible notes and subordinated debt	-	233.3	-	-	-	-
Lease liabilities	8.1	18.0	416.9	8.7	23.7	68.1
	211.6	753.6	416.9	219.9	409.5	68.1
Net inflow/(outflow)	76.5	(656.8)	(416.9)	111.2	(409.5)	(68.1)

(ii) FINANCIAL INSTRUMENTS - SENSITIVITY ANALYSIS

Interest rates - AUD

The following sensitivity analysis is based on interest rate risk exposures in existence at year end.

At 30 June, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and other comprehensive income would have been affected as follows:

	Net profit after tax higher/(lower) $m	Other comprehensive income higher/(lower) $m
2025		
AUD		
+ 0.5% (50 basis points)	0.1	-
- 0.5% (50 basis points)	(0.1)	-
2024		
AUD		
+ 0.5% (50 basis points)	(0.2)	-
- 0.5% (50 basis points)	0.2	-

The movements in profit are due to higher/lower interest costs from variable rate debt and investments. There is no movement in other comprehensive income following termination of all derivative instruments in FY24. The numbers derived in the sensitivity analysis are indicative only.

Significant assumptions used in the interest rate sensitivity analysis include the reasonably possible movements in interest rates were determined based on the Group's current credit rating and mix of debt.

E2 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURES

(i) FAIR VALUES

The fair value of the Group's financial assets and financial liabilities approximates their carrying value as at the balance sheet date.

There are various methods available in estimating the fair value of a financial instrument. The methods comprise:

Level 1	the fair value is calculated using quoted prices in active markets.
Level 2	the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3	the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The convertible notes and subordinated debt compound financial instrument was initially measured at fair value using the level 2 valuation techniques, being observable inputs. There have been no transfers between levels during the year.

Convertible notes and subordinated debt
The fair value of the liability component of convertible notes and subordinated debt is calculated as the present value of expected future cashflows under the contract, without any share conversion options, discounted to present value using a market rate for an equivalent non-convertible instrument. The market rate has been estimated at 16.5%, reflecting the Group's expected borrowing rate around the date of entering into the agreement.

(ii) RECONCILIATION OF MOVEMENT IN FINANCING ACTIVITIES

	Opening	Cash flows	Unwind of discounting	Equity component of compound financial instrument	Supplier financing	Capitalised interest	Net movement in borrowing costs	Closing
	$m	$m	$m	$m	$m	$m	$m	$m
2025								
Interest bearing liabilities (excluding significant items) (refer to note B7)	(269.6)	(333.3)	(0.7)	60.2	(0.8)	(3.5)	(24.0)	**(571.7)**

	Opening	Cash flows	Changes in fair values	Foreign exchange movement	Debt modification	Net loss on settlement	Borrowing costs	Closing
	$m	$m	$m	$m	$m	$m	$m	$m
2024								
Interest bearing liabilities (excluding significant items) (refer to note B7)	(720.4)	434.2	3.0	(16.5)	8.0	(8.3)	30.4	(269.6)
Net derivative assets	36.2	(49.7)	13.5	-	-	-	-	-

	Opening	Cash flows	Interest	Transition	Additions	Other	Disposals	Closing
	$m	$m	$m	$m	$m	$m	$m	$m
2025								
Lease liabilities (refer to note B7)	(32.2)	10.5	(2.6)	-	(10.0)	-	7.7	**(26.6)**
2024								
Lease liabilities (refer to note B7)	(36.8)	7.9	(2.9)	-	-	-	(0.4)	(32.2)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

F OTHER DISCLOSURES

F1 OTHER COMPREHENSIVE INCOME

	2025 $m	2024 $m
Net gain on derivatives [a]	-	8.2
Tax on above items recognised in other comprehensive income	-	(2.4)
	-	5.8

a All derivatives were closed in October 2023 in conjunction with the repayment of existing bank loans and prepayment and termination of the USPP notes. The cash flow hedge reserve was released to the income statement at this time.

F2 INCOME TAX

(i) INCOME TAX BENEFIT/(EXPENSE)

	2025 $m	2024 $m
The major components of income tax benefit is:		
Current tax benefit	6.9	31.3
Adjustments in respect of current income tax of previous years	(1.2)	5.5
Deferred income tax benefit/(expense)	18.1	(189.7)
Income tax benefit/(expense) reported in the income statement	23.8	(152.9)
Aggregate of current and deferred tax relating to items charged or credited to equity:		
Deferred tax (benefit)/expense reported in equity	(18.1)	2.2
Income tax (benefit)/expense reported in equity	(18.1)	2.2
Income tax benefit		
A reconciliation between income tax benefit and the product of accounting profit before income tax multiplied by the income tax rate is as follows:		
Accounting loss before income tax benefit	(451.7)	(1,531.7)
At the Group's statutory income tax rate of 30%	135.5	459.5
- Derecognition of temporary differences	(98.8)	(564.2)
- Non deductible expenses	(11.0)	(5.0)
- (Under)/over provision in prior years	(1.9)	1.2
- Non deductible goodwill impairment	-	(44.4)
Aggregate income tax benefit/(expense)	23.8	(152.9)
Effective income tax rate	5.2 %	(10.0)%

(ii) DEFERRED TAX BALANCES

The balance comprises temporary differences attributable to:

2025	Balance 1 July 2024 $m	Recognised in the income statement $m	Recognised directly in equity $m	Other $m	Balance 30 June 2025 $m
Property, plant and equipment	235.1	(39.2)	-	-	195.9
Intangible assets	37.7	(14.1)	-	-	23.6
Employee provisions	25.1	2.8	-	-	27.9
Other provisions and accruals	36.9	(3.1)	-	-	33.8
Impairment of trade receivables	9.9	(0.8)	-	-	9.1
Unrealised financial liabilities	(0.1)	9.9	-	0.1	9.9
Finance leases	10.0	(1.7)	-	-	8.3
Other	207.6	53.4	-	-	261.0
Tax losses	31.3	108.4	-	-	139.7
Deferred tax assets (DTA) set off	593.5	115.6	-	0.1	709.2
Intangible assets	(10.4)	-	-	-	(10.4)
Property, plant and equipment	(2.8)	(0.7)	-	-	(3.5)
Unrealised financial assets	0.1	-	-	(0.1)	-
Other	(16.2)	2.0	(18.1)	-	(32.3)
	(29.3)	1.3	(18.1)	(0.1)	(46.2)
Derecognition of DTA balances [a]	(564.2)	(98.8)	-	-	(663.0)
Net deferred tax (liabilities)/assets	-	18.1	(18.1)	-	-

2024	1 July 2023				30 June 2024
Property, plant and equipment	93.9	141.2	-	-	235.1
Intangible assets	27.8	9.9	-	-	37.7
Employee provisions	23.8	1.3	-	-	25.1
Other provisions and accruals	23.7	13.2	-	-	36.9
Impairment of trade receivables	9.9	-	-	-	9.9
Unrealised financial liabilities	18.9	(16.6)	(2.4)	-	(0.1)
Finance Leases	11.4	(1.4)	-	-	10.0
Other	6.0	197.0	4.6	-	207.6
Tax losses	28.2	6.1	-	(3.0)	31.3
DTA set off	243.6	350.7	2.2	(3.0)	593.5
Intangible assets	(33.0)	22.6	-	-	(10.4)
Property, plant and equipment	(6.5)	3.7	-	-	(2.8)
Unrealised financial assets	(11.9)	12.0	-	-	0.1
Other	(1.8)	(14.4)	-	-	(16.2)
	(53.2)	23.9	-	-	(29.3)
Derecognition of DTA balances [a]	-	(564.2)	-	-	(564.2)
Net deferred tax assets/(liabilities)	190.4	(189.6)	2.2	(3.0)	-

[a] DTA's, including tax losses, have not been recognised as they no longer meet the recognition criteria.

(iii)TAX CONSOLIDATION

Effective June 2011, The Star Entertainment Group Limited (the Head Company) and its 100% owned subsidiaries formed an income tax consolidation group. Members of the tax consolidation group entered into a tax sharing arrangement that provides for the allocation of income tax liabilities between the entities should the Head Company default on its tax payment obligations. At balance date, the possibility of default is remote.

Tax effect accounting by members of the tax consolidation group

Members of the tax consolidation group have entered into a tax funding agreement effective June 2011. Under the terms of the tax funding agreement, the Head Company and each of the members in the tax consolidation group have agreed to make a tax equivalent payment to or from the Head Company, based on the current tax liability or current tax asset of the member. Deferred taxes are recorded by members of the tax consolidation group in accordance with the principles of AASB 112 'Income Taxes'. Calculations under the tax funding agreement are undertaken for statutory reporting purposes.

The allocation of taxes under the tax funding agreement is recognised as either an increase or decrease in the subsidiaries' intercompany accounts with the Head Company. The Group has chosen to adopt the Group Allocation method as outlined in Interpretation 1052 'Tax Consolidation Accounting' as the basis to determine each members' current and deferred taxes. The Group Allocation method as adopted by the Group will not give rise to any contribution or distribution of the subsidiaries' equity accounts as there will not be any differences between the current tax amount that is allocated under the tax funding agreement and the amount that is allocated under the Group Allocation method.

(iv) INCOME TAX PAYABLE

The balance of income tax payable is the net of current tax and tax instalments/refunds during the year. A current tax liability arises where current tax exceeds tax instalments paid and a current tax receivable arises where tax instalments paid exceed current tax.

The income tax receivable/(payable) balance is attributable to:

2025	Receivable 1 July 2024 $m	Increase in tax receivable $m	Tax instalment refunded $m	Under provision of tax $m	Other $m	Receivable 30 June 2025 $m
Tax consolidated group - year ended 30 June 2025 [a]	-	-	-	-	-	-
Tax consolidated group - year ended 30 June 2024 [a]	-	-	-	-	-	-
Prior years [b]	56.0	6.8	(20.5)	(1.2)	0.1	41.2
Total Australia	56.0	6.8	(20.5)	(1.2)	0.1	41.2
Overseas subsidiaries	-	-	-	-	-	-
Total	56.0	6.8	(20.5)	(1.2)	0.1	41.2

2024	Receivable 1 July 2023 $m	Increase in tax receivable $m	Tax instalment refunded $m	Over provision of tax $m	Other $m	Receivable 30 June 2024 $m
Tax consolidated group - year ended 30 June 2024 [a]	-	-	-	-	-	-
Tax consolidated group - year ended 30 June 2023 [c]	16.4	23.3	-	-	-	39.7
Prior years [d]	14.4	10.9	(14.6)	5.5	0.1	16.3
Total Australia	30.8	34.2	(14.6)	5.5	0.1	56.0
Overseas subsidiaries	-	-	-	-	-	-
Total	30.8	34.2	(14.6)	5.5	0.1	56.0

a No instalments paid due to carried forward losses.
b The Prior year tax instalment refunds were applied by the ATO to the GST amended assessments deposit (refer to note B6).
c The receivable balance relates to refundable tax instalments.
d The receivable balance relates to depreciation deductions for capital projects.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

F3 LOSS PER SHARE

	2025 $m	2024 $m
Net loss after tax attributable to ordinary shareholders	(427.9)	(1,684.6)
Basic loss per share (cents per share)	(14.9)	(66.8)
Diluted loss per share (cents per share)	(14.9)	(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.

F4 OTHER ASSETS

	2025 $m	2024 $m
Current		
Prepayments	30.1	38.5
Security over Group CEO and MD remuneration (refer to note D1 (iv))	5.2	-
Other assets	7.3	48.9
	42.6	87.4
Non current		
ATO deposits (refer to note B6)	64.7	-
Contributions towards DGCC Tower 2 (refer to note D1 (iv))	17.1	15.5
Security over Group CEO and MD remuneration (refer to note D1 (iv))	5.0	-
Amounts loaned to related parties (refer to note D1 (iv))	1.9	-
Other assets	2.1	1.7
Rental paid in advance	0.8	0.8
	91.6	18.0

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FOR THE YEAR ENDED 30 JUNE 2025

F5 TRADE AND OTHER PAYABLES

	2025 $m	2024 $m
Trade creditors and accrued expenses	158.7	176.1
Interest payable	12.1	4.3
	170.8	180.4

F6 OTHER LIABILITIES

	2025 $m	2024 $m
Current		
Customer loyalty deferred revenue [a]	14.0	16.2
Sale proceeds loaned from DGCI (refer to note D1 (iv))	65.3	55.9
Residential sale proceeds loaned from DGCC (refer to note D1 (iv))	35.0	-
Upfront payment from the joint venture partners (refer to note C2)	10.0	-
Other deferred revenue	1.1	1.9
Other	0.5	1.2
	125.9	75.2
Non current		
Other	9.0	8.8
	9.0	8.8

a The Group operates customer loyalty programs enabling customers to accumulate award credits for gaming and on-property spend. A portion of the spend, equal to the fair value of the award credits earned, is treated as deferred revenue, and recognised in the income statement when the award is redeemed or expires.

F7 SHARE CAPITAL AND RESERVES

(i) SHARE CAPITAL

There is only one class of shares (ordinary shares) on issue. These ordinary shares entitle the holder to participate in dividends and proceeds on winding up of the Company, in proportion to the number and amounts paid on the shares held. On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. The Company does not have authorised capital nor par value in respect of its issued shares

	Share capital		Treasury shares		Net outstanding	
	Shares	$m	Shares	$m	Shares	$m
Opening balance 1 July 2024	2,868,680,877	4,702.1	(2,144,899)	(6.4)	2,866,535,978	4,695.7
Shares issued to settle employee share programs	-	-	1,187,985	1.4	1,187,985	1.4
Closing balance 30 June 2025	**2,868,680,877**	**4,702.1**	**(956,914)**	**(5.0)**	**2,867,723,963**	**4,697.1**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

	Share capital		Treasury shares		Net outstanding	
	Shares	$m	Shares	$m	Shares	$m
Opening balance 1 July 2023	1,618,680,877	3,962.9	(2,485,032)	(7.3)	1,616,195,845	3,955.6
Issue of share capital (net of tax) - 6 October 2023 [a]	925,933,112	547.6	-	-	925,933,112	547.6
Issue of share capital (net of tax) - 19 October 2023 [b]	324,066,888	191.6	-	-	324,066,888	191.6
Shares issued to settle employee share programs	-	-	340,133	0.9	340,133	0.9
Closing balance 30 June 2024	2,868,680,877	4,702.1	(2,144,899)	(6.4)	2,866,535,978	4,695.7

[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.

(ii) RESERVES (NET OF TAX)

	2025	2024
	$m	$m
Share based payments reserve [a]	9.8	9.6
Convertible Notes Reserve [b]	39.8	-
Total reserves	49.6	9.6

Nature and purpose of reserves

a The share based payments reserve is used to recognise the value of equity settled share based payment transactions provided to employees, including Key Management Personnel as part of their remuneration. Refer to note F9 for further details on these plans.

b The Convertible Notes Reserve covers the equity component of the convertible notes and subordinated debt (net of transaction costs). The liability component is included in Interest-bearing loans and borrowings (refer to note B7).

(iii) CAPITAL MANAGEMENT

The Group's objectives when managing capital are to ensure the Group continues as a going concern.

The Group's capital management aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. The Group obtained financial covenant waivers at September 2024, December 2024, March 2025, June 2025 and 30 September 2025 (refer to note B7).

	2025	2024
	$m	$m
Gross Debt	598.3	301.8
Net Debt/(net cash) [a]	207.1	(30.0)
EBITDA (before significant items) [b]	(77.1)	174.7
Gearing ratio (times)	(2.7)x	2.7 x

a Net debt/(net cash) is shown as interest bearing liabilities (excluding lease liabilities, other loans and convertible notes in equity), less cash and cash equivalents.

b EBITDA (before significant items) is a non-IFRS disclosure and stands for earnings before interest, tax, depreciation, amortisation, impairment, significant items and share of profits / losses from joint ventures.

F8 RECONCILIATION OF NET PROFIT AFTER TAX TO NET CASH INFLOWS FROM OPERATIONS

	Note	2025 $m	2024 $m
Net loss after tax		(427.9)	(1,684.6)
- Depreciation, amortisation and impairment	A4	172.4	1,533.8
- Employee share based payments expense	A3	1.5	1.7
- Gain on disposal of property, plant and equipment		(4.1)	-
- Finance costs	A5	127.2	68.0
- Share of net loss/(profit) of associate and joint venture entities	D4	47.9	(19.7)
Working capital changes			
- Decrease/(increase) in trade and other receivables and other assets		50.1	(6.5)
- Decrease in inventories		2.9	1.3
- Decrease in trade and other payables, accruals and provisions		(90.3)	(15.5)
- (Decrease)/increase in tax provisions		(23.8)	167.5
Net cash (outflow)/inflow from operating activities		(144.1)	46.0

F9 EMPLOYEE SHARE PLANS

Long term incentive plan

During the current and prior periods, the Company issued Performance Rights and Premium Exercised Price Options under the long term incentive plan to eligible employees. The share based payment credit was nil (2024: $0.2 million) in respect of the equity instruments granted is recognised in the income statement.

The number of Performance Rights granted to employees and forfeited or lapsed during the year are set out below.

2025 Grant Date	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year [a]	Vested during the year	Balance at end of year
24 September 2020	392,854	-	-	392,854	-	-
23 September 2021	361,599	-	199,383	-	-	162,216
26 September 2022	745,330	-	418,209	-	-	327,121
22 December 2023	4,214,345	-	2,353,502	-	-	1,860,843
10 December 2024	-	7,586,204	1,206,896	-	-	6,379,308
	5,714,128	7,586,204	4,177,990	392,854	-	8,729,488

2024 Grant Date	Balance at start of year	Granted during the year	Forfeited during the year [b]	Lapsed during the year	Vested during the year	Balance at end of year
25 September 2019	322,821	-	-	322,821	-	-
24 September 2020	650,981	-	258,127	-	-	392,854
23 September 2021	1,220,635	-	859,036	-	-	361,599
26 September 2022	1,842,126	-	1,096,796	-	-	745,330
22 December 2023	-	6,830,545	2,616,200	-	-	4,214,345
	4,036,563	6,830,545	4,830,159	322,821	-	5,714,128

Grants in FY25 include a market based hurdle only (relative total shareholder return (***rTSR***)). Grants in FY24 and prior included some combination of market based hurdles (rTSR), an earnings per share (***EPS***) component, a return on investment capital (***ROIC***) component and a premium exercised price option (PEP) (FY24 only).

The Performance Rights have been independently valued. For the rTSR and PEP components, valuation was based on a Monte-Carlo simulation model. For the EPS and ROIC components, a discounted cash flow technique was utilised. The EPS and ROIC value does not contain any specific discount for forfeiture if the employee leaves the Group during the vesting period. This adjustment, if required, is based on the number of equity instruments expected to vest at the end of each reporting period.

a Performance rights granted on 24 September 2020 were tested and did not vest. The FY21 grant comprised three performance hurdles (rTSR, EPS and ROIC). None of the performance hurdles were satisfied in respect of the FY21 grant.

b Performance rights granted on 25 September 2019 were tested and did not vest. The FY20 grant comprised three performance hurdles (rTSR, EPS and ROIC). None of the performance hurdles were satisfied in respect of the FY20 grant.

The key assumptions underlying the Performance Rights valuations are set out below:

Effective grant date	Test and vesting date	Share price at date of grant $	Expected volatility in share price %	Expected dividend yield %	Risk free interest rate %	Average Fair Value per Performance Right $
24 September 2020	24 September 2024	3.15	29.00 %	- %	0.26 %	2.76
23 September 2021	23 September 2025	4.35	31.00 %	- %	0.41 %	3.78
26 September 2022	26 September 2026	2.63	32.00 %	- %	3.80 %	2.33
22 December 2023	3 October 2027	0.51	37.00 %	- %	3.67 %	0.26
10 December 2024	1 November 2028	0.18	56.00 %	- %	3.74 %	0.11
Premium exercise price options						
22 December 2023	24 November 2027	0.51	36.00 %	- %	3.74 %	0.04

Special performance rights

In FY25, the Board approved one-off grants of special performance rights to certain members of the Group Leadership Team. The share based payment expense of $1.8 million (2024: nil) in respect of the equity instruments granted is recognised in the income statement.

The number of restricted shares granted to employees and forfeited during the year are set out below:

2025 Program	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year	Vested during the year	Balance at end of year
Special performance rights	-	12,995,287	-	-	-	12,995,287

The awards are issued at no cost to participants and are subject to a service condition of two or three years. Participants are entitled to dividends and may benefit from share price growth over the vesting period.

Equity retention plan (*ERP*)

Since FY19, the Board has approved the granting of restricted shares under the equity retention plan to eligible employees. The share based payment credit of $0.5 million (2024: $1.1 million expense) in respect of the equity instruments granted is recognised in the income statement. The number of restricted shares granted to employees and forfeited during the year are set out below.

2025 Program	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year	Vested during the year	Balance at end of year
ERP	1,096,910	-	383,307	-	352,106	361,497

2024 Program	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year	Vested during the year	Balance at end of year
ERP	1,206,889	-	109,979	-	-	1,096,910

The awards are granted at no cost to participants and are subject to a service condition of three years. Participants are entitled to dividends and may benefit from share price growth over the vesting period.

Executive service rights grant

In July 2023, the Board approved a once-off grant of service rights to each member of the Group Leadership Team. The share based payment expense of $0.2 million (2024: $0.6 million) in respect of the equity instruments granted is recognised in the income statement.

The number of restricted shares granted to employees and forfeited during the year are set out below.

2025 Program	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year	Vested during the year	Balance at end of year
Executive service rights grant	3,343,523	-	1,374,476	-	738,393	1,230,654

2024 Program	Balance at start of year	Granted during the year	Forfeited during the year	Lapsed during the year	Vested during the year	Balance at end of year
Executive service rights grant	-	8,986,302	4,806,900	-	835,879	3,343,523

The awards are issued at no cost to participants and are in three tranches: Tranche 1, comprising 20% of the award vested 30 June 2024; Tranche 2, comprising 30% of the award vests 30 June 2025; and Tranche 3, comprising 50% of the award vests 30 June 2026. On vesting, all rights are subject to a 12 month holding lock.

Service rights do not attract dividends until shares have been allocated following vesting. Participants will receive any dividends which accrued during the plan period once the vesting conditions have been met. Participants may benefit from share price growth over the vesting period.

Short term incentive plan

In FY25, there were no share based payment amounts recognised in relation to short term incentive plans (2024: $0.1 million expense).

F10 AUDITOR'S REMUNERATION

	2025 $	2024 $
Fees to Ernst & Young (Australia):		
Fees for auditing the statutory financial report of the parent and consolidated group	3,134,790	3,072,328
Fees for other assurance and agreed-upon-procedures services (including sustainability assurance) under contractual arrangements where there is discretion as to whether the service is provided by the auditor	-	167,750
Fees for other advisory and compliance services	-	220,000
Total fees to Ernst & Young Australia	3,134,790	3,460,078

The auditor of the Company and its controlled entities is Ernst & Young. From time to time, Ernst & Young provides other services to the Group, which are subject to strict corporate governance procedures encompassing the selection of service providers and the setting of their remuneration. The Chair of the Audit Committee (or authorised delegate) must approve any other services provided by Ernst & Young to the Group. The Company's Group Chief Financial Officer has limited delegated authority for the pre-approval of audit and non-audit services proposed by the external auditors, limited to $50,000 per engagement and capped at 40% of the relevant year's audit fee.

G ACCOUNTING POLICIES AND CORPORATE INFORMATION

Significant accounting policies are contained within the financial statement notes to which they relate and are not detailed in this section.

CORPORATE INFORMATION

The Star Entertainment Group Limited (the ***Company***) is a company incorporated and domiciled in Australia. The Financial Report of the Company for the year ended 30 June 2025 comprises the Company and its controlled entities (collectively referred to as the ***Group***). The Company's registered office is Level 3, 159 William Street, Brisbane QLD 4000.

The Company is of the kind specified in A*ustralian Securities and Investments Commission (ASIC) Instrument 2016/191*. In accordance with that Instrument, amounts in the Financial Report and the Directors Report have been rounded to the nearest hundred thousand dollars, unless specifically stated to be otherwise. All amounts are in Australian dollars ($). The Company is a for profit organisation. The Financial Report was authorised for issue by the Directors on 30 September 2025.

BASIS OF PREPARATION

The Financial Report is a general purpose Financial Report which has been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and other mandatory Financial Reporting requirements in Australia. The financial statements comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below and elsewhere in this report. The policies used in preparing the financial statements are consistent with those of the previous year except as indicated under 'Changes in accounting policies and disclosures'.

GOING CONCERN

At 30 June 2025, the Group had a net current liability position of $426.3 million and further contingent liabilities relating to guarantees, legal and regulatory matters (refer to note B6 for details). The current liabilities include a provision for the Directors' estimate of the outcome of AUSTRAC proceeding where the Group is awaiting the court's judgment and the outcome is highly uncertain. AUSTRAC submitted to the Court 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 capital markets.

The Group had Available Cash of $163.5 million at 26 September 2025, which is insufficient to meet the net current liabilities and accordingly, the Group will be required to source and access additional capital and successfully execute on planned initiatives to remain a going concern.

Accordingly, there continues to be numerous material uncertainties in existence that cast significant doubt as to the Group's ability to remain a going concern.

Currently, in the Directors' opinion, while there remains material uncertainty regarding the Group's ability to continue as a going concern, there are reasonable grounds to believe the Group will be able to meet its liabilities as and when they fall due over the next twelve months and to continue to remain a going concern, provided that:

- in relation to the following key interdependent matters and initiatives, which are critical to the Group's liquidity and financial outlook in the near term:
  - **AUSTRAC fine and other provisions and contingencies:** the payments of any monies ultimately required to settle the provisions and contingent liabilities outlined in note B6 are not of such a magnitude, nor of such timing, that would render the Group unable to pay its debts as and when they fall due. The Group currently has insufficient funding to meet all existing provisions and potential contingent liabilities and in respect of the AUSTRAC Proceeding is reliant on the judgment of the Court as to quantum and timing being within the Groups' capacity to pay, given its existing liquidity and ability to access any additional funding required. Were this not to be possible, an unfavourable Court judgment may result in the Group not being able to continue as a going concern. Further, the Group's ability to successfully execute its ongoing capital management strategy in the timeframe required will be impacted by the timing of the AUSTRAC judgment;
  - **Support of existing lenders:** the Group needs to continue to have the support of its existing lenders in respect of the SFA requirements. The Group's lenders have agreed to provide a covenant waiver for 30 September 2025 (refer note B7) the terms of which include an update to the events of default and review event regime in the SFA. This includes triggers relating to:
    - a failure of Bally's to pay its final investment instalment when due;
    - not obtaining receipt of regulatory approvals for the Strategic Investment by 31 December 2025 followed by an agreed review period; and
    - a specified quantum threshold and instalment structure for the final AUSTRAC penalty.

To the extent future required waivers are not available, including for 31 December 2025, the Group will need to agree a refinancing of the SFA within a short timeframe to avoid a default under the SFA.

- **Regulatory approvals and final funding of the Strategic Investment:** outstanding regulatory approvals are obtained from the NICC and OLGR for the Strategic Investment of an aggregate principal value of $300 million, and receipt of the remaining $67 million from Bally's (see note B7);
- **Timely exit from the DBC stage of the JVP Transaction**: completing the DBC exit stage of the JVP Transaction entered into with the Joint Venture Partners (as described at note C2), including no material dispute between the Group and the Joint Venture Partners in relation to transition arrangements to a new DBC operator which could delay or prevent the release of any operator fees paid into escrow. The DBC exit is the first stage of the transaction and 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 SFA G&E PCG (~$0.7 billion the Group's share of drawn DBC debt). This is necessary to enable the Company to avoid further equity contributions to DBC (see note C2 and D2). Timely receipt of regulatory approvals underpin the timely exit from the DBC stage;
- **Remediation progress:** the Group continues to meet the milestones as set out in the Remediation Plan, which is a critical factor in returning the Group to suitability and to restore its casino licences (see Sections 2.2 and 2.6 of the Directors' Report);

- **Refinance of SFA and other capital management:** the Group is able to access additional capital within the required timeframe through a planned refinancing (and potential increase) of the existing SFA, the raising of additional subordinated capital or equity, and the potential divestment of non-core assets. In the case of potential non-core asset sales, this will be subject to any applicable lender terms and approvals (both for existing lenders and new lenders following a refinancing as the case may be) and any regulatory approvals (if required);
- **Refinance of DGCC loan:** DGCC is able to extend the maturity of its construction loan with its lenders (currently due to mature in December 2025) to meet a revised completion date as a result of the delay in the completion of Tower 2 stemming from the Water Damage Event (see note C1). Further, if a sufficient extension is not granted, that the DGCC parent company guarantee is not called on in a scenario where the Tower 2 construction facility remains outstanding at maturity on the basis it is able to be refinanced (see note B6);
- **Delivery of DGCC Tower 2:** no material cost overruns or exposures above current budgeted amounts for the completion of the delivery of DGCC Tower 2 which the Group would be responsible for under the terms of the JVP Transaction;
- **Maintenance of transactional banking services:** Transactional banking facilities are presently in place with the current provider until the end of October 2025. Discussions with the current provider on an extension are in progress;
- **Performance improvement and cost out:** the business successfully executes initiatives in FY26 relating to the generation of revenue and further reductions in cost (see Section 2.2 of the Directors Report);
- **Revenue stabilisation after regulatory changes:** the reduction of earnings due to the future implementation of cashless and carded play at the Gold Coast casino, and the ongoing impact at the Sydney casino from the existing implementation, is not materially worse than currently expected and there are no further regulatory changes that materially reduce earnings (see note B6); and
- **Stakeholder support:** the Group continues to have the support of its regulators, Governments, lenders, shareholders and other key stakeholders, all of whom are important stakeholders and whose support will assist the Company in successfully addressing many of the matters referred to above. Meeting the requirements of these stakeholders will be key to maintaining their support.

At the date of this report, there is no certainty that each of the matters noted above can be satisfactorily resolved and in a sufficiently timely manner. In addition, there are compounding risks of successfully resolving all of these matters concurrently.

If the Group is unable to successfully address or resolve any one or more of the matters outlined above, there is significant doubt as to the Group's ability to remain a going concern and in its ability to pay its debts as and when they fall due in the next 12 months. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classifications of liabilities that might be necessary should the entity not continue as a going concern.

SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Preparation of the financial statements in conformity with Australian Accounting Standards and IFRS 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 B5);
- Significant items (refer to note A7); and
- Provisions, contingent liabilities and regulatory matters (refer to note B6).

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in future periods.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new accounting standards, which became applicable from 1 July 2024:

Reference	Title
AASB 16	Amendments to AASB 16 - Lease Liability in a Sale and Leaseback
AASB 101	Amendments to AASB 101 - Classification of Liabilities as Current or Non-current
AASB 107 and AASB 7	Amendments to AASB 107 - Statement of Cash Flows and AASB 7 Financial instruments

Amendments to AASB 16 - Lease Liability in a Sale and Leaseback
The amendments in AASB 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the consolidated financial statements of the Group

Amendments to AASB 101 - Classification of Liabilities as Current or Non-current
The amendments to AASB 101 specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

Amendments to AASB 107 Statement of Cash Flows and AASB 7 Financial instruments
The amendments require an entity to provide additional disclosures about its supplier finance arrangements to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes.

The amendments had no impact on the consolidated financial statements of the Group.

STANDARDS AND AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

The Group has not applied Australian Accounting Standards and IFRS that were issued or amended but not yet effective. The Standards are:

Reference	Title	Application date
AASB 2023-5	Amendments to Australian Accounting Standards - Lack of Exchangeability	1 January 2025
AASB 2024-4	Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments	1 January 2026
AASB 18	Presentation and Disclosure in Financial Statements	1 January 2027
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2028

The impact of the above standards on the Group is still being assessed.

BASIS OF CONSOLIDATION

Controlled entities

The Group controls an entity when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Controlled entities are consolidated from the date control is transferred to the Group and are no longer consolidated from the date control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Foreign currency

The consolidated financial statements are presented in Australian dollars ($) which is the Group's functional and presentation currency.

Transactions and balances

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the transaction date.

Monetary items denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Gains and losses arising from the translation are credited or charged to the income statement, with the exception of differences on foreign currency borrowings that are in an effective hedge relationship. These are taken directly to equity until the liability is extinguished, at which time they are recognised in the income statement.

GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense, it is recognised net of the related expense for which it is intended to compensate. There are no unfilled conditions or other contingencies attached to the grants.

NET FINANCE COSTS

Finance income is recognised as the interest accrues, using the effective interest method. Finance costs consist of interest and other borrowing costs incurred in connection with the borrowing of funds. Finance costs directly associated with qualifying assets are capitalised, all other finance costs are expensed, in the period in which they occur.

TAXATION

Income tax

Income tax comprises current and deferred income tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

— goodwill; and
— the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting nor taxable profit (loss) and does not give rise to equal taxable and deductible temporary differences.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

GOODS AND SERVICES TAX (GST)

Revenues, expenses, assets and liabilities are recognised net of the amount of GST except:

— when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; casino revenues, due to the GST being offset against government taxes; and
— receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

CASH AND CASH EQUIVALENTS
Cash and cash equivalents are carried in the balance sheet at face value. Cash and cash equivalents include cash balances and call deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash for the purpose of the statement of cash flows.

TRADE AND OTHER RECEIVABLES
Trade receivables are recognised and carried at original settlement amount less a provision for expected credit loss impaired, where applicable. Bad debts are written off when they are known to be uncollectible. Subsequent recoveries of amounts previously written off are credited to the income statement. Other receivables are carried at amortised cost less impairment.

INVENTORIES

Inventories include consumable stores, food and beverage and are carried at the lower of cost and net realisable value. Inventories are costed on a weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business.

PROPERTY, PLANT AND EQUIPMENT
Refer to notes A4 and B3 for further details of the accounting policy, including useful lives of property, plant and equipment.

Freehold land is included at cost and is not depreciated.

All other items of property, plant and equipment are stated at historical cost net of depreciation, amortisation and impairment, and depreciated over periods deemed appropriate to reduce carrying values to estimated residual values over their useful lives. Historical cost includes expenditure that is directly attributable to the acquisition of these items.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Costs arising subsequent to the acquisition of an asset are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial year in which they are incurred.

Costs relating to development projects are recognised as an asset when it is:

probable that any future economic benefit associated with the item will flow to the entity; and

it can be measured reliably.

If it becomes apparent that the development will not occur, the amount is expensed to the income statement.

INTANGIBLE ASSETS
Goodwill
Goodwill represents the excess of the consideration transferred over the fair value of the identifiable net assets acquired and liabilities assumed. Goodwill is assessed for impairment on an annual basis and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

Other intangible assets
Indefinite life intangible assets are not amortised and are assessed annually for impairment. Expenditure on gaming licences acquired, casino concessions acquired, computer software and other intangibles are capitalised and amortised using the straight line method as described in note B4.

Software (excluding SaaS arrangements)
Costs associated with developing or maintaining computer software programs are recognised as expenses as incurred. However, costs that are directly associated with identifiable and unique software products controlled by the Group and which have probable economic benefits exceeding the costs beyond one year are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of the relevant overheads. Expenditure meeting the definition of an asset is recognised as a capital improvement and added to the original cost of the asset. These costs are amortised using the straight line method, as described in note B4.

Casino licences and concessions
Refer to note B4 for details and accounting policy.

IMPAIRMENT OF ASSETS
Assets that have an indefinite useful life are not subject to depreciation or amortisation and are tested annually for impairment. Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash generating units). Refer to note B5 for further details of key assumptions included in the impairment calculation.

PROVISIONS
A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

INVESTMENT IN ASSOCIATE AND JOINT VENTURE ENTITIES
Associates are all entities over which the Group has significant influence but not control or joint control. Joint control is the contractually agreed sharing of the joint arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. A joint venture is a type of arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. The Group's investments in associate and joint venture entities are accounted for using the equity method of accounting, after initially being recognised at cost. Under the equity method of accounting, the investments are initially recognised at cost and are subsequently adjusted to recognise the Group's share of the post-acquisition profits or losses of the investee in the income statement, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Distributions received are recognised as a reduction in the carrying amount of the investment. The carrying amount of equity-accounted investments is tested for impairment in accordance with the Group's policy.

INTEREST BEARING LIABILITIES
Interest bearing liabilities are recognised initially at fair value and include transaction costs. Subsequent to initial recognition, interest bearing liabilities are recognised at amortised cost using the effective interest rate method. Any difference between proceeds and the redemption value is recognised in the income statement over the period of the borrowing using the effective interest rate method.

Interest bearing liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

LEASES
Right-of-use assets
The Group recognises right-of-use (***ROU***) at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of buildings, leasehold improvements and plant and equipment. (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e. below $10,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lessor

As lessor, leases of assets under which substantially all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

EMPLOYEE BENEFITS

Post-employment benefits

The Group's commitment to defined contribution plans is limited to making the contributions in accordance with the minimum statutory requirements. There is no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees relating to current and past employee services.

Superannuation guarantee charges are recognised as expenses in the income statement as the contributions become payable. A liability is recognised when the Group is required to make future payments as a result of employees' services provided.

Long service leave

The Group's net obligation in respect of long term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using rates attached to bonds with sufficiently long maturities at the balance sheet date, which have maturity dates approximating to the terms of the Group's obligations.

Annual leave

Liabilities for annual leave are calculated at discounted amounts based on remuneration rates the Group expects to pay, including related on-costs when the liability is expected to be settled. Annual leave is another long term benefit and is measured using the projected credit unit method.

Share based payment transactions

The Company operates a number of share based payment plans, whereby employees render services in exchange for equity instruments. These plans include the long term incentive plan (***LTI***), Equity Retention Plan, Service Rights Plan and a portion of the short term incentive plan (for senior executives).

The cost of share based payment plans are determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (share based payment reserves), over the period in which the service, and where applicable, the performance conditions are fulfilled. The cumulative expense recognised for these transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group’s best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its Treasury Policy, the Group does not hold or issue derivative financial instruments for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivative financial instruments are recognised initially at fair value at the date the derivative contract is entered into and are subsequently remeasured to fair value at the end of each reporting period. The resulting gain or loss is recognised immediately in the income statement. However, where derivatives qualify for cash flow hedge accounting, the effective portion of the gain or loss is deferred in equity while the ineffective portion is recognised in the income statement.

The fair value of interest rate swap, cross currency swap and forward currency contracts is determined by reference to market values for similar instruments. Refer to note E2 for details of fair value determination.

Derivative assets and liabilities are offset and the net amount reported in the consolidated balance sheet if, and only if:

- there is a currently enforceable legal right to offset the recognised amount; and
- there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

HEDGING

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in equity. When the forecast transaction subsequently results in the recognition of a non financial asset or liability, the associated cumulative gain or loss is removed from equity and included in the initial cost or other carrying amount of the non financial asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or financial liability, then the associated gains and losses that were recognised directly in equity are reclassified into the income statement in the same period or periods during which the asset acquired or liability assumed affects the income statement (i.e. when interest income or expense is recognised). For cash flow hedges, the effective part of any gain or loss on the derivative financial instrument is removed from equity and recognised in the income statement in the same period or periods during which the hedged forecast transaction affects the income statement. The ineffective part of any gain or loss is recognised immediately in the income statement.

When a hedging instrument expires or is sold, terminated or exercised, or the designation of the hedge relationship is revoked but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above when the transaction occurs. If the hedged transaction is no longer expected to take place, then the cumulative unrealised gain or loss recognised in equity is recognised immediately in the income statement.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the exposure to variability in the fair value of a recognised asset or liability, any change in the fair value of the hedge is recognised in the income statement as a finance cost. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the income statement as a finance cost.

ISSUED CAPITAL

Issued and paid up capital is recognised at the fair value of the consideration received. Issued capital comprises ordinary shares. Any transaction costs directly attributable to the issue of ordinary shares are recognised directly in equity, net of tax, as a reduction of the share proceeds received.

OPERATING SEGMENT

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's executive decision makers to allocate resources and assess its performance.

The Group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- nature of the products and services;
- type or class of customer for the products and services;
- methods used to distribute the products or provide the services; and
- nature of the regulatory environment.

Segment results include revenue and expenses directly attributable to a segment and exclude significant items.

Capital expenditure represents the total costs incurred during the period to acquire segment assets, including capitalised interest.

DIVIDEND DISTRIBUTIONS
Dividend distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the dividends are declared.

BASIC EARNINGS PER SHARE
Basic earnings per share is calculated by dividing the net earnings after tax for the period by the weighted average number of ordinary shares outstanding during the period.

DILUTED EARNINGS PER SHARE
Diluted earnings per share is calculated by dividing the net earnings attributable to ordinary equity holders adjusted by the after tax effect of:

- any dividends or other items related to dilutive potential ordinary shares deducted in arriving at profit or loss attributable to ordinary equity holders;
- any interest recognised in the period related to dilutive potential ordinary shares; and
- any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares;

by the weighted average number of issued ordinary shares plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

ASSETS HELD FOR SALE
Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction, rather than through continuing use, and a sale is considered highly probable. They are measured at the lower of their carrying value and fair value less costs to sell. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its fair value less costs to sell.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

INVESTMENT IN CONTROLLED ENTITIES

Name of entity	Type of entity	Trustee, partner or participant in Joint Venture	% of share capital	Place of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes [a]
The Star Entertainment Group Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Sydney Holdings Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Pty Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Sydney Properties Pty Ltd	Body corporate		100.0	Australian	Yes	n/a
The Star Entertainment Sydney Apartments Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
Star City Investments Pty Limited	Body corporate		100.0	Australia	Yes	n/a
Star City Share Plan Company Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment QLD Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment QLD Custodian Pty Ltd	Body corporate	Trustee	100.0	Australia	Yes	n/a
The Star Entertainment Gold Coast Trust	Unit Trust			Australia	Yes	n/a
The Star Entertainment International No.1 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment International No.2 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment International No.3 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
EEI Services (Hong Kong) Holdings Limited	Body corporate		100.0	Hong Kong	No	Hong Kong
EEI Services (Hong Kong) Limited	Body corporate		100.0	Hong Kong	Yes	Hong Kong [b]
EEI C&C Services Pte Ltd	Body corporate		100.0	Singapore	No	Singapore
The Star Entertainment RTO Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Finance Limited	Body corporate		100.0	Australia	Yes	n/a
Destination Cairns Consortium Pty Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Technology Services Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Training Company Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Letting Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Online Holdings Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Online Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Brisbane Holdings Pty Ltd	Body corporate		100.0	Australia	Yes	n/a

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

Name of entity	Type of entity	Trustee, partner or participant in Joint Venture	% of share capital	Place of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes [a]
The Star Entertainment Brisbane Operations Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment DBC Holdings Pty Ltd	Body corporate	Participant in joint venture	100.0	Australia	Yes	n/a
The Star Brisbane Car Park Holdings Pty Ltd	Body corporate	Participant in joint venture	100.0	Australia	Yes	n/a
The Star Entertainment Gold Coast Holdings Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment GC Investments Pty Ltd	Body corporate	Participant in joint venture	100.0	Australia	Yes	n/a
The Star Entertainment GC Investments No.1 Pty Ltd	Body corporate	Participant in joint venture	100.0	Australia	Yes	n/a
The Star Entertainment International No.5 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
EEI Services Holdings No.1 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
EEI Services Holdings No.2 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment International Tourism Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
Destination Sydney Consortium Pty Limited	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Pyrmont Investments No.1 Pty Ltd	Body corporate	Participant in joint venture	100.0	Australia	Yes	n/a
The Star Entertainment GC No.1 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment GC No.2 Pty Ltd	Body corporate		100.0	Australia	Yes	n/a
The Star Entertainment Group Limited Employee Share Trust	Unit			Australia	Yes	n/a

a Foreign jurisdiction(s) in which the entity is a resident for tax purposes according to the law of the foreign jurisdiction.

b This entity is classified as an Australian resident under the Income Tax Assessment Act 1997, but is a tax resident of Hong Kong in Hong Kong.

Pillar Two income taxes

The Group has performed an assessment of its potential exposure to Pillar Two income taxes. The Group has determined it meets the Routine Profits Test with respect to Australia and the transitional safe harbour De minimis Test applies (based on the 2024 country-by-country reporting and 2025 financial information) for the constituent entities in the Group. As such, no top-up tax adjustments are required.

The Group continues to follow Pillar Two legislative developments to evaluate the potential future impact.

DIRECTORS' DECLARATION

In the opinion of the Directors of The Star Entertainment Group Limited (the ***Company***):

(a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Group's consolidated financial position as at 30 June 2025 and of its performance for the year ended on that date; and

  (ii) complying with the Accounting Standards and the Corporations Regulations 2001;

(b) the consolidated entity disclosure statement required by section 295(3A) of the *Corporation Act* is true and correct;

(c) the Financial Report also complies with International Financial Reporting Standards as disclosed in note G; and

(d) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors.

Anne Ward
Chairman
Sydney
30 September 2025

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Independent Auditor's report to the Members of The Star Entertainment Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The Star Entertainment Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 30 June 2025, the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainties Relating to Going Concern

We draw attention to Note G of the financial report which outlines the Directors' assessment of the ability of the Group to continue as a going concern. There are numerous interdependent matters set out in Note G that indicate the existence of material uncertainties that cast significant doubt on the Group's ability to continue as a going concern, including in respect of the AUSTRAC proceeding, where the Group is reliant on the judgement of the Court as to quantum and timing being within the Groups' capacity to pay, given its existing liquidity and ability to access any additional funding required. If the Group is unable to successfully address or resolve any one or more of the matters outlined in Note G, there is significant doubt as to the Group's ability to continue as a going concern. Note G describes the basis for the Directors' assessment that the Group has the ability to continue as a going concern and the actions they are planning to take to respond to these uncertainties. Our opinion is not modified in respect of this matter.

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Emphasis of Matter – Regulatory and Legal Provisions and Contingent Liabilities

We draw attention to the uncertainties relating to regulatory and legal provisions and contingent liabilities disclosed in Note B6 of the financial report. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. In addition to the matter described in the *Material Uncertainties Relating to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Impairment testing of non-current assets

Why significant	How our audit addressed the key audit matter
At 30 June 2025, the Group held non-current assets of $1,480.9 million. Management assessed that Star Sydney, Star Gold Coast, Brisbane Treasury and Star Brisbane represent separate cash-generating units (CGUs) for the purposes of conducting impairment testing. The Star Brisbane CGU was identified as having impairment indicators and the Group's equity-accounted investment in Destination Brisbane Consortium Integrated Resort Holdings Pty Ltd was impaired by $107.6 million. For other CGUs, management's assessment concluded no indicators were present. The assessment of impairment indicators and calculation of impairment involved significant judgement including evaluating regulatory developments, forecast performance, discount rates and valuations from potential or proposed transactions. Given the materiality of the balances and the complexity of the underlying judgements in Notes B3,	Our audit procedures included the following: - Evaluated the appropriateness of the CGUs used by the Group in their impairment assessment and the allocation of assets and cash flows to these CGUs. - Compared management's impairment indicator assessments with internal and external data sources, including forecast performance, discount rates and valuations from potential or proposed transactions. - For the Star Brisbane, we compared the recoverable amount to forecast cash flows from continued operation and the consideration from the planned disposal of Star's interest in equity-accounted investment in Destination Brisbane Consortium Integrated Resort Holdings Pty Ltd. - Assessed the adequacy of the disclosures included in Notes B3, B4 and B5 of the financial report.

Why significant	How our audit addressed the key audit matter
B4 and B5 of the financial report, we considered this a key audit matter.	

Provisions, Contingent Liabilities and Regulatory Matters

Why significant	How our audit addressed the key audit matter
As disclosed in Note B6, the Group is subject to a number of uncertain significant pending and ongoing regulatory, legal and tax matters, including the AUSTRAC proceeding. There is complexity in relation to the assessment of these matters and uncertainty as to the outcome and quantification of any future economic outflow associated with a number of these matters. Australian Accounting Standards (accounting standards) provide criteria for the recognition of liabilities and disclosure of contingent liabilities for such matters. The application of these standards required significant judgement in determining whether present obligations existed at balance date, whether it was probable a future outflow of funds will occur and whether the provisions could be reliably measured and the extent of required contingent liability disclosures where these conditions were considered not to be met. As disclosed in Note B6, there was significant judgement required in estimating the provisions related to a number of these matters.	Our audit procedures included the following: - Evaluated the Group's assessment as to whether present obligations exist arising from past events based on the available facts and circumstances in relation to these matters. In order to assess the facts and circumstances, we considered the underlying documentation prepared by the Group's internal and external solicitors, and other relevant documents. - Held discussions with senior management, reviewed Board of Directors and Board Committee minutes, reviewed correspondence with regulators (where applicable) and attended Audit Committee and Risk Committee meetings to understand key regulatory, compliance, and legal matters. - Inspected legal correspondence and legal opinions and considered their content together with the information we obtained from our other procedures. Where required, we held inquiries with the Group's internal and external legal counsel. - Where the Group determined that a present obligation existed, we assessed the basis for reliable measurement of the provision in accordance with accounting standards, including matters such as probability of outflow, amounts and timing, and our understanding of the matter from our procedures. - Where a provision was recognised, we assessed the basis for the estimate and the calculation of the provisions. - Assessed the disclosures within the financial report related to these uncertain provisions and the contingent liability disclosures.

Why significant	How our audit addressed the key audit matter
	- Our forensic specialists were involved in the performance of certain of these procedures, where considered appropriate.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2025 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the Annual Report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001;* and

for such internal control as the directors determine is necessary to enable the preparation of:

i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and accordance appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 50 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of The Star Entertainment Group Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Scott Jarrett
Partner
Sydney
30 September 2025