



THE STAR

ASX AND MEDIA RELEASE

27 February 2026

THE STAR ENTERTAINMENT GROUP H1 FY26 RESULTS¹

The Star Entertainment Group Limited (ASX: SGR) (**The Star**, the **Group** or the **Company**) today released its unaudited results for the half year ended 31 December 2025 (H1 FY26).

A number of changes to The Star's Board and executive management occurred in November and December 2025, which have been previously announced to ASX. In particular, Bruce Mathieson Jnr was appointed Group Chief Executive Officer on 17 December 2025. Since that time The Star, in consultation with its major shareholders and by leveraging their expertise, has been reviewing the resourcing structure and strategy of The Star's operations, and has commenced a process of restructuring the Group's operations and marketing strategy.

Group CEO and Managing Director, Bruce Mathieson Jnr said:

“Our corporate office is being streamlined, and essential support functions will be managed at the property level in Sydney, Gold Coast and Brisbane. To support long-term success, these changes will strengthen our financial position.

We continue to pursue appropriate cost out initiatives and are exploring and implementing initiatives to attract customers to our properties.

We are committed to pursuing a transparent, practical and sustainable pathway that ensures our remediation plan is delivered to the standard expected, while supporting consistency, embedment and demonstrable maturity across the Group.

We have immense potential in our properties, and we are committed to transforming The Star into premier entertainment destinations.”

SUMMARY

Financial Performance

- H1 FY26 normalised revenue of \$584.9 million and normalised EBITDA loss (before significant items) of \$7.6 million, in line with results published as part of The Star's quarterly reporting.
- H1 FY26 statutory net loss of \$109.7 million after significant items (post-tax) of \$34.0 million and normalised loss after tax of \$75.7 million before significant items.
- Trading conditions remain challenging, with total revenue declining by 10% compared to the prior comparable period (**pcp**). Gaming revenue, excluding the Treasury Brisbane Casino closure in the pcp, declined by 9%, reflecting the continued impact of regulatory reforms (including mandatory carded play and cash limits at The Star Sydney).

¹ This release should be read in conjunction with The Star Entertainment Group Limited's 1H FY26 Results Presentation, Appendix 4D for the six months ended 31 December 2025 and the Interim Financial Statements for the six months ended 31 December 2025.

- Result for the period reflects a fixed operator fee of \$5 million per month from operating The Star Brisbane, which is in accordance with The Star's previously announced transaction with Chow Tai Fook Enterprises Limited and Far East Consortium International Limited (the **Joint Venture Partners** or **JVPs**) to exit the Destination Brisbane Consortium Integrated Resort joint venture (**DBC**), dispose of its interest in the Festival Car park joint venture, dispose of the Treasury Hotel and Car Park and consolidate its Gold Coast position (**JVP Transaction**). The result for the period also includes a further \$10 million operator fee revenue true-up of amounts not recognised in the pcp.
- The result for the pcp reflects:
 - Partial contribution from Treasury Brisbane Casino, which closed on 25 August 2024²; and
 - Partial contribution from The Star Brisbane, which commenced its phased opening from 29 August 2024.

Trading Update

- While overall trading results remain at historical lows, quarter on quarter volumes have stabilised, reflecting seasonally stronger trading volumes in Q2 FY26.
- Soft trading conditions at The Star Sydney have continued during January 2026, with revenue 3% below the average for Q2 FY26 and 6% below January 2025. The Star Gold Coast's January 2026 revenue was in line with the pcp and 11% higher than the average for Q2 FY26, reflecting seasonally stronger gaming volumes.

Liquidity

- As at 31 December 2025, The Star had available cash of \$130 million³.
- On 30 September 2025, The Star prepaid \$61 million of the existing Senior Facility Agreement (**SFA**) debt facility utilising the balance of funds in the Disposal Proceeds Account (**DPA**) on that date. The DPA represented proceeds from the sale of the Treasury Brisbane Casino building during H1 FY25 plus capitalised interest.
- During the period, The Star's SFA lenders agreed to waive the covenants for the SFA loans for 30 September 2025. These waivers contained a number of conditions. On 2 October 2025, The Star deposited \$30 million into the DPA as per the agreed terms of the covenant waivers.
- As previously announced, The Star entered into a strategic investment in the form of a multi-tranche convertible note and subordinated debt instrument for a principal value of \$300 million (**Strategic Investment**) with Bally's Corporation (**Bally's**) and Investment Holdings Pty Ltd (**Investment Holdings**). On 9 October 2025, The Star received the final \$67 million tranche of the Bally's investment, completing the full receipt of the Strategic Investment. Following completion of the Strategic Investment, Bally's holds approximately 38% of the issued capital in The Star and Investment Holdings holds approximately 23% of the issued capital in The Star.
- On 26 February 2026, The Star executed a term sheet with WhiteHawk Capital Partners (**WhiteHawk**) for a proposed refinancing of the Group's debt (**Refinancing Proposal**). The proposal provides for refinancing of the Group's existing debt and incremental liquidity. The Star cautions that the executed term sheet is non-binding and may not lead to a definitive credit agreement. The Star and WhiteHawk are working towards a binding commitment by the end of March 2026, and to consummate the Refinancing Proposal by mid-May 2026.
- On 27 February 2026, the Group received a waiver of the 31 December 2025 covenant tests under the SFA. Under the terms of the waiver, the Group will need to deliver a refinancing commitment letter by 31 March 2026, and execute a refinancing of the SFA by 15 May 2026, to avoid a default under the terms of its SFA. The focus on liquidity remains a key priority for The Star, including management of the Company's existing debt facilities and refinance alternatives.

² Full year contribution from Treasury Brisbane Hotel and Car Park.

³ Comprises total cash and cash equivalents balance of \$171 million less \$41 million of Cage Cash. At 31 December 2025, the Group had total cash and cash deposits of \$239 million, comprising \$171 million of cash and cash equivalents plus \$68 million of non-current restricted deposits. Restricted deposits comprises cash held in the DPA under the existing SFA, cash backed bank guarantees (property leases and transactional banking facilities), and security relating to workers compensation cover. Cage Cash includes monies held physically on the gaming floor for the day-to-day operation of the casino gaming floor activities

Management Focus and Initiatives

- The Star continues to work with its Joint Venture Partners to exit its equity interest in DBC and consolidate its position on the Gold Coast.
- The Star continues to prioritise a return to suitability including delivering and embedding the key elements of the remediation plan. The reinstatement of The Star Sydney's casino licence and withdrawal by the Queensland Government of the deferred suspension of The Star Gold Coast's casino licence are critical to improving performance, attracting and retaining the best people and ensuring ongoing access to capital.
- The Star is pursuing a range of initiatives to improve performance and enhance the Group's liquidity position, including:
 - Driving revenue growth through customer-focused enhancements and initiatives; and
 - Cost out initiatives, including the streamlining of the corporate office.

Ongoing Material Uncertainty

- There remains material uncertainty regarding the Group's ability to continue as a going concern. Key interdependent events and initiatives in the near term which are critical to the Group's liquidity and financial outlook include:
 - the quantum and timing of the AUSTRAC penalty;
 - the continued support of the Group's existing SFA lenders;
 - the Group's ability to successfully complete the WhiteHawk Refinancing Proposal;
 - completing the JVP Transaction to exit the DBC joint venture and consolidate the Gold Coast assets. The exit from DBC is dependent on the satisfaction of various conditions precedent which are outside the control of the Group, including releasing the Group from its parent company guarantee (~\$0.7 billion The Star share of drawn DBC debt). While positive progress has been made in satisfying the conditions precedent, the conditions precedent were not met by the original sunset date of 30 November 2025 and as a result the JVPs may elect to terminate the JVP Transaction;
 - the Group's ability to return to suitability via the restoration of The Star Sydney's casino licence, and the withdrawal by the Queensland Government of the suspension of The Star Gold Coast's casino licence; and
 - driving revenue growth through customer-focused initiatives and implementing further cost out during FY26.
- The Group's H1 FY26 financial statements include a full summary of the broader matters relevant to the Group's going concern status.
- At the date of this release, there is no certainty that each of these matters can be satisfactorily resolved and in a sufficiently timely manner.

H1 FY26 RESULTS

KEY FINANCIAL METRICS	H1 FY26	H1 FY25
Net revenue (normalised)	\$585m	\$650m
EBITDA	(\$8m)	(\$26m)
EBITDA Margin	(1.3%)	(4.1%)
EBIT	(\$40m)	(\$57m)
Share of net loss of associates	(\$0m)	(\$21m)
Net profit after tax (NPAT) (normalised)	(\$76m)	(\$136m)
Significant Items (net of tax)	(\$34m)	(\$166m)
Statutory NPAT	(\$110m)	(\$302m)

- Group revenue declined 10% due primarily to an 18% decline in gaming revenue which was impacted by continued challenging trading conditions (casino industry reforms) and loss of market share. The decrease in gaming revenue also reflects the closure of the Treasury Brisbane Casino in August 2024, with revenues from The Star Brisbane now recognised as equity accounted profit / (loss) from associates.
- Excluding the Treasury Brisbane Casino closure, gaming revenue declined 9% largely due to a decline in Table Games revenue.
- Operating expenses decreased 11%, driven by a reduction in volume related expenses, the closure of Treasury Brisbane Casino in August 2024, and lower corporate costs.
- Depreciation & amortisation increased 5%, reflecting recently capitalised software assets in conjunction with Safer Gambling and AML / CTF initiatives.
- Net funding costs increased by \$18 million (excluding Group funding costs in significant items), reflecting higher average debt balances and interest rates on bank loans, and interest on the convertible notes and subordinated debt from the Strategic Investment into the Group.
- Significant items of \$34 million (after tax) are comprised of:
 - Reorganisation and executive termination costs;
 - Debt refinancing costs;
 - JVP Transaction costs; and
 - Regulatory, fines, penalties, duty, consultant, legal and other costs.

Authorised by: The Board of Directors

For further information:

Media and Investor Relations	David Curry – General Manager, Corporate Affairs	Tel: +61 411 510 352
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KEY FINANCIALS – H1 FY26

Statutory ⁴ (\$ million)	H1 FY26	% chg vs pcp
Revenue	694.6	(4.1%)
EBITDA (before significant items)	(7.6)	71.2%
EBIT (before significant items)	(40.0)	30.2%
NPAT (before significant items)	(75.7)	44.2%
Earnings Per Share ⁵ (cents)	(3.1)	70.5%
Normalised ⁶ (\$ million)	H1 FY26	vs pcp
Revenue		
- Sydney	323.8	(10.6%)
- Gold Coast	212.3	(2.7%)
- Treasury Brisbane	8.6	(84.3%)
- The Star Brisbane Operator Fee	40.2	179.2%
EBITDA		
- Sydney	(17.9)	27.2%
- Gold Coast	15.2	(16.0%)
- Treasury Brisbane	(0.3)	(100.0%)
- The Star Brisbane net Operator Fee	(4.6)	76.9%
EBIT		
- Sydney	(36.1)	15.5%
- Gold Coast	5.0	(43.2%)
- Treasury Brisbane	(2.1)	40.0%
- The Star Brisbane net Operator Fee	(6.8)	65.8%
NPAT	(75.7)	44.2%
Dividend per share (cents)	H1 FY26	vs pcp
Total dividends per share (fully franked)	N/A	N/A

⁴ Refer to Note A7 of the Financial Report for a reconciliation of significant items. Statutory revenue and expenses also include contracted cost recovery revenue associated with the DBC integrated resort joint venture (at cost, 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.

⁵ Earnings per share based on weighted average number of shares on issue.

⁶ Normalised EBITDA and Normalised EBIT are before equity accounted investment profits / losses and significant items. Normalised NPAT is after equity accounted investment profits / losses and before significant items.