ASX AND MEDIA RELEASE

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THE STAR ENTERTAINMENT GROUP FY26 RESULTS[1]

The Star Entertainment Group Limited (ASX: SGR) (The Star, the Group or the Company) today released its results for the full year ended 30 June 2026 (FY26).

Highlights for FY 2026:

- Completion of $300 million equity investment from Bally's and Investment Holdings
- New leadership at Board and senior executive management in December 2025 and recruitment of new experienced Property CEOs at all properties
- Significant operational initiatives implemented including increased marketing and renewed focus on customer experience
- Total revenues at operating properties stabilized in Q4 FY26 after almost 2 years of quarterly declines
- $75 million reduction in FY26 group corporate costs with Q4 FY26 annualised Group corporate costs $36 million below FY26
- Average monthly free cash flow burn rate of $20 million in H1 2026 has materially improved and now expect to start building cash in FY27, before non-operating items
- Refinanced The Star's debt and increased liquidity, with $267 million cash and cash equivalents on hand at 30 June 2026
- Completed first stage of JVP Transaction that eliminated The Star's $700 million guarantee on DBC debt
- Celebrated the 2nd anniversary of The Star Brisbane opening, where EBITDAM (before Operator Fee) of the integrated resort has nearly doubled during its 2nd year under The Star's management, with current monthly EBITDAM run-rate (for past 3 months) averaging $13 million, at all-time records.

Following completion of the strategic investments in the Company by each of Bally's Corporation (**Bally's**) and Investment Holdings Pty Ltd as trustee for the BMG Discretionary Trust (**Investment Holdings**) in November 2025, a number of changes took place to the Company's Board and executive management at both a Group level (as previously announced to ASX) and for senior management at each of The Star Sydney, The Star Gold Coast and The Star Brisbane, with Bruce Mathieson Jnr being appointed Group Chief Executive Officer effective from 16 December 2025.

Since that time The Star, in consultation with its major shareholders and by leveraging their expertise, has undertaken a comprehensive review of the Group's resourcing structure, operating model and strategic priorities. Following this review, during the second half of FY26 a number of cost-out and operational efficiency initiatives have been implemented across the Group, including measures to streamline corporate

[1] This release should be read in conjunction with The Star Entertainment Group Limited's FY26 Results Presentation and Appendix 4E for the twelve months ended 30 June 2026 and the audited Financial Report.

and operational functions, optimise the cost base and improve organisational effectiveness. Annualised 4Q FY26 Group corporate costs of $178 million represents a reduction of $111 million, or 38%, compared to FY25 with ongoing initiatives continuing to seek further improvement during FY27.

These initiatives form part of the broader restructuring program undertaken by the new leadership team and Board to strengthen The Star's operational performance and establish a more sustainable platform for future growth, which will continue in FY27. This sits alongside the Group's work to demonstrate its return to suitability to hold casino licences and progress on demonstrating remediation of its historic risk management and governance practices. Combined revenue at the principal properties reached a nadir in Q3 FY26. July FY26 revenue is 12% higher than the average monthly revenue rate in Q3 FY26 and higher than monthly average revenues since Q2 FY25, reflecting an improved shift in operating momentum and increased marketing investment.

Group CEO and Managing Director, Bruce Mathieson Jnr said:

> *"We have moved to a more accountable, property-led operating model and a renewed focus on performance, customers, and responsible operations.*
>
> *Our renewed focus on our customers has included improving service standards, strengthening customer engagement, enhancing our offerings and creating more compelling reasons for people to choose The Star.*
>
> *The Group has successfully refinanced its corporate debt and continued the work of strengthening its balance sheet with a strong liquidity position. These achievements have provided greater stability and a stronger foundation for the future.*
>
> *Returning to suitability remains critical to our future, and the work required to achieve that objective has and is being increasingly embedded in how we operate every day.*
>
> *We have welcomed many new leaders to The Star over the past year, bringing fresh perspectives, deep industry experience and a shared commitment to improving patron experience, profitable operating performance and responsible operations.*

SUMMARY

Financial Performance

- FY26 normalised revenue of $1,101.0 million and normalised EBITDA loss (before significant items) of $16.1 million, in line with results published as part of The Star's quarterly reporting.

- Following the exit of The Star's equity interest in the Destination Brisbane Consortium Integrated Resort joint venture (**DBC**), Treasury Brisbane operations have been classified and disclosed separately as a discontinued operation. FY25 comparative information has been restated accordingly.

- FY26 statutory net loss of $307.3 million. Normalised loss after tax of $158.9 million is before significant items of $144.3 million and discontinued operations of $4.1 million.

- Normalised EBITDA loss in FY26 of $16.1 million was an improvement compared to the prior comparable period (**pcp**) normalised EBITDA loss of $76.2 million. Recent initiatives in 2H FY26 saw revenue growth achieved in the slots market at all properties, and reduced corporate overheads, including streamlining of the corporate office. Table Games revenue at The Star Sydney declined on the pcp, reflecting ongoing softness.

- Result for the period includes operator fee revenue of $59.7 million 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 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**). In FY26, operator fee revenue was charged at a fixed $5.0 million per month for July 2025 to March 2026, then a fixed $1.5 million per month fee from April 2026, in accordance with the amended Casino Management Agreement (**CMA**) which formed part of the broader JVP Transaction. A further $10.2 million was recognised in FY26 relating to FY25 operator fees held in escrow pending completion of Stage 1 of the JVP Transaction, which occurred in March 2026. In the FY25 pcp, the operator fee revenue of $29.6 million was calculated as a percentage of The Star Brisbane revenue and EBITDA for the 10 months of operations.

Subsequent Trading Update

- Improved trading results in July 2026 driven by continued strong YOY Slots revenue growth at both The Star Sydney and The Star Gold Coast, partially offset by softness in Table Games and cash Non-Gaming revenues (due to increased complimentary investment).

- July 2026 combined revenue for The Star Sydney and The Star Gold Coast of $92.4 million represents 6% growth on the July 2025 pcp and an improvement of 8% compared to the Q4 FY26 monthly average revenues, reflecting ongoing improvement in customer engagement and inflection to growth. If this continues to hold it would be the highest average monthly revenues since Q2 FY25, reflecting continued progress towards revenue recovery.

Liquidity Update & JVP Transaction

- As at 30 June 2026, The Star had cash and cash equivalents of $267 million[2].

- On 7 May 2026, The Star announced that it had completed the refinancing of the Group's debt with a USD $390 million secured term loan due May 2029 from WhiteHawk Capital Partners (**Refinancing**). Further details of the Refinancing are contained in The Star's ASX announcement dated 7 May 2026. Following completion of the Refinancing, the Group increased available liquidity by approximately A$130 million.

- On 31 March 2026, The Star completed the first stage of the JVP Transaction, being the exit from DBC. The Group's parent company guarantee previously provided in respect of The Star's 50% of DBC's $1.4 billion debt facilities was fully released as part of the completion of the first stage of the JVP Transaction.

  The second stage of the JVP Transaction is subject to a separate set of conditions precedent. The parties continue to work towards completion of the second stage of the JVP Transaction and currently expect to satisfy the conditions precedent during 2H CY2026 and by no later than 31 March 2027.

  In connection with completion of the first stage of the JVP Transaction, The Star and the JVPs agreed to amend the minimum casino operator fee payable to The Star under the CMA. With effect from 1 April 2026, the casino operator fee payable to The Star under the CMA will be a fixed annual fee of $18 million payable monthly, plus performance-based incentive fees, comprising two components, each based on EBITDAM (before Operator Fee) for the gaming and resort operations at The Star Brisbane.

[2] At 30 June 2026, the Group had total cash and cash deposits of $368 million, comprising $267 million of cash and cash equivalents, including $17 million allocated operational cash (representing cage cash), plus $101 million of restricted deposits. Restricted deposits comprises $69 million held in an Interest Reserve Account (to fund the first year of interest payments on the Refinancing facility), 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

The Star continues to work with its joint venture partners to satisfy the outstanding conditions and remains committed to completing the second stage of the JVP Transaction in a timely manner.

Management Focus and Initiatives

- 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 important to improving operating performance, attracting and retaining the best people and ensuring ongoing access to capital.

- The Star, in consultation with its major shareholders, continues to review the strategy of its operations and the resourcing structure. Significant focus and priority has been given towards improving the patron experience and marketing efforts to reinvigorate growth. In addition, a number of cost out initiatives, including the streamlining of the corporate office, have been implemented during the period. Further initiatives at the properties and re-examination of all aspects of operations including reducing direct and indirect cost pools are ongoing and are expected to continue to further reduce ongoing operating costs in order to fund increased marketing investments.

  H. C. Charles Diao, Group Chief Financial Officer and Interim Group Chief Risk Officer, commenting on financial progress:

  > *"Through the completion of various financing and strategic transactions, along with critical operational improvements implemented by new leadership, The Star is materially improved in its financial position and risk posture. We see the clear progress that we are making in effecting the operational turnaround at The Star and are confident that we have begun the process of recovery towards the sustainable and profitable financial performance from a few years past.*

Ongoing Material Uncertainty

- Whilst The Star has made substantial progress resolving a number of previous matters, namely completion of the first stage of the JVP Transaction, which released the Group's $700 million guarantee under the Queen's Wharf debt facilities, and execution of the Refinancing, there continues to be material uncertainties in existence that can cast significant doubt as to the Group's ability to remain a going concern. The 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 and other provisions and contingencies;

  - the Group's ability to successfully implement revenue growth and cost out initiatives in FY27 that returns the Group to a level of profitability that is sufficient to satisfy its external debt covenants;

  - 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

  - the Group's ability to maintain its transactional banking services.

- The Group's 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.

FY26 RESULTS

KEY FINANCIAL METRICS	FY26	FY25
Net revenue (normalised)	$1,101m	$1,125m
EBITDA	($16m)	($76m)
EBIT	($76m)	($135m)
Share of net loss of associates	($1m)	($2m)
Net profit after tax (NPAT) (normalised)	($159m)	($162m)
Significant items (net of tax)	($144m)	($105m)
Discontinued operations	($4m)	($162m)
Statutory NPAT	($307m)	($428m)

- Further details and commentary on the FY26 results are included in The Star's Results Presentation released to the ASX on the same date as this announcement

Authorised by
The Board of Directors

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