



THE STAR

ASX Announcement

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

2 March 2023

ENTITLEMENT OFFER - DESPATCH OF LETTER TO INELIGIBLE SHAREHOLDERS

On Thursday 23 February 2023, The Star Entertainment Group Limited (ASX code: SGR) (**The Star**) announced an accelerated non-renounceable entitlement offer (**Entitlement Offer**) and placement to raise approximately \$800 million.

Attached is a letter that will be sent to ineligible shareholders in connection with the Entitlement Offer.

Shareholders can contact the Offer Information Line on 1300 880 923 (within Australia) and +61 1300 880 923 (outside of Australia) at any time between 8.30am to 5.30pm (AEDT), Monday to Friday for more information.

Authorised by:

Ben Heap
Chairman

For more information contact:

Financial analysts	Christina Katsibouba Chief Financial Officer	Tel: +61 2 9657 7154
	Mark Wilson General Manager Business Development and Investor Relations	Tel: +61 407 145 501
Media	Peter Jenkins Group Executive External Affairs	Tel: +61 439 015 292

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. This announcement should not be distributed or released in the United States.

Neither the entitlements nor any new shares to be issued under the Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933, as amended (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the new shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent that the person holds shares for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

GENERAL

This announcement does not constitute or provide financial advice or financial product advice and has been prepared without taking into account any investor's particular objectives, financial situations or needs. Investors should seek independent advice from their stockbroker, solicitor, accountant or other professional adviser before making any investment decision.

Thursday, 2 March 2023

Dear Shareholder

THE STAR ENTERTAINMENT GROUP LIMITED

ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS

On Thursday, 23 February 2023, The Star Entertainment Group Limited (**The Star**) announced that it was conducting a capital raising by way of a pro-rata accelerated non-renounceable entitlement offer to eligible shareholders to subscribe for 3 new fully paid ordinary shares (**New Share**) for every 5 existing fully paid ordinary shares in The Star (**Shares**) held at 7.00pm (AEDT) on Monday, 27 February 2023 (**Record Date**) at a price of A\$1.20 (**Offer Price**) for each New Share to raise approximately A\$685 million (**Entitlement Offer**).

The Star also announced a placement of New Shares to institutional investors at the Offer Price to raise approximately A\$115 million (**Placement**, and together with the Entitlement Offer, the **Offer**), which occurred concurrently with the institutional component of the Entitlement Offer. The Offer is expected to raise a combined amount of approximately A\$800 million. The net proceeds from the Offer will be used to repay debt and increase liquidity – providing The Star with enhanced financial flexibility to help navigate a range of operating and regulatory uncertainties.

PURPOSE OF THIS LETTER

This is a letter to inform you about the Retail Entitlement Offer (defined below) and to explain why you will not be able to subscribe for New Shares under the Retail Entitlement Offer. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares.

You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Offer that you should be aware of.

DETAILS OF THE ENTITLEMENT OFFER

The Entitlement Offer is being made by The Star without a prospectus or other disclosure document in accordance with section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

The Entitlement Offer comprises an institutional entitlement offer (**Institutional Entitlement Offer**) and an offer to Eligible Retail Shareholders (defined below) to invest in New Shares at the same Offer Price as the institutional investors who participated in the Institutional Entitlement Offer (**Retail Entitlement Offer**).

The Institutional Entitlement Offer and the Placement have already closed and the results were announced to the Australian Securities Exchange (**ASX**) on Friday, 24 February 2023. The Star has today lodged a retail offer booklet with ASX, which sets out further details in respect of the Retail Entitlement Offer (**Retail Offer Booklet**).

ELIGIBILITY CRITERIA

The Star has determined, pursuant to section 9A(3)(a) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to The Star's shareholders in certain countries in connection with the Retail Entitlement Offer. This decision was made after taking into account the legal and regulatory requirements in certain countries, the relatively small number of The Star shareholders in certain countries, the number and value of New Shares those shareholders of The Star would otherwise be entitled to and the cost of complying with the applicable laws and the requirements of any regulatory authority in jurisdictions outside Australia and New Zealand.

Accordingly, in compliance with section 9A(3)(b) of the Corporations Act and ASX Listing Rule 7.7.1(b), The Star wishes to inform you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer.

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are shareholders of The Star who:

- a) are registered as a holder of existing Shares on The Star's share register on the Record Date, being 7.00pm (AEDT) Monday, 27 February 2023;
- b) have a registered address in Australia or New Zealand on the Record Date as noted on The Star's share register or are persons that The Star has determined in its discretion are Eligible Retail Shareholders;
- c) are not in the United States and are not acting for the account or benefit of a person in the United States;
- d) The Star determines in its absolute discretion did not receive an invitation to participate in, or were otherwise ineligible to participate in, the Institutional Entitlement Offer and were not treated as "Ineligible Institutional Shareholders" under the Institutional Entitlement Offer (other than as a nominee, trustee or custodian, in each case in respect of other underlying holdings); and
- e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without a prospectus or other disclosure document or any lodgement, filing, registration or qualification,

provided (for the avoidance of doubt) that if a shareholder of The Star (including a nominee, trustee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of that person.

Shareholders who are not Eligible Retail Shareholders or eligible or ineligible institutional shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer. The Star, in its absolute discretion, may extend the Entitlement Offer to any shareholder of The Star if it is satisfied that the Entitlement Offer may be made to that shareholder in compliance with all applicable laws.

NON-RENOUNCEABLE OFFER

As with the Institutional Entitlement Offer, the Retail Entitlement Offer is non-renounceable. This means that a number of New Shares equal to the number that you would otherwise be entitled to subscribe for under the Retail Entitlement Offer will be subscribed for by the underwriters (being Barrenjoey Markets Pty Ltd and Macquarie Capital (Australia) Limited (together, the **Underwriters**)) and/or the sub-underwriters at the Offer Price subject to the terms and conditions of the underwriting arrangements. As a result, no amount will be payable by you and you will not otherwise receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder. Your proportionate interest in The Star will also be diluted as a result of the Offer.

Further details in respect of the Entitlement Offer (including details of eligibility) can be found on the announcements platform of ASX (www.asx.com.au).

FURTHER INFORMATION

If you have any questions in relation to any of the above matters, please contact The Star Offer Information Line on 1300 880 923 (within Australia) or +61 1300 880 923 (outside Australia) from 8.30am to 5.30pm (AEDT), Monday to Friday during the offer period for the Retail Entitlement Offer. For other questions, you should consult your stockbroker, solicitor, accountant or other independent professional adviser.

On behalf of The Star, we thank you for your continued support.

Yours sincerely



Ben Heap
Chairman
The Star Entertainment Group Limited

IMPORTANT NOTICE AND DISCLAIMER

DETERMINATION OF ELIGIBILITY

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of The Star and the Underwriters. Each of The Star and the Underwriters and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, contractors, consultants, advisers and agents expressly disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

GENERAL

This letter is not a prospectus or offering document under Australian or New Zealand law or any other law.

This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any entitlements or New Shares in The Star.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this document is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other independent professional adviser.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia or New Zealand. In particular, neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the **U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States, in each case in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S.