



THE STAR

## ASX AND MEDIA RELEASE

21 November 2023

### AGREEMENT TO FORMALISE NSW CASINO DUTY RATES

Further to its announcement of 11 August 2023 regarding the in-principle agreement reached with the NSW Treasurer, The Honourable Daniel Mookhey MLC, to amend its duty arrangements with the NSW Government, The Star Entertainment Group Limited (**The Star**) advises that it has entered into binding documentation to give effect to the amendments.

A summary of the key duty rate amendments agreed with the NSW Government is set out in **Annexure A**. These final arrangements are consistent with the changes to the casino duty rates agreed in-principle, as announced on 11 August 2023.

Commenting on the formalisation of the arrangements, The Star's Group CEO and Managing Director, Robbie Cooke, said:

*"The Star appreciates the constructive engagement on this process with the current NSW Government. The formalisation of these arrangements protects our Sydney team's jobs and enables us to continue the important ongoing work required to restore The Star Sydney to suitability, and to earn back the trust of our stakeholders."*

The Star is continuing to engage with the NSW Government to formalise the other previously announced aspects of the arrangements agreed in-principle, namely the cashless and carded play trial (a precursor to reforms to the NSW regulatory framework which will see cashless gaming and carded play introduced to NSW casinos from August 2024) and a jobs commitment by The Star in NSW<sup>1</sup>.

#### Authorised by:

Board of Directors

#### For further information:

|                           |   |                       |
|---------------------------|---|-----------------------|
| <b>Financial analysts</b> | Christina Katsibouba, Group Chief Financial Officer | Tel: + 61 2 9657 7154 |
| <b>Media</b>              | Peter Jenkins, Chief of Staff                       | Tel: + 61 439 015 292 |

<sup>1</sup> The Star has provided an in-principle commitment to maintain its NSW headcount at specified levels subject to certain permitted adjustments and force majeure and material change events.

**Annexure A**  
**Summary of Duty Rate Amendments**

**1. Duty Rates – Rebate Play**

- **Rebate Play** – from 1 July 2023 this duty rate increases from 10.0% to 12.5%

**2. Duty Rates – Table Games**

- **Non-Rebate Play** – from 1 July 2023 this duty rate increases from 17.91% to 20.25%

**3. Duty Rates – Poker Machines**

- **Non-Rebate Play – until 30 June 2030** the current poker machine duty rates continue unchanged namely:
  - **Currently:** 20.91% (excluding GST)
  - **From 1 July 2024:** 21.91% (excluding GST)
  - **From 1 July 2027:** 22.91% (excluding GST)
- **After 30 June 2030** – the duty rates in the table below will apply to the average poker machine revenue (**APMR**) attributable to poker machines in use at The Star Sydney:

| That part of APMR that is:             | Poker Machine Duty Rate (exclusive of GST) |
|--|--|
| Less than \$2,666                      | 0%   |
| \$2,666 or more and less than \$6,667  | 37.6%                                      |
| \$6,667 or more and less than \$12,500 | 42.1%                                      |
| \$12,500 or more                       | 51.6%                                      |

On or after 1 July 2030 but before 30 September 2030, The Star may request a good faith review of the Poker Machine Duty Rate and/or the associated thresholds having regard to the trading conditions and EBIT for The Star Sydney in the period 1 July 2023 to 30 June 2030.

- 4. **Additional Levy** – in the period 1 July 2023 to 30 June 2030, an additional levy will apply equal to 35% of all Star Sydney gaming revenue above \$1.125 billion for each financial year.
- 5. **Responsible Gaming Levy** – there is no change to the Responsible Gaming Levy (2%). It will not apply to the Additional Levy in paragraph 4.