



THE STAR

## ASX Announcement

25 September 2024

### NEW DEBT FACILITY ARRANGEMENT

The Star Entertainment Group Limited (ASX: SGR) (**The Star**, the **Company** or the **Group**) announces today that the Group's corporate lenders have executed a commitment letter for a new debt facility (of up to \$200 million in two-tranches) which will become effective upon completion of long-form documentation and satisfaction of various conditions precedent.

The Group's existing \$450 million facility has been reduced to \$334 million which is fully drawn.

The Company's lenders have agreed to provide covenant waivers for the next two testing dates, being 30 September 2024 and 31 December 2024, with the waiver for the latter date being subject to execution of long-form documentation for the new debt facility and other customary conditions.

The new facility comprises two tranches of \$100 million each. The first tranche is expected to be available to be drawn, subject to conditions precedent, from the end of October 2024 through to 20 December 2024.

The first tranche is subject to certain conditions precedent being met, including:

- the provision of unsecured guarantees from some of the Group's regulated entities and enhanced security granted to lenders;
- regulatory consents and government approvals as required for guarantees and enhanced security for the lender group;
- the establishment of a disposal proceeds account with a credit balance of an amount representing the net proceeds of the sale of the Treasury Brisbane casino building and any other non-core asset proceeds completed before the draw down; and
- other customary conditions precedent.

The second tranche is subject to more extensive conditions precedent but, if satisfied, would be expected to be available to be drawn from the end of December 2024 and have a 4 month availability period following the drawing of the first tranche.

The conditions precedent for the second tranche drawdown include:

- the receipt of required regulatory consents and finalisation of documentation for the granting to the lender group of security over the Group's regulated entities;
- provision of information in relation to the Group's long-term strategy;
- all lender approval of the Group's strategic plan and long-term financial forecasts;
- the Company raising additional subordinated capital of at least \$150m; and
- other customary conditions precedent.

The all-in coupon for the new facility is 13.50% per annum (assuming cash pay is elected), and the existing \$300 million term facility has been repriced to this level:

- the Company has the flexibility to capitalise a component of the interest at its election; and
- there is a reduction in the coupon subject to the Group's Adjusted Net Leverage Ratio falling below 4.0x.

The maturity date for the new facility is consistent with the existing term loan (December 2027). The Group will also retain up to \$34 million of bank guarantees under the existing revolving credit facility.

The Company currently expects to release its Appendix 4E (including its unaudited accounts) for the period ended 30 June 2024 on Thursday 26 September 2024.

**Authorised by:**

Board of Directors

**For further information:**

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