REEF CASINO TRUST (RCS)
CHAIR AND CHIEF EXECUTIVE OFFICER'S ADDRESS
ANNUAL GENERAL MEETING
26 MAY 2026

Chair's address

Good afternoon, ladies and gentlemen, unitholders, guests and observers.

Welcome to the Reef Casino Trust's 2026 Annual General Meeting held at the Reef Hotel Casino in Cairns.

I hope you find this address informative, and it provides you with a good understanding of what is happening with your investment in the Trust.

Board Update

There have been no changes to the board, nor the executive leadership team, since the 2025 Annual General Meeting. This has provided a stable leadership platform upon which to operate the business and conduct negotiations with parties who signalled their interest in acquiring the Trust.

I expect that there is likely to be interest in relation to progress of the Takeover Bid Implementation Agreement signed with Iris Capital on 11 July 2025. Although Reef's legal obligations means that I am limited in what I can share today, I will have more to say about this in due course but first let me briefly report on the results for 2025.

A little later, I will ask Brad Sheahon to provide the Chief Executive Officer address.

Review and results of operations

A positive result

The 2025 result, being Distributable profit of $10.8 million, was better than 2024 and was underpinned by rental income from the Reef Hotel Casino driven by a particularly strong second half of the year.

Distributable profit for 2025, excluding transaction costs, was $12.1 million compared to $10.3 million in 2024.

Total Trust revenue and other income for 2025 totalled $26.7 million. Total revenues earned by the Reef Hotel Casino complex itself were higher than the prior year primarily due to continued strong local and domestic patronage. Despite higher costs, particularly the casino supervisory levy and costs in relation to achieving regulatory uplift requirements, this resulted in slightly higher rentals to the Trust than in 2024.

Trust operating expenses were tightly controlled but increased marginally overall due to costs incurred in relation to the transaction with Iris, including legal and consulting fees and other related costs.

Distributable profit / Unit Distribution

In February this year we reported the Trust earned a distributable profit in 2025 of $10.8 million. This distributable profit is before finance costs attributable to unitholders.

We were pleased to declare and pay a distribution for the second half of 2025 of 15.10 cents per unit. This was paid on 11 March 2026.

A distribution for the 6 months from January to June 2025 of 6.63 cents per unit was paid on 10 September 2025.

Therefore, the total distribution for 2025 was 21.73 cents per unit. The Trust paid out 100% of the distributable profit for 2025.

Strong and healthy balance sheet

The Trust's financial position remains healthy. The Trust has adequate working capital, meets all liquidity requirements, and continues to operate as a going concern.

The Trust has a $15 million facility with a reputable Australian bank, which has an expiry date of 30 June 2028. This facility is used to manage liquidity, particularly in respect of material capital expenditure payments. At the end of 2025, $1,001,000 was drawn down from this facility.

Capital Investment

Capital expenditure during the year was carefully managed to meet compliance requirements, safeguard the welfare of patrons and staff, and ensure sustainable and profitable operations continued.

This expenditure included new gaming machines and other operational assets to enhance product offerings in the casino, as well as technology and other upgrades to meet regulatory and compliance requirements, and operational assets to enhance efficiencies and drive growth in respect of the hotel. The complex itself was enhanced with a number of safety upgrades and energy-saving technologies, and lifecycle works are continuing to ensure its longevity as a desirable and safe venue to visit and work.

I will now ask Brad Sheahon, the Chief Executive Officer of the Trust, to deliver his address.

Chief Executive Officer's address

Thank you, Chair. Good afternoon unitholders, ladies and gentlemen.

The operator of the Reef Hotel Casino is Casinos Austria International (Cairns) Pty Limited.

Let me now provide a summary and highlights of the Reef Hotel Casino during 2025.

Trading performance and operating conditions at the Reef Hotel Casino

International tourism has still not quite recovered to pre-pandemic levels, with the region receiving relatively fewer Chinese visitors. However, the local and domestic markets held up particularly well for the complex during the second half of 2025 and the high season in Cairns was more buoyant than during the second half of 2024.

Operations at the complex, including the Casino, Hotel and Food & Beverage outlets performed well with aggregate revenues higher at the complex in 2025 than the prior year, with total rentals paid to the Trust being $26.6 million.

However, regulatory compliance and persistent inflationary pressures led to increased costs, particularly in respect of the supervisory levy, compliance risk management maturity improvements and payroll.

Market segments

Visitation, which drives revenues throughout the Reef Hotel Casino complex, increased during 2025. The increase was primarily driven by increased promotional activities supported by local and domestic visitors.

Electronic Gaming is the biggest contributor to rentals paid to the Trust. Electronic gaming continued to perform well due to ongoing patron support from local and domestic markets.

Table gaming was primarily supported by local and interstate visitors. Grind table gaming results were better than in 2024 due to a higher drop and win rate. Despite fewer premium players visiting compared to 2024, the premium play result was also better due to a higher win rate.

Hotel revenue increased compared to the prior year, with very strong bookings from intra and interstate visitors during the busy high season in particular.

Food & beverage revenues remained robust due to increased promotions and visitation but decreased slightly during the year as patron cost of living concerns impacted sales.

Management Strategies

Due to the interdependent nature of the activities conducted at the Reef Hotel Casino complex, management subscribe to the “One Complex, One Team, One Success” mantra.

The complex is a destination attraction for the tourist market in Cairns as well as a preferred venue for locals. Management’s strategy is to promote the complex as a “must see, must visit” venue, with increased focus on entertainment such as bands and events. Also, Reef works closely with other members of the local tourism, events and entertainment industries to create an attractive regional offering to locals and visitors alike.

Marketing activities are also focused on premium players, both local and visitors, for both electronic and table games. Promotion of the hotel is leveraged via the Accor network and destination promotions.

Whilst there have been cost increases in relation to new regulatory requirements, wages and energy costs, management has kept a disciplined approach to managing its controllable costs.

Regulatory environment and risk management

Over the last few years the regulatory environment with respect to casinos in Queensland has changed. Management is adapting business practices to the new regulatory environment to ensure compliance with the requirements of the new legislation.

The Reef Hotel Casino remains committed to the delivery of positive outcomes in respect of compliance and risk management in areas such as:

- casino regulatory compliance;
- harm minimisation and the responsible service of gaming and alcohol;
- anti-money laundering and counter-terrorism financing; and,
- improvements in risk management maturity.

Related business processes and risk management frameworks and controls are constantly being reviewed and improvements implemented. New gaming products and gaming-related technologies are being acquired to ensure compliance requirements are met.

As would be expected, this had led to higher costs to the Operator.

Trading update

Let me now provide a brief trading update for the complex.

The first half of the year is historically the low season for Cairns. Despite headwinds, including persistent inflationary and cost of living pressures, weather events and disruption to global markets caused by events in the Middle East, the complex has earned slightly higher revenues compared to 2025 during the first four months of 2026.

We expect the results for the second half of the year will continue in line with what is expected to be the high season for Cairns, although this will be against a backdrop of continuing climate, economic and geopolitical uncertainty.

The Executive Leadership Team remains committed to exploring all opportunities to deliver the best outcome for the complex, and as a result, the Trust.

Ladies and gentlemen, this concludes my address and I now hand back to the Chair.

Chair's address continues

Thank you, Brad.

Ladies and gentlemen, I will continue with a summary of 2025.

The Trust delivered a positive profit result and continued to adhere to its policy of paying 100% of distributable profit. The Trust's balance sheet remains strong and healthy. The board and executive have managed ongoing regulatory change, economic uncertainty and the transaction with Iris, delivering a pleasing result for 2025.

Relationship between Trust and Operator

I would like to take this opportunity to thank the operator of the Reef Hotel Casino which is jointly owned by Casinos Austria International and Accor. This long-standing relationship between the Trust as the owner of the Reef Hotel Casino complex and the Operator continues to work well.

A brief update of Trust trading

The Trust performance reflects the rentals paid by the Reef Hotel Casino. The high season for tourism in Cairns is usually in the second half of the year, which we expect to impact results positively.

- Despite multiple weather events and concerns in relation to cost of living and events in the Middle East, revenues at the Reef Hotel Casino complex are slightly higher than the same period in 2025 due to continued local and visitor support.
- Costs at the Reef Hotel Casino complex are marginally higher compared to the same period last year primarily due to increased promotional activities as well as general, inflation-driven cost increases.
- The Trust will update the market regarding its trading for the first 6 months of the year and its estimated distribution in mid to late June 2026.

Takeover Bid Implementation Agreement - Iris

On 11 July 2025 the Trust entered into a Takeover Bid Implementation Agreement, a TIA, with Iris Capital.

The wider transaction also includes the acquisition of the Trust's responsible entity, Reef Corporate Services Limited, and Casinos Austria International (Cairns) Pty Limited, the operator of the Reef Hotel Casino, by Iris Capital in accordance with share purchase agreements.

Iris Capital is an Australian development and hospitality group which owns and operates various Australian property developments and hospitality venues. Iris Capital's property portfolio includes over 5,000 luxury apartments, three operational vineyards, 57 venues and hotels and two casinos, being the Canberra Casino and Lasseters Casino in Alice Springs.

The TIA was amended on 20 August 2025 and again on 28 August 2025 following the Trust's receipt of unsolicited and conditional alternative proposals. Following consideration by the Independent Board Committee, each alternative proposal was either matched by Iris in accordance with its rights under TIA or Amended TIA or were not considered to be more favourable as a whole to Unitholders than the Iris Offer.

In accordance with the terms of the Amended TIA, Iris has made an off-market cash takeover bid to acquire all units in the Trust at a price of $3.87 per unit. If the Offer is successfully completed, Trust unitholders will receive approximately $192.7 million in aggregate. The board continues to unanimously recommend the Offer, and the Offer has the support of the Trust's two major unitholders, Casinos Austria International and Accor (each of whom have accepted the Offer).

The Queensland Office of Liquor and Gaming Regulation has advised that its suitability investigations required under the *Casino Control Act 1982* (Qld) to satisfy the Governor in Council that Iris is suitable to be associated or connected with the ownership, management and administration of a casino in Queensland are not expected to be finalised before the end of June 2026. Accordingly, on 2 March 2026, Iris extended the Offer period to 14 August 2026 to allow the Queensland Office of Liquor and Gaming Regulation sufficient time to conclude these investigations.

We are working proactively with Iris to ensure the Amended TIA process is completed as efficiently as possible and will continue to keep the market informed in accordance with our continuous disclosure requirements.

In closing, I would like to thank my fellow board members, management and staff of the Trust and Operator of the Reef Hotel Casino for their efforts and contributions during 2025. I would also like to thank all unitholders for their support.

Ladies and gentlemen, that concludes my address to the meeting.

Thank you.

Authorised by the Board

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