



**SHELLHARBOUR
WORKERS' CLUB LTD**

ABN 69 001 068 864

**SHELLHARBOUR
WORKERS' CLUB LTD**

2026 ANNUAL REPORT

OUR VISION

**TO ENABLE THE
COMMUNITY TO
REACH ITS HIGHEST
POTENTIAL.**



PRESIDENT'S REPORT

Mark Climo
President



On behalf of the Board of Directors it is my pleasure to present this year's Annual Report for the Shellharbour Workers' Club Limited group, reflecting on a year of continued progress, strong community engagement and meaningful investment in the future of our Group.

Throughout the year, the Group has remained focused on delivering value to our members, whilst strengthening our role as a community driven organisation. Our commitment to our community continues to guide our approach, ensuring that everything we do is centred around connection, inclusion and impact.

From a financial perspective, the Club delivered another strong result, achieving a revenue of \$33,309,118 and a profit after tax of \$1,322,983. The result provides the Club with stability whilst still offering our members strong promotions and discounts and also ensuring we remain well positioned to invest in our community, staff and facilities in the future.

This has been a significant year for our organisation. The Club's 70th anniversary provided an opportunity to celebrate the Club's history and, most importantly, to recognise the people who have contributed to our success. Our celebrations were about giving back to the community that has supported us throughout our journey. On behalf of the Board of Directors, I sincerely thank our members and community for their continued support. In particular, we acknowledge our Life Members, whose dedication and service have played an important role in enabling the Club to reach this significant milestone. I would also like to recognise our staff, past and present. The Club could not operate seven days a week or deliver the experiences and services our members and customers expect without the commitment of our people. To everyone who has contributed to the Club over the past 70 years, thank you. Your loyalty, dedication and contribution form an important part of our history and our future.

The Clubs' commitment to the community has strengthened and the Group has invested significantly to improve infrastructure, programs and facility within our direct locality. Our proudest moment this year was winning the ClubsNSW Clubs and Community Award for our work in Mental Wellbeing. The award was an

acknowledgement of our continued partnership with Healthier Illawarra Men. We are incredibly grateful for the work of Healthier Illawarra Men and we will continue to provide funding to increase the awareness of mental health within our community. We have so many strong organisations and volunteers throughout Shellharbour and we look forward to strengthening our relationships in order to do more good.

As we look ahead, our focus will be on maintaining the momentum we have built while continuing to review and develop both our short and long-term plans.

We recognise that the economic environment continues to evolve and that the Club, like the broader registered club industry, is operating within an increasingly complex regulatory and compliance environment. Our priority continues to be the safety and wellbeing of our people, members and customers, supported by a strong corporate governance framework and a commitment to responsible management. We are also reviewing plans for a major refurbishment of our Food and Beverage areas over the next three years. This represents an important investment in the future of the Club and reflects our commitment to continually improving our facilities, services and member experience. We will continue to explore opportunities for diversification and look at how we can maximise the value and potential of our existing assets.

I would like to acknowledge the dedication and commitment of our Board of Directors, management team and staff, whose ongoing efforts continue to drive the success of our Group. Their commitment ensures that the Group remains a strong, sustainable and forward-thinking organisation.

On behalf of the Board of Directors we are very grateful for the consistent support of our membership and community. We could not have reached this remarkable 70 year milestone without you. We are incredibly grateful for the support and loyalty of our members and we will continue to invest and make decisions that will enable our community to reach its highest potential.

Thank you for your continued support,

Mark Climo, President

BOARD OF DIRECTORS



Brian Goodall
Vice President



Luke McPhie



Scott Murphy



Peter Cooper



Patrick Shortall



Lupcho Mazevski

CEO'S REPORT

Jason Petrolo
CEO



It gives me great pride in delivering the end-of-year update for our Group. The goal is simple “to enable the community to reach its highest potential” and this year we have put in much time and energy to ensure we remind our people of this powerful vision. While our vision may be easy to articulate, bringing it to life is where the real challenge lies. In a year marked by significant challenges, we believe we have successfully delivered on that vision – achieving meaningful progress both within our organisation and in the broader community.

This year has been particularly significant as we celebrated 70 years of Club operations. Reaching this milestone is a remarkable achievement and one that would not have been possible without the generations of members, staff, volunteers and community supporters who have helped shape our Club and its place within the Shellharbour community. For 70 years, our Club has evolved alongside our community. While much has changed during that time, our commitment to providing value to our members and making a positive contribution to the community remains at the heart of who we are. It was critical to celebrate the milestone not only with our members, but the broader community as a whole and we worked with many stakeholders to deliver the following;

- Staff volunteering – while our original objective was to deliver 70 hours of volunteering, our staff went above and beyond, contributing more than 120 hours of volunteering within the community. Thank you to the participating organisations for making our team feel so welcome. We truly appreciate our partnerships and we are in awe of your commitment to serving our community.
- In partnership with Shellharbour City Council, we planted over 70 trees within the Shellharbour Community as a mark of respect for the land that surrounds our Club.
- Inside the Club an artist drew a live mural to represent the significant landmarks in the region that were later decorated by our current and emerging leaders within the Shellharbour Community.

- We launched our community brand ‘Together’ and developed a series of social media reels that showcased the shared experiences of our members, staff members and community members throughout the Clubs’ long history.

We are truly appreciative of the overall support of our community and would like to make special mention of the staff and members who have made our organisation stronger by being there from day dot.

All Clubs play an important role in supporting their communities, and our Club is committed to ensuring that our funding is direct, targeted and meaningful – focused on initiatives that make a genuine difference to the wellbeing of our community. In the 2025/2026 Financial Year over \$430,000 was returned to our local community via the ClubGRANTS scheme. This contribution ensures our current and emerging generations have service, facilities and social connection for years to come.

Whilst we don’t do this for recognition or awards our proudest achievement this year was being named ClubsNSW Clubs and Community award winners for our work in the category of Mental Wellbeing. This is the first time the Club has been recognised at these industry awards – a significant achievement that reflects the determination, dedication and commitment of our team to making a genuine difference. I’d like to provide special thanks to the Committee of Healthier Illawarra Men who trusted our Club as a partner to deliver the “Breaking the Man Code” program to over 1,600 students in our local community. Together, we have built a program that delivers purposeful workshops to increase the mental fitness of our young men. On the back of this very successful partnership, we look forward to continuing to work closely with our community stakeholders to understand and respond to the needs of our community.

We have been busy planning what our future will look like in both the immediate and long-term future. Over the next three years we are committed to delivering the following projects within the venue;

Executive Team

(L-R) CFO Shandelle Rue, CEO Jason Petrolo, CMO Vanessa Mitrevska, CHRO Amy Traviss.



- Precinct – We’re turning up the fun for families with more comfort and bigger play. Something exciting is taking shape...we can’t wait to tell you more (very, very soon!)
- Fiftysix Dining and Terrace – we’re planning a brand-new, modern destination designed for everyone. The area will include an outdoor play area for the kids and sophisticated spaces for the grown-ups.
- Main Lounge and Café – We are bringing light, energy and atmosphere to our lounge area and café to create an experience that feels vibrant, connected and made to be enjoyed.

We understand we need to upgrade and we need to be better. These updates will be our first food and beverage updates since 2016 and with the introduction of a new kitchen leadership team, we are very busy planning for our future. Over the next 3 years I look forward to seeking feedback on how we can best serve our members and community.

In addition, we are working closely with Shellharbour City Council to find ways to add value to the community in the form of infrastructure and diversification. We have 5 hectares of land and we want to protect our future. We are currently working on a re-zone to increase our land value, building heights, floor space ratio and add further permissible uses so we can provide facilities and services that will add strong synergy to our Club and wider community. While these opportunities will evolve over time, we are currently reviewing opportunities in seniors living, medical, small retail, gym/wellbeing and more childcare. Our future is diversification. We look forward to working closely with Council to improve our estate framework. Watch this space!

We love people and we particularly love our people! Thank you to our members for sharing your experiences and your general connection. Our members are the heartbeat of our organisation and without your loyalty our group cannot survive. We appreciate your willingness to trust our business as a place to celebrate and socialise.

Thank you to our staff – you are amazing! Without the care or commitment of our team, we would be unable to achieve all the amazing things that we do! We appreciate your engagement in community events, the service provided to our customers and your sacrifices to ensure we operate 7 days a week, 18 hours a day. Further to this, this year our staff have embraced the opportunity to give back through volunteering and fundraising. Their enthusiasm, generosity and commitment demonstrates that our people are truly engaged in making a difference. We will continue to build on this momentum, creating even more opportunities for our team to contribute to the community.

In addition, thanks to the Executive, Operational and Shift Manager Teams, who provide so much drive and work tirelessly to ensure our people are looked after, and our organisation has a future. A special mention to the new leadership group at The Imperial at Clifton led by Venue Manager Brad Pettitt who has been a welcome addition to our team. I look forward to watching the team at The Imperial at Clifton thrive and outperform.

It’s been a busy year, and we are only getting started. Whilst we will experience challenges in the form of economy, competitors, political agendas, regulator controls and much more we will always work on our connection within the community. I welcome you to meet our team and ask questions and provide feedback as we are never shy of making new relationships and learning. Thank you for your ongoing support and look forward to another successful year with our community by our side.

Remember, we are here to enable our community to reach its highest potential! Together from day dot.

Thank you for your ongoing support,

Jason Petrolo, CEO

OUR 70TH CELEBRATIONS

We celebrated our 70th anniversary by giving back to the community who has given us so much.

We launched our community campaign ‘Together’, interviewed our members, community partners and past employees about the role the Club has played in their life and we stepped out into the community...

70 VOLUNTEER HOURS IN OUR COMMUNITY

Giving back has always been part of who we are, so to mark 70 years in our community our team members rolled up their sleeves and set out to deliver 70 volunteer hours to support local community organisations. The team took over cooking operations at Lifeline South Coast’s community kitchen, helped bridge the gap between homelessness at Wollongong Homeless Hub, gave the Shellharbour Sharks volunteers a well-deserved day off and helped Multicultural Communities Illawarra make way for a new community space.

Cooking up a storm in Lifeline South Coast’s community kitchen.



Team members volunteering for Wollongong Homeless Hub at its market day in Warilla.



70 TREES PLANTED

Our Directors and Executive Team joined forces to plant 70 trees in our local community – one for every year of community growth.

That’s 70 years of growth, celebrated by putting down some roots for the future. Shellharbour War Memorial Park is looking greener already!



Directors and Management joined forces to plant trees as part of the celebrations.

LIVE MURAL

To celebrate the connection between the Club and our community we commissioned a live-drawn mural of Shellharbour featuring key landmarks such as the Bass Point gravel loader and local surf spot ‘The Farm’. We were delighted to have Shellharbour City Mayor Chris Homer, Shellharbour MP Anna Watson and Shellharbour Public School students add some colour and their own contributions to the mural.

Just add colour! Shellharbour Public School students brought the mural to life by adding colour.



OUR COMMUNITY

ClubGRANTS is one of the ways we're able to put our success back into the Shellharbour community.

This year alone, we provided over \$430,000 worth of funding to local organisations, sporting clubs, community groups and initiatives that make a real difference to people across Shellharbour. Check out some of our projects...

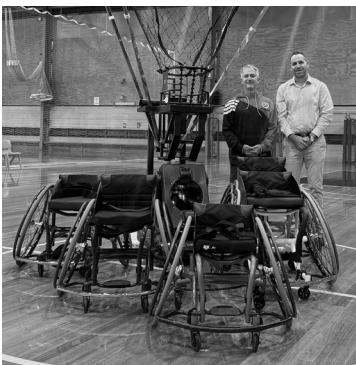
ILLAWARRA WHEELCHAIR BASKETBALL

FUNDING RECEIVED: \$11,500

PURPOSE OF FUNDING:
NEW WHEELCHAIR

We have been a proud and longstanding supporter of Illawarra Wheelchair Basketball, helping to support the organisation's growth and development through the funding of specialised sporting wheelchairs.

Recently, we further strengthened our commitment by funding yet another wheelchair through the ClubGRANTS scheme, helping provide more athletes with the opportunity to participate, compete and enjoy the sport of wheelchair basketball.



Illawarra Wheelchair Basketball's Brian Gardner and CEO, Jason Petrolo take stock of the wheelchairs and sporting equipment funded by The Shellharbour Club to date.

LIFELINE SOUTH COAST

FUNDING RECEIVED: \$30,000

PURPOSE OF FUNDING:
SUICIDE PREVENTION AND
CRISIS SUPPORT

Lifeline South Coast exists so that no person has to face their darkest moments alone. The ClubGRANTS funding has enabled Lifeline South Coast to recruit, train and support volunteer crisis support workers to meet the increasing demand for services in the Shellharbour LGA. As a result, the Shellharbour community has access to support in times of crisis or distress.

STINGRAYS JUNIOR RUGBY LEAGUE FOOTBALL CLUB

FUNDING RECEIVED: \$8,000

PURPOSE OF FUNDING:
NEW GOAL POSTS

Kicking (literal) goals in our community. Stingrays Junior Rugby League Football Club received ClubGRANTS funding towards a new set of goal posts as part of ground improvements at Flinders Field. With more than 410 junior players registered across 30 teams, the new sporting equipment will help the growing footy club flourish.

Stingrays Juniors with CEO, Jason Petrolo at their home ground.



Directors, Management and representatives from Healthier Illawarra Men attended the 2026 Clubs & Community Awards.



(L-R) Vice-President Brian Goodall, CEO Jason Petrolo and Director Scott Murphy celebrate the win.

WINNERS CLUBS & COMMUNITY AWARDS

We've been recognised as a leader in community wellbeing, taking home the Mental Wellbeing Award at the 2026 ClubsNSW Clubs & Community Awards for our work with Healthier Illawarra Men.

The ClubsNSW Clubs & Community Awards are designed to celebrate the outstanding social impact made by clubs across the state and recognise initiatives that deliver meaningful benefits to their local community.

The Shellharbour Club was the only Illawarra-based club to receive an award at the prestigious industry event. Competing against 17 finalists in one of the awards program's largest and most competitive categories, we were recognised for our partnership with Healthier Illawarra Men in the delivery of the 'Breaking the Man Code' workshops designed to support mental wellbeing across the local community.

We continue to partner with Healthier Illawarra Men to promote men's health in our local community. With more than \$90,000 provided to the organisation via ClubGRANTS to date, we look forward to reaching more community members.

About the program...

BREAKING THE MAN CODE WORKSHOPS

Picture it: a Year 10 classroom, a local footy club changeroom, a group of young men who are used to keeping things in. Now picture those same young men standing shoulder to shoulder, opening up about pressure, identity, fear, sadness and what it really means to be a man today.

This is what breaking the man code looks like.

The program quite literally challenges the unspoken rules many boys grow up with - don't show weakness, don't talk about feelings, toughen up. Rules that sit at the heart of poor mental health outcomes for men.

Breaking the Man Code is about redefining outdated ideas of masculinity, building emotional literacy and reducing stigma around mental health and the program was delivered at scale across the Illawarra thanks to our partnership with Healthier Illawarra Men.



Shellharbour Suns AFL Club have benefited from the Breaking the Man Code workshops.

OUR PEOPLE

A strong club starts with great people and this year our team have embraced community engagement activities while continuing to upskill and exceed expectations.

FREEZIN’ FOR A REASON



All in! Team members jumped into icy waters to raise funds for Special Olympics Illawarra.

On a cold winters morning our CEO, Jason Petrolo plunged into Wollongong Continental Pool alongside 11 team members as part of Polar Plunge 2026 to help raise money for an important cause. As a long-term supporter of Special Olympics Illawarra and the amazing local athletes within our community, our team took the plunge to ensure people with intellectual disability continue to have opportunities to play sport, experience joy and belong.

The team raised over \$5,000 for Special Olympics Illawarra proudly holding the title of largest fundraising total for the event!

LEAP FOR LIFE

Our team members jumped headfirst into doing good.

12 team members jumped out of a plane to raise awareness, funds (and heart rates) all at once as part of Leap for Life - a partnership between Skydive Illawarra and Healthier Illawarra Men.

Every jump resulted in a healthy donation to Healthier Illawarra Men to allow them to continue their important work with men’s mental health.

The initiative resulted in \$19,000 raised - proof that a little courage can go a long way... especially when you’re 15,000 feet in the air.

Team members jumped out of a plane to help raise awareness for men’s mental health.



TENURE

We are incredibly proud to acknowledge the dedication, commitment and loyalty of team members who have provided more than ten years of service to the Club this year.

- JIM CAMPBELL:** CELEBRATED 40 YEARS’ SERVICE NOVEMBER 2025
- ALISON SCOTT:** CELEBRATED 30 YEARS’ SERVICE IN DECEMBER 2025
- MATT ISON:** CELEBRATED 10 YEARS’ SERVICE DECEMBER 2025
- ALESIA STANNARD:** CELEBRATED 10 YEARS’ SERVICE JUNE 2026

We also farewell Marina Ralston, Food & Beverage Attendant who recently retired after 33 years of dedicated service with the business. Marina has vast experience having worked in the former Auditorium, Italian Restaurant and Chinese Restaurant. Most recently, Marina has been a valued member of the Fiftysix Dining team working in the various roles of Cashier, Bar and Front of House.



Marina Ralston celebrating three decades of service.

INVESTING IN OUR PEOPLE

Our training program demonstrates our strong commitment to investing in the skills, knowledge and growth of our people.

This year alone, we dedicated more than \$157,000 to external and on-the-job training, supporting our team to build capability and confidence. This investment was further supported through the completion of 1,878 courses via our online learning and development platform, Allara. These initiatives reflect our commitment to creating a culture of continuous learning and development.

SPOTLIGHT ON: TROY WEBB

Troy Webb has successfully completed his Certificate III in Commercial Cookery, marking an exciting milestone in his career.

Troy commenced his apprenticeship at The Imperial at Clifton in June 2024. Due to Troy’s exceptional skills, performance and commitment demonstrated throughout his apprenticeship, Troy was able to achieve an early competency-based completion and obtain his qualification as a qualified chef in July 2026. To recognise Troy’s achievement, he was promoted to the role of Chef de Partie and presented with a Shun Classic 200mm Chef’s Knife – a well-deserved reward to mark the completion of his apprenticeship and the beginning of his career as a qualified chef.

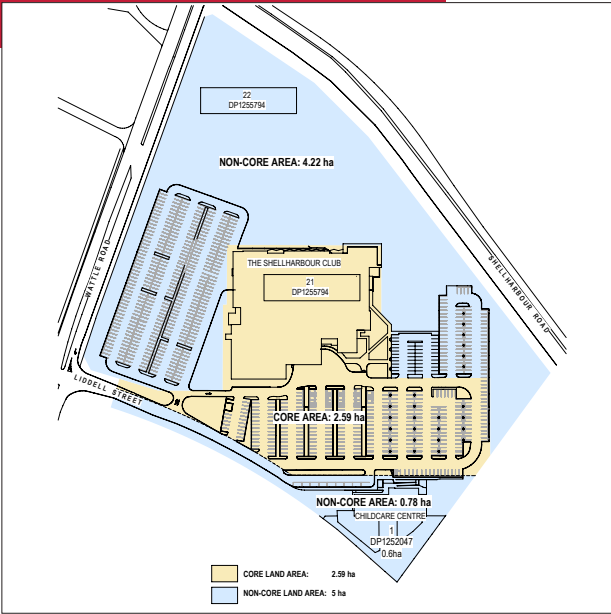
Congratulations Troy on the exciting next chapter in your career.

OUR ASSETS

SHELLHARBOUR SITE

The 78,250m2 Shellharbour site centrally located on the corner of Shellharbour and Wattle Rds, Shellharbour.

The site is zoned as 'R2 Low Density Residential' as per the Local Environmental Plan with Additional Permitted Uses. As part of our diversification strategy and master plan, the Club continues to explore commercial opportunities on the site.



The Core and Non-Core Plan for the Primary Asset – Shellharbour was approved by the Members at the Annual General Meeting in October 2014 and most recently updated at the Annual General Meeting in November 2025.



THE IMPERIAL AT CLIFTON



The hospitality venue trading as The Imperial at Clifton, located in Clifton, NSW which opened in December 2021.

For decades, the Imperial Hotel was an important part of the coastal township of Clifton. Sitting idle for almost 20 years, the venue was reinvented as 'The Imperial at Clifton' in 2021 – a bespoke hospitality venue encompassing a restaurant, café and events space. Just 500m from the iconic Sea Cliff Bridge, and having undergone a significant historic restoration, the venue is the group's second hospitality venue.

THE SHELLHARBOUR CLUB

The hospitality venue trading as 'The Shellharbour Club' located on the Shellharbour site, Shellharbour NSW.

The Shellharbour Club is a Registered Club and is the core business unit of the group. Proudly serving the community for over 65 years, The Shellharbour Club is a modern hospitality venue encompassing multiple dining options, bars, event spaces and kids' playgrounds.



CHILD CARE CENTRE

A 120 place Child Care Centre with adjacent parking located on the south west boundary of the Shellharbour site, Shellharbour NSW.

The Child Care Centre opened in 2021 and is currently operated by MindChamps on a long-term lease providing essential child care services to local families.



FINANCIAL SNAPSHOT

GROUP GROSS REVENUE \$

FINANCIAL YEAR END	2026	33,309,118
	2025	32,472,846

GROUP GROSS PROFIT \$

FINANCIAL YEAR END	2026	1,322,983
	2025	1,001,106

GROUP EBITDA \$

FINANCIAL YEAR END	2026	6,133,301
	2025	6,444,844

GROUP EBITDA %

FINANCIAL YEAR END	2026	18.11
	2025	19.49

GROUP TOTAL ASSETS \$

FINANCIAL YEAR END	2026	57,877,504
	2025	60,252,926



DIRECTORS' REPORT

The directors of Shellharbour Workers’ Club Ltd (the “Company “ or “Club”) present this report, together with the financial statements for the financial year ended 30 June 2026 .

DIRECTORS

The names and details of the Company’s directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period.

NAME	POSITION	TERM	QUALIFICATION, EXPERIENCE AND RESPONSIBILITIES
MARK CLIMO	President	Director October 2007 - Current Club Member 1990 - Current Life Member 2018 - Current	Occupation - Real Estate Sales Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
BRIAN GOODALL	Vice President	Director October 2013 - Current Club Member 1996 - Current Life Member 2024 - Current	Occupation - Business Manager Sub-committees - Audit, Risk & Compliance Committee Remuneration Committee Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
PETER COOPER	Director	Director 2009 - 2013 Director October 2015 - Current Club Member 2000 - Current Life Member 2021 - Current	Occupation - Social Worker (Retired) Sub-committees - Audit, Risk & Compliance Committee Remuneration Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling
LUKE MCPHIE	Director	Director May 2013 - Current Club Member 1997 - Current Life Member 2024 - Current	Occupation - Police Officer (Retired) Sub-committee - ClubGRANTS Committee Training - Cert IV Corporate Governance Director - Foundation & Management Collaboration Finance for Club Boards Club Leadership in Action Strategic Planning & Market Profiling Risk Management & Procurement Responsible Service of Alcohol Responsible Conduct of Gambling
SCOTT MURPHY	Director	Director October 2016 - Current Club Member 1998 - Current	Occupation - Commercial Manager Sub-committees - Remuneration Committee ClubGRANTS Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling

NAME	POSITION	TERM	QUALIFICATION, EXPERIENCE AND RESPONSIBILITIES
PATRICK SHORTALL	Director	Director July 2018 - Current Club Member 2016 - Current	Occupation - Managing Director (Retired) Sub-committee - Audit, Risk and Compliance Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling
LUPCHO MAZEVSKI	Director	Director November 2023 - Current Club Member 2005 - Current	Occupation: NSW Public Service (Retired) Sub-committee - ClubGRANTS Committee Director - Foundation & Management Collaboration Finance for Club Boards Responsible Service of Alcohol Responsible Conduct of Gambling

CHIEF EXECUTIVE OFFICER/COMPANY SECRETARY

Jason Petrolo was appointed Chief Executive Officer and Company Secretary on 18 December 2024. Jason commenced employment with the Club in 2012 and has a Certificate IV in Corporate Governance, Responsible Service of Alcohol Certificate and Responsible Conduct in Gambling Certificate.

PRINCIPAL ACTIVITY

The principal activity of the Company during the financial year was that of a Registered Club.

OPERATING RESULTS FOR THE YEAR

The Company achieved a profit of \$1,322,983 for the 2026 year (2025: \$1,236,297).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Company during the year.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period which may affect either the Company’s operations or results of those operations or the Company’s state of affairs.

BUSINESS OVERVIEW

Annually, the board of directors review and set the strategic direction for the Company. The annual strategic planning process is a collaboration of the board of directors and the management team working together to set priorities. It is a disciplined process that produces key actions that shape and guide what the business is, who it serves, what it does and why it does it, with a focus on the future. This process is always guided by our vision: **“To enable the community to reach its highest potential.”**

The strategic plan is underpinned by a detailed review of the business Strengths, Weakness, Opportunities and Threats (SWOT). In response to the SWOT analysis, four primary objectives are set that enable the Company to optimise strengths and possible opportunities whilst addressing identified weaknesses and minimising potential threats. The objectives provide a rolling five year view towards progressive growth of the business aimed at optimising the existing Company assets, capturing new products and services and working towards sustainable diversification. The corresponding strategies provide the specific direction required to achieve these objectives.

The four primary objectives of the Company are:

Market Positioning

To ensure that the Company is positioned strategically within the market to increase market share.

Asset Management

To manage the acquisition, development, use and disposal of Company Assets.

People Culture

To ensure the organisational design, human resources and systems enable optimal performance of the Company.

Risk Management

To implement and connect risk management to business planning and decision making.

MEASUREMENT OF SUCCESS

The Club measures success against industry wide benchmarks and key performance indicators for:

- EBITDA - Earnings before interest, tax, depreciation and amortisation
- Revenue
- Patron visitation
- Member satisfaction
- Community benefit through the ClubGRANTS Scheme
- Community engagement

ENVIRONMENTAL ISSUES

The Company’s operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company paid premiums in respect of a contract insuring all directors and executives of Shellharbour Workers’ Club Ltd against legal liability arising from any wrongful act committed, attempted or allegedly committed or attempted in the course of their duties as a director or executive of the Company. Total premiums paid during the financial year were \$6,486 (2025: \$6,486).

INDEMNIFICATION OF AUDITOR

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

DIRECTORS’ ENTITLEMENTS

No director has received or become entitled to receive, during or since the end of financial year, a benefit because of a contract made by the Company or a related body corporate with the director, a firm of which a director is a member or an entity in which a director has a substantial financial interest with the exception of:

This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the Company’s accounts or the fixed salary of a full time employee of the Company, controlled entity or related body corporate.

DIRECTORS’ MEETINGS

The number of Director Meetings and Sub-committee Meetings attended by each director during the year were as follows:

NAME	BOARD MEETINGS		SUB-COMMITTEE MEETINGS		
	MONTHLY BOARD MEETING	SPECIAL BOARD MEETING	AUDIT, RISK & COMPLIANCE COMMITTEE	ClubGRANTS COMMITTEE	REMUNERATION COMMITTEE
MARK CLIMO	12	2	-	-	-
BRIAN GOODALL	11	2	3	-	2
PETER COOPER	12	2	3	-	2
LUKE MCPHIE	12	2	-	3	-
SCOTT MURPHY	12	2	-	3	2
PATRICK SHORTALL	12	2	3	-	-
LUPCHO MAZEVSKI	12	2	-	3	-

MEMBER’S GUARANTEES

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$2.00 (2025: \$2.00) each. At 30 June 2026, the number of members was 24,875 (2025: 26,526) as follows:

NUMBER OF MEMBERS	
LIFE MEMBERS	11
FULL MEMBERS	24,864
TOTAL MEMBERS	24,875

At 30 June 2026, the total amount that members of the Company are liable to contribute if the Company is wound up is \$49,750 (2025: \$53,052).

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

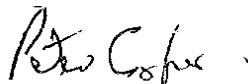
AUDITOR’S INDEPENDENCE DECLARATION

The lead auditor’s independence declaration for the year ended 30 June 2026 has been received and can be found attached to the directors’ report.

Signed in accordance with a resolution of the directors.



Brian Goodall
Director
24 August 2026

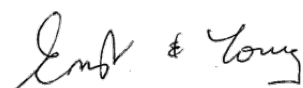


Peter Cooper
Director
24 August 2026

Auditor's independence declaration to the directors of Shellharbour Workers' Club Ltd

As lead auditor for the audit of the financial report of Shellharbour Workers' Club Ltd for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- No contraventions of any applicable code of professional conduct in relation to the audit; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Daniel Cunningham
Partner
Sydney
24 August 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	NOTES	2026 \$	2025 \$
Revenue from contracts with customers	4	32,405,266	31,480,424
Other income	5.a	903,852	992,422
Cost of sales		(3,830,919)	(3,603,840)
Employee benefits expense	5.b	(9,968,496)	(9,816,121)
Depreciation expense		(3,504,257)	(4,068,638)
Other operating expenses	5.c	(13,680,290)	(12,678,022)
Finance income		47,177	74,816
Finance costs		(1,049,350)	(1,379,935)
Profit before income tax		1,322,983	1,001,106
Income tax benefit/(expense)	6	-	235,191
Profit for the year		1,322,983	1,236,297
Other comprehensive income		-	-
Total comprehensive income for the year		1,322,983	1,236,297

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	NOTES	2026 \$	2025 \$
Assets			
Current assets			
Cash	7	2,066,146	2,059,727
Other receivables	8	77,676	147,633
Inventories	9	208,786	258,658
Prepayments		328,496	252,045
Income tax receivable		3,225	3,225
Total current assets		2,684,329	2,721,288
Non-current assets			
Property, plant and equipment	10	51,639,145	53,854,512
Investment property	11	2,385,771	2,508,867
Intangible assets	12	1,168,259	1,168,259
Total non-current assets		55,193,175	57,531,638
Total assets		57,877,504	60,252,926
Liabilities and equity			
Current liabilities			
Trade and other payables	14	2,175,366	2,303,841
Interest-bearing loans and borrowings	15	3,360,000	3,360,000
Employee benefit liabilities	16	1,169,217	1,091,469
Other liabilities	17	49,585	56,997
Total current liabilities		6,754,168	6,812,307
Non-current liabilities			
Interest-bearing loans and borrowings	15	12,914,900	16,554,900
Employee benefit liabilities	16	139,513	156,203
Other liabilities	17	157,847	141,423
Total non-current liabilities		13,212,260	16,852,526
Total liabilities		19,966,428	23,664,833
Equity			
Retained earnings		37,911,076	36,588,093
Total equity		37,911,076	36,588,093
Total liabilities and equity		57,877,504	60,252,926

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	RETAINED EARNINGS \$	TOTAL \$
At 1 July 2025	36,588,093	36,588,093
Profit for the year	1,322,983	1,322,983
Other comprehensive income	-	-
Total comprehensive income for the year	1,322,983	1,322,983
At 30 June 2026	37,911,076	37,911,076
At 1 July 2024	35,351,796	35,351,796
Profit for the year	1,236,297	1,236,297
Other comprehensive income	-	-
Total comprehensive income for the year	1,236,297	1,236,297
At 30 June 2025	36,588,093	36,588,093

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2026

	NOTES	2026 \$	2025 \$
Operating activities			
Receipts from customers		36,549,645	35,620,888
Payments to suppliers and employees		(30,732,039)	(29,264,076)
Interest received		47,177	74,816
Interest paid		(1,049,350)	(1,379,935)
Net cash flows from operating activities		4,815,433	5,051,693
Investing activities			
Proceeds from sale of property, plant and equipment		266,061	31,795
Purchase of property, plant and equipment		(1,435,075)	(1,653,762)
Net cash flows used in investing activities		(1,169,014)	(1,621,967)
Financing activities			
Repayment of borrowings		(3,640,000)	(5,205,100)
Net cash flows (used in)/from financing activities		(3,640,000)	(5,205,100)
Net increase/(decrease) in cash and cash equivalents		6,419	(1,775,374)
Cash and cash equivalents at 1 July		2,059,727	3,835,101
Cash and cash equivalents at 30 June	7	2,066,146	2,059,727

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

1. CORPORATE INFORMATION

The financial report of Shellharbour Workers’ Club Ltd (the “Company” or “Club”) for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 24 August 2026.

Shellharbour Workers’ Club Ltd is a not-for-profit entity limited by guarantee, incorporated and domiciled in Australia.

The Company’s registered office and principal place of business is Lot 105, Shellharbour Road, Shellharbour NSW 2529.

The nature of the operations and principal activity of the Company are described in the directors’ report. Information on other related party relationships of the Company is provided in Note 18.

2. ACCOUNTING POLICIES

a) Basis of preparation

These general purpose financial statements have been prepared in compliance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standards – Simplified Disclosures*. Australian Accounting Standards contain requirements specific to not-for-profit entities, including standards AASB 116 *Property, Plant and Equipment*, AASB 138 *Intangible Assets*, AASB 136 *Impairment of Assets* and AASB 1058 *Income For Not Profit Entities*.

This financial report has been prepared on a historical cost basis and is presented in Australian Dollars (\$).

b) Changes in accounting policies, disclosures, standards and interpretations

New and amended standards and interpretations

The new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2026 do not materially impact the financial statements of the Company.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Company for the annual reporting year ended 30 June 2026. The Company intends to adopt these new and amended standard and interpretations when they become effective.

c) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Company generated an operating profit during the year ended 30 June 2026 of \$1,322,983 (2025: \$1,236,297), and as at that date the Company’s total current liabilities exceeded total current assets by \$4,069,839 (2025: \$4,091,019) and the Company’s total assets exceeded total liabilities by \$37,911,076 (2025: \$36,588,093).

The Company generated net cash inflows from operating activities for the year ended 30 June 2026 of \$4,815,433 (2025: \$5,051,693) and has \$10,025,100 of unused financing facilities available for use at 30 June 2026 (2025: \$9,745,100). Management have projected the Club will continue to generate positive cash flows and will be able to pay its debts as and when they become due and payable. Based on the above, the Directors have concluded that the use of the going concern assumption in the preparation of the financial statements is appropriate.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

d) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

e) Cash

Cash in the statement of financial position comprises cash on hand and at bank.

For the purpose of the statement of cash flows, cash and cash equivalents include cash, as defined above.

f) Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate (EIR) method, less provision for expected credit loss (ECL).

For other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. To measure the expected credit losses, other receivables have been grouped based on outstanding balances, days past their due date and the corresponding historical credit losses experienced adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of customers to settle their debts.

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) Prepayments

Prepayments are carried at amortised cost and represent goods and services paid for by the Company prior to the end of the financial period that have not been received.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

i) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Land and buildings are measured at cost less accumulated depreciation on buildings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Class of fixed asset	Depreciation rate
Freehold land	Not depreciable
Buildings	2 - 8%
Plant and equipment	5 - 40%
Poker machines	10 - 50%
Motor vehicles	20 - 22.5%
Capital work in progress	Not depreciable

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Investment property

Investment property is measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment property is measured at cost, net of accumulated depreciation and accumulated impairments losses, if any.

Investment property are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss and other comprehensive income in the year of retirement or disposal.

Depreciation is calculated using the diminishing value method at a depreciation rate of 2.5% over a useful life of 40 years.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Licences

Licences pertaining to gaming machine entitlements which represents the right to operate gaming machines are granted for an indefinite period.

l) Leases

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

m) Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value and, net of directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit or loss and other comprehensive income.

n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

o) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Company makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount, by which the carrying amount of an asset exceeds recoverable amount, which is defined for not for profit entities as the higher of an asset's fair value less costs to sell or depreciated replacement cost. For the purpose of assessing impairment, assets are grouped at the levels for which there are separately identifiable cash flows. An impairment loss is recognised in the statement of profit or loss and other comprehensive income.

p) Employee benefit liabilities

Wages, salaries, annual leave and current long service leave

Liabilities for wages and salaries, including non-monetary benefits which are expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

p) (Continued) Employee benefit liabilities

Non-current long service leave

The Company does not expect all of its long service leave to be settled wholly within 12 months of each reporting date. The Company recognises a liability for long service leave and annual leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

q) Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

r) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Rendering of services

Revenue from rendering of services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Club.

Revenue from rendering of services is recognised at a point in time when the control of right to be compensated for the services has been attained and can be reliably measured.

s) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss and other comprehensive income due to its operating nature.

t) Finance income

Interest income is recorded using the EIR. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.

u) Finance costs

Finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

v) Taxes
i. Income tax

The Income Tax Assessment Act 1997 (Amended) provides that under the concept of mutuality, Clubs are only liable for income tax on income derived from non-members and from outside entities. Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

ii. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable
- When receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

2. ACCOUNTING POLICIES (CONTINUED)

ii. (Continued) Goods and services tax (GST)

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

w) Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in the presentation of the statement of profit or loss and other comprehensive income but resulting in no impact to the profit for the year.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Long service leave liability

As discussed in Note 2.p, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at reporting date. In determining the present value of the liability, attrition rates and pay increases through promotion and inflation have been taken into account.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

a. Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	2026 \$	2025 \$
Types of goods or service		
Sale of goods	10,413,855	10,086,026
Rendering of services	21,991,411	21,394,398
Total revenue from contracts with customers	32,405,266	31,480,424
Timing of revenue recognition		
Goods transferred at a point in time	10,413,855	10,086,026
Services transferred at a point in time	21,836,514	21,265,941
Services transferred over time	154,897	128,457
Total revenue from contracts with customers	32,405,266	31,480,424

5. OTHER INCOME/EXPENSES

a. Other income

	2026 \$	2025 \$
Rental income	903,852	992,422

b. Employee benefits expense

	2026 \$	2025 \$
Salaries and wages	8,473,488	8,404,666
Superannuation expenses	1,014,529	951,629
Other employee expenses	480,479	459,826
	9,968,496	9,816,121

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

5. OTHER INCOME/EXPENSES (CONTINUED)

c. Other operating expenses

	2026 \$	2025 \$
Bar indirect expenses	176,147	158,526
Catering indirect expenses	404,791	379,729
Gaming indirect expenses	693,056	793,853
Poker machine tax	5,403,517	5,283,131
Advertising and promotional expenses	2,354,130	1,924,943
Loss on disposal of property, plant and equipment	3,220	1,529
Donations	439,793	413,077
Maintenance costs	733,874	635,949
Club services	2,308,245	2,195,317
Members expenses	85,978	92,113
Administration costs	1,077,539	799,855
Total other operating expenses	13,680,290	12,678,022

6. INCOME TAX

a) The major components of income tax (benefit)/expense for the years ended 30 June 2026 and 2025 are:

	2026 \$	2025 \$
Deferred tax:		
Relating to the origination and reversal of temporary differences	-	(235,191)
Income tax (benefit)/expense reported in the statement of profit or loss	-	(235,191)

b) A reconciliation of tax (benefit)/expense and the accounting profit multiplied by Australia's domestic tax rate for 2026 and 2025:

	2026 \$	2025 \$
Accounting profit before tax	1,322,983	1,001,106
At Company's statutory income tax rate of 30% (2025: 25%)	396,895	300,332
Recognition of deferred tax balances not previously recognised	-	(177,747)
Tax losses not recognised	459,571	448,489
Non-deductible expenses for tax purposes:		
Net income from members not subject to tax	(1,047,333)	(877,034)
Other non-deductible differences	190,867	70,769
Aggregate income tax (benefit)/expense	-	(235,191)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

6. INCOME TAX (CONTINUED)

Deferred tax

Deferred tax relates to the following:

	1 JULY 2025 \$	DEFERRED TAX BENEFIT RECOGNISED IN PROFIT OR LOSS \$	30 JUNE 2026 \$
Borrowing costs	938	(295)	643
Prepayment	(5,639)	(2,144)	(7,783)
Provisions	100,688	57,018	157,706
Fixed assets	(380,134)	79,425	(300,709)
Poker machines	(16,911)	64,068	47,157
Tax losses	301,058	(198,072)	102,986
Net deferred tax liabilities	-	-	-

	1 JULY 2024 \$	DEFERRED TAX EXPENSE RECOGNISED IN PROFIT OR LOSS \$	30 JUNE 2025 \$
Blackhole deductions	16,297	(16,297)	-
Borrowing costs	998	(60)	938
Prepayment	(7,419)	1780	(5,639)
Provisions	84,634	16,054	100,688
Fixed assets	(432,461)	52,327	(380,134)
Poker machines	-	(16,911)	(16,911)
Tax losses	102,760	198,298	301,058
Net deferred tax liabilities	(235,191)	235,191	-

The Company has recognised deferred tax assets in respect of tax losses that arose in Australia of \$102,986 (2025: \$301,058) that are available indefinitely for offsetting against future taxable profits.

Franking credits

The Company has no franking credits available for use in the subsequent reporting periods (2025: \$nil)

7. CASH

	2026 \$	2025 \$
Cash on hand	1,014,094	1,237,445
Cash at bank	1,052,052	822,282
	2,066,146	2,059,727

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

8. OTHER RECEIVABLES

	2026 \$	2025 \$
Current		
Sundry debtors	49,246	147,633
Other receivables	28,430	-
	77,676	147,633

9. INVENTORIES

	2026 \$	2025 \$
Stock on hand	208,786	258,658

During 2026, \$3,830,919 (2025: \$3,603,840) was recognised as an expense for inventories carried at net realisable value. This is recognised in cost of sales.

10. PROPERTY, PLANT AND EQUIPMENT

	FREEHOLD LAND AND BUILDINGS	PLANT AND EQUIPMENT	POKER MACHINES	MOTOR VEHICLES	CAPITAL WORK IN PROGRESS	TOTAL \$
Cost						
At 1 July 2025	55,802,252	32,322,738	11,131,795	88,028	271,588	99,616,401
Additions	71,653	150,624	387,626	-	825,172	1,435,075
Transfers	954,183	-	-	-	(954,183)	-
Disposals	-	-	(325,005)	-	-	(325,005)
At 30 June 2026	56,828,088	32,473,362	11,194,416	88,028	142,577	100,726,471
Accumulated depreciation						
At 1 July 2025	14,346,422	22,668,230	8,692,516	54,721	-	45,761,889
Depreciation charge for the year	973,458	1,818,198	585,636	3,869	-	3,381,161
Disposals	-	-	(55,724)	-	-	(55,724)
At 30 June 2026	15,319,880	24,486,428	9,222,428	58,590	-	49,087,326
Net book value						
At 30 June 2026	41,508,208	7,986,934	1,971,988	29,438	142,577	51,639,145
At 30 June 2025	41,455,830	9,654,508	2,439,279	33,307	271,588	53,854,512

Additions in capital work in progress include interest capitalised during the year amounting to \$nil (2025: \$nil)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

11. INVESTMENT PROPERTY

LAND AND BUILDINGS INVESTMENT - CHILDCARE \$	
Cost	
At 1 July 2025	3,553,314
At 30 June 2026	3,553,314
Accumulated depreciation	
At 1 July 2025	1,044,447
Depreciation charge for the year	123,096
At 30 June 2026	1,167,543
Net book value	
At 30 June 2026	2,385,771
At 30 June 2025	2,508,867

12. INTANGIBLE ASSETS

LICENCES \$	
Cost	
At 1 July 2025	1,168,259
At 30 June 2026	1,168,259
Net book value	
At 30 June 2026	1,168,259
At 30 June 2025	1,168,259

Poker machine licences are stated at cost. Poker machine licences have an indefinite useful life given they have no expiry date, and accordingly are not amortised but are to be assessed annually for impairment. Impairment has been tested at the reporting date and no loss has been recognised.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

13. LEASES

Company as a lessor
In 2018, the Company has entered into operating lease on its investment property consisting of building. The lease is for a period of 10 years. The lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

Operating leases		
Future lease payments receivable under non-cancellable operating leases as at 30 June are as follows:		
	2026 \$	2025 \$
Not later than 1 year	433,547	416,872
Later than 1 year but not later than 5 years	654,571	858,920
	1,088,118	1,275,792

14. TRADE AND OTHER PAYABLES

	2026 \$	2025 \$
Current		
Trade payables	1,035,679	1,001,663
Other creditors and accruals	997,132	1,155,040
GST payable	142,555	147,138
	2,175,366	2,303,841

15. INTEREST-BEARING LOANS AND BORROWINGS

	2026 \$	2025 \$
Current		
Primary bank loan (i)	3,360,000	3,360,000
Non-current		
Primary bank loan (i)	12,914,900	16,554,900

(i) The loan matures in 28 February 2029 and is subject to quarterly repayments. The interest rate for 2026 as at reporting date is 5.06% (2025: 5.58%) and is secured by a First Registered Mortgage over all the Company’s property and a registered floating charge over all the Company’s assets in support of its guarantee and loan.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

15. INTEREST-BEARING LOANS AND BORROWINGS (CONTINUED)

	2026 \$	2025 \$
Loan facility limits		
Primary bank loan	26,300,000	29,660,000
Loan facilities available		
Primary bank loan	10,025,100	9,745,100

16. EMPLOYEE BENEFIT LIABILITIES

	2026 \$	2025 \$
Current		
Annual leave	706,382	711,701
Long service leave	462,835	379,768
	1,169,217	1,091,469
Non-current		
Long service leave	139,513	156,203

17. OTHER LIABILITIES

	2026 \$	2025 \$
Current		
Members’ subscriptions in advance	49,585	56,997
Non-current		
Members’ subscriptions in advance	157,847	141,423

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

18. RELATED PARTY DISCLOSURES

a. Key Management Personnel:

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company is considered key management personnel.

The Key Management Personnel (KMP) of the Company during the year are:

Mark Climo	President
Brian Goodall	Vice President
Luke McPhie	Director
Peter Cooper	Director
Scott Murphy	Director
Patrick Shortall	Director
Lupcho Mazevski	Director
Jason Petrolo	Chief Executive Officer/Company Secretary
Shandelle Rue	Chief Financial Officer
Amy Traviss	Chief Human Resources Officer
Vanessa Mitrevska	Chief Marketing Officer
Mathew Ison	Operations Manager – The Shellharbour Club

The total remuneration/honorarium paid to key management personnel (KMP) of the Company during the year is as follows:

	2026 \$	2025 \$
Remuneration/honorarium	1,197,274	1,063,403

b. Other Related Parties:

Other related parties include immediate family members of KMP; entities that are controlled or significantly influenced by those KMP individually or collectively with their immediate family members.

From time to time, the Company may enter into a commercial transaction with an entity or an individual that a director or KMP may have an interest in or be related to. In all instances, the Company ensures that the transaction is conducted on an arms length basis and that the director or KMP has no involvement in the transaction. The Company did not enter into any related party transaction during the year.

19. COMMITMENTS AND CONTINGENCIES

Capital commitments

The Company had no capital commitments as at 30 June 2026 (2025: \$nil).

Contingencies

There were no contingent assets or contingent liabilities as at the reporting date which would have a material effect on the Company’s financial statements as at 30 June 2026 (2025: \$nil).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED) FOR THE YEAR ENDED 30 JUNE 2026

20. AUDITOR’S REMUNERATION

The auditor of Shellharbour Workers’ Club Ltd is Ernst & Young (Australia).

	2026 \$	2025 \$
<i>Amounts received or due and receivable by Ernst & Young (Australia) for:</i>		
An audit or review of the financial report	97,690	93,390
Tax compliance	10,500	9,500
Compliance of financial statements	8,000	7,668
	116,190	110,558

21. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events occurring after the reporting period which may affect either the Company’s operations or results of those operations or the Company’s state of affairs.

22. MEMBERS GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of \$ 2.00 (2025 : \$ 2.00) each. At 30 June 2026, the number of members is 24,875 (2025 : 26,526).

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Disclosure of subsidiaries and their country of tax residency, as required by subsection 295 (3A) of the Corporations Act 2001, does not apply to the Company as the Company is not required by accounting standards to prepare consolidated financial statements.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Shellharbour Workers' Club Ltd (the "Company"), we state that:
In the opinion of the directors:

- 1. the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's financial position as at 30 June 2026 and its performance for the year ended on that date; and
 - complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*;
- 2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3. the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act* is true and correct;

On behalf of the board



Brian Goodall
Director
24 August 2026



Peter Cooper
Director
24 August 2026



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Independent auditor's report to the members of Shellharbour Workers' Club Limited

Opinion

We have audited the financial report of Shellharbour Workers Club Limited (the "Company"), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
- b. complying with *Australian Accounting Standards – Simplified Disclosures* and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*; and
- b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

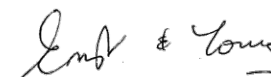
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to

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events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Daniel Cunningham
Partner
Sydney
24 August 2026

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