REEF CASINO TRUST
ARSN 093 156 293

APPENDIX 4D

Half year information given to the ASX under listing rule 4.2A

This report is based on the financial statements audited by Grant Thornton Audit Pty Ltd and is not subject to any dispute or qualification.

This information should be read in conjunction with the attached accounts and any public announcements made by the Trust during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001* (Cth).

Reporting period
Half year ended 30 June 2024

Previous corresponding period
Half year ended 30 June 2023

1. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Half year ended 30 June 2024 $	Half year ended 30 June 2023 $	% Change
Revenue from ordinary activities	$11,623,000	$11,718,000	Down 0.8%
Profit from ordinary activities after income tax attributable to members	$2,168,000	$2,344,000	Down 7.5%
Net profit for the period attributable to members	$2,168,000	$2,344,000	Down 7.5%
Distributable profit *	$4,336,000	$4,688,000	Down 7.5%

**Basis of preparation: Distributable profit is a non-IFRS measure that is determined in accordance with the Trust Constitution and used as the basis for determining distributions to unitholders. Distributable profit is determined as net profit for each half year, adding back distributions to unitholders which have been treated as finance costs in accordance with IFRS. The distributable profit has been audited by Grant Thornton Audit Pty Ltd. Refer to the auditor's report for the half year ended 30 June 2024 on page 17 of the attached.*

2. DISTRIBUTIONS

For the 6 months ended 30 June 2024	8.71 cents per unit (unfranked)
Record date for determining entitlements to distribution	28 June 2024

3. NET TANGIBLE ASSETS

	As at 30 June 2024	As at 30 June 2023
Net tangible asset backing per unit (NTA backing) [1]	$1.33	$1.32

[1] Excludes Right-of-use assets.

4. EXPLANATIONS

Additional 4D disclosures, commentary and other significant information can be found in the attached financial report for the half year ended 30 June 2024.

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REEF
CASINO TRUST

ARSN 093 156 293

HALF YEAR REPORT

June 2024

Chair's Review

In stepping into the Chair role, I would like to thank previous Chair, Phil Basha, for his significant contributions both over the last two years and as a long-standing director. Phil remains on the board as a non-executive director.

On behalf of the Board of Directors of Reef Corporate Services Limited, Responsible Entity of the Reef Casino Trust (the Trust), I present my review of the Reef Casino Trust for the half year ended 30 June 2024.

While post-COVID recovery continues, challenges remain, including a continued shortfall in international visitors and cost pressures. This reflects the general trend of tourism in Cairns.

Key points - A steady first half

- Total revenues at the Reef Hotel Casino complex were slightly above the same period last year, however, higher costs (mainly payroll) resulted in slightly lower rental revenue for the Trust;
- Trust costs increased – key items being insurance and the Responsible Entity fee;
- Unitholder distribution of 8.71 cents per unit, being 100% of distributable profit;
- Balance sheet continues to be robust;
- Management handled market conditions and other challenges well.

Financial summary

	30 Jun 2024 $'000	30 Jun 2023 $'000
Rental revenue and other income	**11,623**	11,718
Operating expenses	**4,738**	4,458
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**6,885**	7,260
Depreciation and amortisation	**2,489**	2,528
Interest expense on financial liabilities measured at amortised cost	**60**	44
Distributable profit[1] / Profit before finance costs[2] attributable to unitholders	**4,336**	4,688
Finance costs[2] attributable to unitholders	**2,168**	2,344
Profit for the period	**2,168**	2,344
	Cents per unit	Cents per unit
Earnings per unit	**8.71**	9.41
Distribution per unit	**8.71**	9.44

The Trust delivered distributable profit[1] of $4.336 million for the six-month period to 30 June 2024 (2023 $4.688 million). This is a solid result and in line with last year and pre-COVID results.

Total Trust revenue and other income for the period comprised primarily of rental income from the Reef Hotel Casino.

[1] Basis of preparation: Distributable profit is a non-IFRS measure that is determined in accordance with the Trust Constitution and used as the basis for determining distributions to unitholders. Distributable profit is determined as net profit for each half year, adding back distributions to unitholders which have been treated as finance costs in accordance with IFRS. The distributable profit has been audited by Grant Thornton Audit Pty Ltd. Refer to the auditor's report for the half year ended 30 June 2024 on page 17.

[2] Under Australian Accounting Standards the first 50% of distributable profit is treated as "finance costs attributable to unitholders", with the remaining 50% treated as profit.

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Trust operating expenses to 30 June 2024 were higher than the same period in 2023 due to inflationary pressures, which have driven increases, primarily in payroll and insurance premiums. The Responsible Entity fee, which is based upon the valuation of the Reef Hotel Casino complex, has also increased due to the higher valuation dated 31 December 2023.

Unit distribution

The directors have declared a distribution for the six months to 30 June 2024 of 8.71 cents per unit (2023: 9.44 cents per unit). The record date was 28 June 2024 and payment will be made on 11 September 2024.

This represents 100% of the distributable profit for the period, consistent with the Trust's distribution policy of distributing 100% of its distributable profit.

The undistributed income account balance at 30 June 2024 is 20.12 cents per unit, or $10.022 million in total.

Trust statement of financial position

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

As at 30 June 2024 the Trust's interest only business term loan facility with the Bank of Queensland was $13.500 million with an expiry of 31 January 2025. The amount undrawn on 30 June 2024 was $13.499 million. Other than the amount drawn of $1,000, the Trust was essentially debt-free.

As announced on 21 August 2024, the Trust successfully negotiated a new interest only facility with Bank of Queensland. The new facility has a limit of $15.000 million and expires on 30 June 2028.

Capital investment

Capital expenditure in the first six months of 2024 was carefully managed. Essential capital items approved included:

- new gaming machines and other operational assets to enhance product offerings in respect of the casino;
- technology and other upgrades to meet regulatory, compliance and harm minimisation requirements in respect of the casino;
- operational assets to enhance efficiencies and drive growth in respect of the hotel;
- safety upgrades and sustainable, energy-saving technologies, to maintain the Reef Hotel Casino complex to ensure its value is enduring and it remains a desirable and safe venue to visit and work.

Board membership changes

The following changes to the board occurred during 2024 and to the date of this report:

- Ms Sarah Derry resigned as non-executive director on 31 January 2024;
- Ms Abigail Cheadle was appointed independent non-executive director on 19 March 2024;
- Mr Adrian Williams was appointed non-executive director on 27 May 2024;
- Ms Wendy Morris was appointed Chair, replacing Mr Philip Basha, effective 1 June 2024.
- Ms Abigail Cheadle was appointed Chair of the Compliance, Audit & Risk Committee, replacing Ms Wendy Morris, effective 1 June 2024.
- Mr Steven Lake was appointed alternate director for Mr Philip Basha on 19 March 2024 and alternate director for Mr Adrian Willams on 20 June 2024.

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Review of performance at Reef Hotel Casino by CEO, Trust

Brad Sheahon, CEO of the Responsible Entity of the Trust, provides a review of the performance of the Operator of the Reef Hotel Casino, Casinos Austria International (Cairns) Pty Limited (CAIC):

Trading performance and operating conditions

- Overall complex revenues were 3.3% better than the prior comparative period, however, inflationary pressure has led to increased costs, particularly in respect of payroll, resulting in slightly less rental income to the Trust during the current period.
- Local and domestic markets held up well for the complex.
- International tourism has still not recovered to pre-COVID levels.

	30 Jun 2024 $'000	30 Jun 2023 $'000
Rental to Trust		
Casino rental to Trust	**10,088**	10,641
Hotel and other rental to Trust	**1,389**	900
Total rental to Trust	**11,477**	11,541

Reef Casino Trust continues to have a low-risk appetite which informs its strategy. This is reflected in the Operator's management of the complex underpinned by its "One Complex, One Team, One Success" philosophy.

A summary of operations follows:

Casino	
Visitation Increased by 3.9%	Visitation drives revenues throughout the Reef Hotel Casino. The increase was primarily driven by local and domestic visitors with proportionally fewer international guests.
Electronic gaming Revenue increased by 5.1%	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. Marketing promotions and materials are continually refreshed, and electronic gaming products regularly updated to ensure our offerings remain attractive to our visitors.
Table gaming Revenues decreased by 16.6%	Grind table gaming results were above the prior comparative period. However premium play was lower due to a lower win percentage and fewer premium players. Table gaming was primarily supported by local and interstate visitors.
Hotel	
Rooms Revenues increased by 13.3%	Strong bookings from intra and interstate visitors continued. Our hotel is part of the Accor sales and marketing network in Australia.
Food & beverage Revenues increased by 13.4%	Ongoing promotions and live entertainment resulted in strong ongoing visitation and activity leading to more sales from the food and beverage outlets which utilise fresh local produce and supports local suppliers where practical.

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Regulatory environment and risk management

Due to the passing of the *Casino Control and Other Legislation Amendment Act 2024* by the Queensland Parliament earlier this year, the regulatory environment is changing. The implementation of this legislation will lead to the following:

- the acquisition of new gaming products and gaming-related technologies;
- the implementation of enhanced business practises in respect of harm minimisation and compliance;
- increased regulatory fees and associated costs.

The Operator is committed to the proper delivery of successful outcomes in respect of compliance and risk management in the following areas:

- casino regulatory compliance;
- harm minimisation and responsible serving of gaming and alcohol;
- anti-money laundering and counter-terrorism financing.

A brief look at the second half 2024

The second half of the year is the high season of Cairns and the region. Trading in July and to date in August has been profitable.

The trading environment and conditions are likely to remain challenging. Cost-of-living concerns could impact revenues. Inflationary pressures and regulatory change will impact costs. However, the Reef Hotel Casino is well positioned to take advantage of any increases in international visitation as airline access continues to expand. An increase in cruise ships and domestic air capacity is likely to support or slowly grow a steady base of visitors.

The Operator of the Reef Hotel Casino remains committed to exploring all opportunities to utilise and enhance the complex and the casino licence as productively and profitably as possible to deliver the best outcome for the Trust.

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Chair's summary and outlook

Sum up of the first half of 2024

The Trust delivered another profitable result and was comfortably able to continue to adhere to its policy of paying 100% of distributable profit[1]. The Trust balance sheet remains strong and healthy. Management and staff continue to achieve the best possible outcomes in an environment of rising costs. The Trust Board remained focused on driving revenue and ensuring adherence to value-driven expenditure.

A brief outlook for the Trust in the second half of 2024

The Trust and the Operator of the complex will continue to adopt a long standing overall low risk appetite.

The Trust's performance largely reflects the trading at the Reef Hotel Casino with the main source of income being the rentals paid by the Reef Hotel Casino complex. July was another profitable month for the Trust and August to date is also performing well.

Ongoing inflation, elevated interest rates and international visitation to Cairns still not being back to pre-COVID levels continues to be challenging. Responding to increasing regulatory oversight will require some additional resourcing including monitoring and management.

The international tourist market (particularly the Chinese market) into Australia, including Cairns, is recovering, albeit slowly. The cruise line market into Cairns is showing pleasing signs of growth and airline capacity to the region continues to increase. Business events and conferences are showing strong forward bookings.

Trust expenditure and costs will remain a focus and capital investment will be carefully monitored and managed. The Trust will work closely with the Operator of the complex to properly maintain the property to retain its value.

In closing, I would like to thank my fellow board members and the management and staff of the Trust and the Operator of the Reef Hotel Casino for their efforts and contributions during the first half of 2024.



Wendy Morris
Chair
Reef Corporate Services Limited
Responsible Entity of Reef Casino Trust
22 August 2024

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Directors' Report

The directors of the board of Reef Corporate Services Limited, ABN 66 057 599 621, the Responsible Entity of Reef Casino Trust, present their half year report together with the half year financial report of the Trust for the half year ended 30 June 2024 and the auditor's report thereon.

Responsible Entity
The directors of the board of Reef Corporate Services Limited at any time during or since the end of the half year are:

Director
Ms Wendy Morris (Chair from 1 June 2024)
Mr Allan Tan
Mr Philip Basha (Chair until 31 May 2024)
Mr Fritz Pühringer
Mr Erwin van Lambaart
Ms Abigail Cheadle (appointed 19 March 2024)
Mr Adrian Williams (appointed 27 May 2024)
Mr Steven Lake (alternate for Mr Basha since 19 March 2024 and Mr Williams since 20 June 2024)
Ms Sarah Derry (resigned 31 January 2024)

Review of operations
The review of operations is contained in the Chair's Review on pages 1 to 5, which forms part of the Directors' Report.

Distribution
The distribution of $6.101 million (12.25 cents per unit) in respect of the six-month period ended 31 December 2023 as reported in the 2023 Annual Report was paid on 13 March 2024.

The directors have declared a distribution of $4.337 million (8.71 cents per unit) in respect of the six-month period ended 30 June 2024 to be paid on 11 September 2024. The distribution in respect of the six-month period ended 30 June 2023 was 9.44 cents per unit.

Events subsequent to balance date
As announced on 21 August 2024, the Trust successfully negotiated a new interest only facility with Bank of Queensland. The new facility has a limit of $15.000 million and expires on 30 June 2028 as detailed in note 9 to the Financial Statements.

No other matters or circumstances have arisen since the end of the financial period which significantly affect or may significantly affect the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial periods.

Auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth)
The auditor's independence declaration is set out on page 20 and forms part of the directors' report for the half year ended 30 June 2024.

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Rounding off
The Trust is of a kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191* dated 24 March 2016 and in accordance with that Instrument, amounts in the half year financial report and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This report has been signed in accordance with a resolution of the directors of Reef Corporate Services Limited.



Wendy Morris
Chair
Cairns
22 August 2024



Abigail Cheadle
Director

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Statement of profit or loss and other comprehensive income for the half year ended 30 June 2024

	Note	30 Jun 2024 $'000	30 Jun 2023 $'000
Revenue and other income			
Revenue and other income	4	**11,623**	11,718
Total revenue and other income		**11,623**	11,718
Expenses			
Depreciation and amortisation	6	**2,489**	2,528
Repairs and maintenance		**1,148**	1,129
Insurance		**1,117**	1,029
Property outgoings		**726**	714
Rates and taxes		**402**	395
Responsible entity fees		**664**	576
Responsible entity director fees		**78**	74
Other expenses		**603**	541
Total expenses		**7,227**	6,986
Profit from operating activities		**4,396**	4,732
Finance costs attributable to unitholders		**2,168**	2,344
Interest expense on financial liabilities measured at amortised cost		**60**	44
Total finance costs		**2,228**	2,388
Profit for the period		**2,168**	2,344
Other comprehensive income for the period		**-**	-
Total comprehensive income for the period		**2,168**	2,344
Basic and diluted earnings per unit (cents)	11	**8.71**	9.41

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

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Statement of financial position as at 30 June 2024

	Note	30 Jun 2024 $'000	31 Dec 2023 $'000
Assets			
Cash and cash equivalents		**2,822**	7,345
Trade and other receivables	7	**3,461**	2,459
Total current assets		**6,283**	9,804
Trade and other receivables	7	**775**	775
Property, plant and equipment	8	**93,739**	91,906
Intangible assets		**62**	67
Total non-current assets		**94,576**	92,748
Total assets		**100,859**	102,552
Liabilities			
Trade and other payables		**5,143**	5,878
Loans and borrowings	9	**1**	-
Lease liabilities		**52**	104
Total current liabilities		**5,196**	5,982
Deferred income		**9**	9
Loans and borrowings	9	**-**	1
Issued units – liability portion	12	**85,051**	85,051
Total non-current liabilities		**85,060**	85,061
Total liabilities		**90,256**	91,043
Equity			
Issued units – equity portion		**85,051**	85,051
Distribution account	10	**2,169**	3,074
Undistributed income		**10,022**	10,023
Accumulated losses		**(86,639)**	(86,639)
Total equity		**10,603**	11,509
Total equity and liabilities		**100,859**	102,552
Memorandum note – issued units			
Issued units – liability portion		**85,051**	85,051
Issued units – equity portion		**85,051**	85,051
Total issued units		**170,102**	170,102

The statement of financial position is to be read in conjunction with the accompanying notes.

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Statement of changes in equity for the year ended 30 June 2024

	Issued units $'000	Distribution account $'000	Undistributed income $'000	Accumulated losses $'000	Total $'000
1 January 2023	85,051	5,737	10,083	(86,639)	14,232
Profit for the period	-	-	-	2,344	2,344
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,344	2,344
Transfer to distribution account	-	2,344	-	(2,344)	-
Transfer from undistributed income	-	13	(13)	-	-
Distributions paid	-	(5,737)	-	-	(5,737)
30 June 2023	85,051	2,357	10,070	(86,639)	10,839
1 January 2024	**85,051**	**3,074**	**10,023**	**(86,639)**	**11,509**
Profit for the period	**-**	**-**	**-**	**2,168**	**2,168**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**-**	**-**	**2,168**	**2,168**
Transfer to distribution account	**-**	**2,168**	**-**	**(2,168)**	**-**
Transfer from undistributed income	**-**	**1**	**(1)**	**-**	**-**
Distributions paid	**-**	**(3,074)**	**-**	**-**	**(3,074)**
30 June 2024	**85,051**	**2,169**	**10,022**	**(86,639)**	**10,603**

The statement of changes in equity is to be read in conjunction with the accompanying notes.

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Statement of cash flows
for the year ended 30 June 2024

	30 Jun 2024 $'000	30 Jun 2023 $'000
Cash flows from operating activities		
Cash receipts in the course of operations	**12,852**	13,186
Cash payments in the course of operations	**(7,815)**	(6,840)
Interest received	**112**	100
Interest and other finance costs paid	**(60)**	(44)
Net cash from operating activities	**5,089**	6,402
Cash flows from investing activities		
Payments for property, plant and equipment	**(3,459)**	(4,137)
Proceeds from disposal of non-current assets	**-**	11
Net cash from investing activities	**(3,459)**	(4,126)
Cash flows from financing activities		
Drawdown of loan	**2,000**	-
Repayment of loan	**(2,000)**	-
Principal elements of lease payments	**(52)**	(48)
Distributions paid (equity and liability portion)	**(6,101)**	(11,449)
Net cash from financing activities	**(6,153)**	(11,497)
Net decrease in cash held	**(4,523)**	(9,221)
Cash and cash equivalents at 1 January	**7,345**	13,745
Cash and cash equivalents at 30 June	**2,822**	4,524

The statement of cash flows is to be read in conjunction with the accompanying notes.

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Notes to the condensed interim financial statements for the half year ended 30 June 2024

1. The Trust

Reef Casino Trust (the Trust) was established by a Trust Constitution dated 2 July 1993 as amended by supplemental deeds dated 30 November 1993, 19 September 1999, 31 May 2000, 8 August 2001, 14 April 2004 and 29 June 2005 and as made by special resolutions of unitholders on 27 May 2022 and 26 May 2023. The Trust is a registered managed investment scheme under the *Corporations Act 2001* (Cth). Reef Corporate Services Limited, a company domiciled in Australia, is the Responsible Entity of the Trust. The Trust is the owner and lessor of the Reef Hotel Casino complex in Cairns, North Queensland, Australia. The Trust is a for profit entity.

2. Basis of preparation

a. Statement of compliance

These general purpose condensed interim financial statements of the Trust are for the six months ended 30 June 2024. They have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards and should be read in conjunction with the financial statements of the Trust for the year ended 31 December 2023 and any public announcements made by the Trust during the half year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001* (Cth).

The interim financial statements were approved by the directors of the board of the Responsible Entity on 22 August 2024.

b. Use of estimates and judgements

The significant judgements made in applying the Trust's accounting policies and the key sources of estimation uncertainty were the same as those described in the financial statements as at and for the year ended 31 December 2023.

3. Material accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Trust's last annual financial statements for the year ended 31 December 2023.

4. Revenue and other income

	30 Jun 2024 $'000	30 Jun 2023 $'000
Rental income		
Base rent	**698**	670
Contingent rent	**10,779**	10,871
Total rental income	**11,477**	11,541
Interest received and receivable		
Cash and cash equivalents	**48**	55
Related parties	**42**	39
Total interest received and receivable	**90**	94
Other income		
Sundry income	**56**	83
Total revenue and other income	**11,623**	11,718

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5. Segment information

The Trust has a single operating segment. Revenue from external customers is derived from the rental of the Reef Hotel Casino complex, which is made up of the following components:

	30 Jun 2024 $'000	30 Jun 2023 $'000
Rental income		
Casino operations	**10,088**	10,641
Hotel and other non-casino operations	**1,389**	900
Total rental income	**11,477**	11,541

6. Expenses

Net profit for the period includes the following specific expenses:

	30 Jun 2024 $'000	30 Jun 2023 $'000
Depreciation		
Building	**927**	1,018
Plant and equipment	**1,146**	1,093
Total depreciation	**2,073**	2,111
Amortisation		
Computer software	**15**	16
Site lease	**353**	353
Carpark lease	**48**	48
Total amortisation	**416**	417
Total depreciation and amortisation	**2,489**	2,528

7. Trade and other receivables

	30 Jun 2024 $'000	31 Dec 2023 $'000
Current		
Rent and interest receivable from lessee	**2,235**	2,347
Prepayments and other receivables	**1,226**	112
Total current receivables	**3,461**	2,459
Non-current		
Financial assets - loan to lessee	**750**	750
Security deposit	**25**	25
Total non-current receivables	**775**	775

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8. Property, plant and equipment

	30 Jun 2024 $'000	31 Dec 2023 $'000
Site lease – at cost	**53,000**	53,000
Less: Accumulated amortisation	**(21,582)**	(21,229)
Total site lease	**31,418**	31,771
Building and integral plant – at cost or deemed cost	**76,376**	76,709
Less: Accumulated depreciation	**(29,046)**	(28,453)
Total building and integral plant	**47,330**	48,256
Plant and equipment – at cost	**68,830**	67,741
Less: Accumulated depreciation	**(56,987)**	(57,178)
Total plant and equipment	**11,843**	10,563
Carpark lease – right of use	**382**	382
Less: Accumulated amortisation	**(326)**	(279)
Total carpark lease	**56**	103
Work in progress	**3,092**	1,213
Total property, plant and equipment – net carrying amount	**93,739**	91,906

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	30 Jun 2024 $'000	31 Dec 2023 $'000
Site lease	**31,418**	31,771
Carpark lease	**56**	103
Total right-of-use assets	**31,474**	31,874
Contracted but not provided for and payable:		
Not longer than one year	**1,636**	968

Acquisitions

During the six months ended 30 June 2024, the Trust acquired property, plant and equipment with a cost of $4,317,000 (six months ended 30 June 2023: $3,679,000).

9. Loans and borrowings

	Facility available		Facility used		Facility unused	
	Jun 2024 $'000	Dec 2023 $'000	**Jun 2024 $'000**	Dec 2023 $'000	**Jun 2024 $'000**	Dec 2023 $'000
Current liabilities						
Bank loan – BOQ Limited*	**13,500**	-	**1**	-	**13,499**	-
Non-current liabilities						
Bank loan - BOQ Limited (expires 31 January 2025)	**-**	13,500	**-**	1	**-**	13,499
Total loans and borrowings	**13,500**	13,500	**1**	1	**13,499**	13,499

*As announced on 21 August 2024, the Trust successfully negotiated a new interest only facility with Bank of Queensland. The new facility has a limit of $15.0 million and expires on 30 June 2028.

The Bank loan is secured by a registered first and second mortgage over the Special Lease (a Crown lease for a term of 75 years under which the Trust occupies the site on which the complex is built) and a first ranking fixed and floating equitable charge over the whole of the assets and undertakings of the Trust. Interest is payable at a fixed margin over Bank of Queensland's cost of funds and is calculated daily on the drawn down value.

10. Distributions

Distributable income

The proposed distribution for the six months ended 30 June 2024 was declared on 22 August 2024, and accounted for as follows:

	30 Jun 2024 $'000	31 Dec 2023 $'000
Distribution account (refer to statement of changes in equity)		
Balance relating to issued units – equity portion	**2,169**	3,074
Accrued distribution		
Balance relating to issued units – liability portion	**2,168**	3,027
Total of distribution accounts	**4,337**	6,101

	2024		2023	
	Total $'000	**Cents per unit**	Total $'000	Cents per unit
Distributions paid and payable				
Half year ended 31 December paid March	**6,101**	**12.25**	11,449	22.99
Half year ended 30 June paid/payable September	**4,337**	**8.71**	4,701	9.44
Total distributions paid and payable	**10,438**	**20.96**	16,150	32.43

11. Earnings per unit

	30 Jun 2024	30 Jun 2023
Basic and diluted earnings per unit (cents)	**8.71**	9.41
Weighted average number of units at the end of the half year	**24,900,518**	24,900,518

12. Financial instruments

The fair value of the Trust's financial assets and financial liabilities approximate their carrying values as at the reporting date with the exception of:

	30 Jun 2024		31 Dec 2023	
	Carrying amount $'000	**Fair value $'000**	Carrying amount $'000	Fair value $'000
Liabilities carried at amortised cost				
Issued units – liability portion*	**85,051**	**76,196**	85,051	80,180

* Fair value of issued units – liability portion is based on the quoted market price per unit at the reporting date.

13. Events subsequent to balance date

Other than the item disclosed in note 9, no other matters or circumstances have arisen since the end of the financial period which significantly affect or may significantly affect the operations of the Trust, the results of those operations, or the state of affairs of the Trust in future financial periods.

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Directors' declaration

In the opinion of the directors of the board Reef Corporate Services Limited, the Responsible Entity of Reef Casino Trust (the Trust):

a) the financial statements and notes set out on pages 8 to 15, are in accordance with the *Corporations Act 2001* (Cth), including:

   i) giving a true and fair view of the Trust's financial position as at 30 June 2024 and of its performance for the half year ended on that date; and

   ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* (Cth).

b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Reef Corporate Services Limited pursuant to Section 303(5)(a) of the *Corporations Act 2001* (Cth):



Wendy Morris
Chair
Cairns
22 August 2024



Abigail Cheadle
Director

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Independent Auditor's Report

To the Unitholders of Reef Casino Trust

Report on the audit of the half year financial report

Opinion

We have audited the half year financial report of Reef Casino Trust (the Trust), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year then ended, and notes to the financial statements, including material accounting policy information and the Directors' declaration.

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

a giving a true and fair view of the Trust's financial position as at 30 June 2024 and of its performance for the half year ended on that date; and

b complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* 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 half year financial report* section of our report. We are independent of the Trust 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.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the half year financial report of the current period. These matters were addressed in the context of our audit of

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the half year financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Determination and recognition of revenue – note 4	
The Trust leases its facilities to a related party, Casinos Austria International (Cairns) Pty Ltd (the Lessee). Accordingly, the Trust's rental revenue is determined in accordance with the lease agreements between the Trust and the Lessee. Rental revenue comprises two components: a base rent and a contingent rent. The base rent component is indexed yearly and recognised on a straight-line basis over the lease term. The contingent rent component is based on the financial performance and results of the Lessee and is recognised when contractually due. The contingent rent component comprises the majority of total rental revenue. This is a key audit matter given that it is material to the Trust's results and is recognised based on the financial performance and results of the Lessee.	Our procedures included, amongst others: • Assessing the design and implementation of management's controls over the determination and recognition of rental revenue; • Analysing management's calculation of rental revenue in accordance with the lease agreements and with the audited financial statements of the Lessee; • Agreeing whether the inputs to management's calculation of contingent rental revenue are in accordance with the lease agreements and with the audited financial statements of the Lessee; • Assessing the appropriateness and sufficiency of the work performed on the Lessee's financial statements for the relevant period by the Lessee's auditor; and • Evaluating the disclosures in the financial statements for appropriateness and consistency with accounting standards.

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

The Directors of Reef Corporate Services Limited, the Responsible Entity of the Trust, are responsible for the other information. The other information comprises the information included in the Trust's half year financial report for 30 June 2024, but does not include the half year financial report and our auditor's report thereon.

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

In connection with our audit of the half year financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the half year 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 half year financial report

The directors of the Responsible Entity of the Trust are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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Auditor's responsibilities for the audit of the half year financial report

Our objectives are to obtain reasonable assurance about whether the half year 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.

A further description of our responsibilities for the audit of the half year financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the audit of non-IFRS information

Opinion on non-IFRS information

In our opinion, the non-IFRS information disclosed as distributable profit included in the Chair's review on pages 1 to 5 for the half year ended 30 June 2024 is prepared, in all material respects, in accordance with the basis of preparation set out on page 1.

Responsibilities

The Directors of the Responsible Entity of the Trust are responsible for the preparation and presentation of the non-IFRS financial information with the basis of preparation set out on page 1 and for having regard to the guidelines set out in the ASIC Regulatory Guide 230: *Disclosing Non-IFRS Financial Information*. Our responsibility is to express an opinion on the non-IFRS financial information, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton Audit Pty Ltd
Chartered Accountants

S L Cram
Partner – Audit & Assurance

Cairns, 22 August 2024

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Auditor's Independence Declaration

To the Directors of the Responsible Entity of Reef Casino Trust

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Reef Casino Trust for the half year ended 30 June 2024. I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton Audit Pty Ltd
Chartered Accountants

S L Cram
Partner – Audit & Assurance

Cairns, 22 August 2024

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Trust Directory

Registered office of the Responsible Entity	Reef Corporate Services Limited 35 – 41 Wharf Street CAIRNS QLD 4870 Telephone: (07) 3211 3000 Email: trust@reefcasino.com.au www.reefcasino.com.au/trust Owned 50% Casinos Austria Group & 50% Accor Group

Casinos Austria is a leading player in the global casino gaming industry. With a unique portfolio of casino development and management services, Casinos Austria has successfully realised more casino and gaming projects in more jurisdictions than any other operator worldwide.

Accor, a world-leading hospitality group, present in 110 countries with more than 5,700 hotels and more than 840,000 rooms. With more than 330,000 team members in Accor brand hotels worldwide, the Group offers to its clients and partners over 50 years of know-how and expertise.

Directors of the Responsible Entity	Ms Wendy Morris (Chair) Mr Allan Tan Mr Philip Basha Mr Fritz Pühringer Mr Erwin van Lambaart Ms Abigail Cheadle Mr Adrian Williams Mr Steven Lake (alternate for Mr Basha and Mr Williams)
Secretary of the Responsible Entity	Ms Alison Galligan
Compliance, Audit & Risk Committee of the Responsible Entity	Ms Abigail Cheadle (Chair) Mr Philip Basha Ms Wendy Morris
Solicitors to the Responsible Entity	Herbert Smith Freehills Level 31 480 Queen Street BRISBANE QLD 4000
Unit Registry	Computershare Investor Services Pty Ltd Level 1 200 Mary Street BRISBANE QLD 4000 GPO Box 2975 MELBOURNE VIC 3001 Telephone: 1300 552 270 www.investorcentre.com/contact
Bankers	Bank of Queensland Limited 100 Skyring Terrace NEWSTEAD QLD 4006

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Auditors of the Trust	Grant Thornton Audit Pty Ltd Level 13 Cairns Corporate Tower 15 Lake Street CAIRNS QLD 4870
Securities exchange listing	Official list of the Australian Securities Exchange ASX code: RCT
Sub-lessee of the Reef Hotel Casino complex	Casinos Austria International (Cairns) Pty Limited 35 – 41 Wharf Street CAIRNS QLD 4870 Telephone: (07) 4030 8888 Owned 50% Casinos Austria Group & 50% Accor Group
The Reef Hotel Casino	35 – 41 Wharf Street CAIRNS QLD 4870 Telephone: (07) 4030 8888 www.reefcasino.com.au
Unitholder enquiries	Please contact the Unit Registry if you have any questions about your unitholding or distributions.

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