



Dear Member,

RE: Holiday Rewards Club

Please find attached herewith: -

1. Financial Report for year ended 30/06/2026.
2. Budget for year ended 30/06/2027.

2027 Financial Year

The Annual Maintenance Fee (Points Levy) for the 2027 calendar year will be 10.7 cents per point owned.

The Points Service Charge for the 2027 calendar year will be \$73.00.

The Annual Maintenance Fee has increased approximately 5.0%. Please note that for the twelve months to June 2026 quarter, CPI rose 3.8%.

In my letter to members dated the 1st of July 2014, I proposed a 0.6 cents per point Maintenance Refurbishment Fee (Special Levy). I proposed that the Maintenance Refurbishment Fee (Special Levy) would be invoiced each year with the Annual Maintenance Fee.

This will be invoiced with your 2027 Annual Maintenance Fee (Points Levy) & will only be invoiced at **0.5 cents** per point.

At the end of the 2027 financial year, I forecast that the Holiday Rewards Club will have a retained profit of \$3,269.00.

Happy holidays in 2027.

Yours faithfully

Holiday Concepts Management Limited
A.C.N. 006 353 180

Derek Reynolds
DIRECTOR

HOLIDAY CONCEPTS

Holiday Concepts Corp Pty Ltd ABN 84 007 146 367
10 Dover Street, Cremorne VIC 3121
PO Box 2287, Richmond, Victoria 3121 Australia

Holiday Rewards Club Trust

Budget for the Year Ended 30th June 2027

	6 Months Ended Dec-26	6 Months Ended Jun-27	Total	Actual 2025/2026
Income				
Annual Maintenance Fees	408,979	429,027	838,005	805,877
Maintenance Refurbishment Fee (Special Levy)	-	40,096	40,096	40,093
Bonus Time	30,000	30,000	60,000	68,000
Interest Received	3,500	3,500	7,000	6,923
	<u>442,479</u>	<u>502,623</u>	<u>945,101</u>	<u>920,893</u>
Less: Expenses				
ASIC Filing Fees	796	796	1,591	1,528
Audit & Accountancy	11,273	11,273	22,546	21,700
Audit of Compliance Plan	1,675	1,675	3,350	3,355
Bank Fees	3,400	3,400	6,800	6,432
Central Administration	2,876	2,876	5,752	5,523
Financials Postage	250	250	500	372
Group Management Fees	44,247	44,247	88,493	85,101
Member Services	14,025	14,025	28,050	26,816
Membership Fees	1,000	1,000	2,000	899
Off-Site Management fees	23,438	23,438	46,876	38,610
Resort Maintenance Fees Paid	331,400	331,400	662,799	639,954
Maintenance Refurbishment Fee Paid		29,300	29,300	29,000
Repossessions Written-off		-	-	17,121
Responsible Entity Fees	18,700	18,700	37,400	37,400
Sundry Expenses	1,000	1,000	2,000	1,756
Total Expenses	<u>454,080</u>	<u>483,380</u>	<u>937,457</u>	<u>915,567</u>
	(11,601)	19,243	7,644	5,328
Other Revenue				-
Less: Resort Refurbishment - Tamarind	3,438	3,438	6,875	5,948
Operating Profit(Loss) Before Income Tax	<u>(15,039)</u>	<u>15,805</u>	<u>769</u>	<u>(620)</u>
Income Tax Expense	-	-	-	-
Operating Profit(Loss) After Income Tax	<u>(15,039)</u>	<u>15,805</u>	<u>769</u>	<u>(620)</u>
Retained Profits at Beginning of the Year			<u>2,501</u>	<u>3,121</u>
Retained Profits at End of the Year			<u><u>3,270</u></u>	<u><u>2,501</u></u>

Holiday Rewards Club

ABN: 75 015 789 329

Financial Statements

For the Year Ended 30 June 2026

Holiday Rewards Club
ABN: 75 015 789 329

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For the Year Ended 30 June 2026

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Directors' Report of Holiday Concepts Management Limited as Responsible Entity for the Holiday Rewards Club For the Year Ended 30 June 2026

The directors of the responsible entity, Holiday Concepts Management Limited, present their report on the Trust for the financial year ended 30 June 2026.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Mrs Elizabeth L Clegg	Director and Company Secretary
Qualifications	F.A.I.C.D (Dip) M.B.A
Experience	Thirty-five years experience in the real estate industry and thirty-eight years experience in the time-share industry involved in the management of several Trusts and Compliance Officer of the Licence Holder.
Special responsibilities	Responsible for ensuring that the trust has complied with all legal requirements.
Mr Stephen G Power	Director
Qualifications	Diploma of Business Studies; Diploma of Financial Services (Financial Planning)
Experience	Forty-five years experience in various management roles with the Tool Properties Group of companies which has specialised in the development of rural properties.
Mr Derek A Reynolds	Director
Qualifications	Diploma of Management; Diploma of Financial Services (Financial Planning)
Experience	Forty years experience in property development, the real estate and time-share industries including involvement in primary and secondary time-share sales and resort management.
Special responsibilities	Oversees all financial aspects of the club's operations.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of the trust during the financial year was the provision of a points based time-sharing programme entitling members to the right to use holiday resort facilities and services. There were no significant changes in the nature of the company's principal activities during the financial year.

Operating results

The loss of the Trust after providing for income tax amounted to \$622 (2025: Loss \$17,641).

Directors' Report of Holiday Concepts Management Limited as Responsible Entity for the Holiday Rewards Club

For the Year Ended 30 June 2026

Review of operations

A review of the operations of the Trust during the financial year and the results of those operations show a net operating loss of \$622 and after incurring resort refurbishment of \$5,948.

Significant changes in state of affairs

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

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in future financial years.

Environmental matters

The Trust's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Mrs Elizabeth L Clegg	12	12
Mr Stephen G Power	12	12
Mr Derek A Reynolds	12	12

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Holiday Rewards Club.

Directors' Report of Holiday Concepts Management Limited as
Responsible Entity for the Holiday Rewards Club
For the Year Ended 30 June 2026

Responsible Entity's Transactions with the Scheme and Interests Held in the Scheme

Fees paid to the Responsible Entity out of scheme funds during the financial year are disclosed at Note 13 to the financial statements.

The number of points held by the Responsible Entity and its related parties at the end of the reporting period are as follows:

Number of points held by Holispace Pty Ltd, a company with common directors to the Responsible Entity:

2026	2025
977,744	904,344

At 30 June 2026 Holispace Pty Ltd owed \$94,640 in maintenance fees.

The value of the Scheme's assets as at the end of the financial year is disclosed in the Statement of Financial Position as "total assets" and the basis of valuation is provided in Note 1 to the financial statements.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2026 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: Derek Andrew Reynolds
06/10/2026
000-F29B-0273-CAFF-08DF237DE6
Mr Derek A Reynolds

Director: spower
06/10/2026
00-F29B-0273-CB0C-08DF237DE6
Mr Stephen G Power

Dated 06/10/2026
CB80000-F29B-0273-CB03-08DF237DE680

Holiday Rewards Club

ABN: 75 015 789 329

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Holiday Rewards Club

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd



Andrew White
Director

Level 3, 148 Logis Boulevard, Dandenong South VIC 3175

Dated 7 October 2026

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2026

		2026	2025
	Note	\$	\$
Revenue	2	913,970	842,905
Other income	2	6,924	8,948
Resort maintenance fees paid		(639,954)	(613,646)
Administration expenses		(193,450)	(189,387)
Other expenses		(88,112)	(66,461)
Loss before income tax		(622)	(17,641)
Income tax expense	4	-	-
Loss for the year		(622)	(17,641)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(622)	(17,641)

Statement of Financial Position
As At 30 June 2026

		2026	2025
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	147,626	112,859
Trade and other receivables	6	227,204	227,457
Other assets	7	224,047	292,258
TOTAL CURRENT ASSETS		<u>598,877</u>	<u>632,574</u>
TOTAL ASSETS		<u>598,877</u>	<u>632,574</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	93,685	142,364
Other liabilities	9	485,348	471,906
TOTAL CURRENT LIABILITIES		<u>579,033</u>	<u>614,270</u>
NON-CURRENT LIABILITIES			
Other liabilities	9	17,145	14,983
TOTAL NON-CURRENT LIABILITIES		<u>17,145</u>	<u>14,983</u>
TOTAL LIABILITIES		<u>596,178</u>	<u>629,253</u>
NET ASSETS		<u>2,699</u>	<u>3,321</u>
EQUITY			
Issued capital		200	200
Retained earnings		<u>2,499</u>	<u>3,121</u>
TOTAL EQUITY		<u>2,699</u>	<u>3,321</u>

Holiday Rewards Club
ABN: 75 015 789 329

Statement of Changes in Equity

For the Year Ended 30 June 2026

	Issued Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2025	200	3,121	3,321
Loss attributable to members of the entity	-	(622)	(622)
Balance at 30 June 2026	200	2,499	2,699

	Issued Capital \$	Retained Earnings \$	Total \$
Balance at 1 July 2024	200	20,762	20,962
Loss attributable to members of the entity	-	(17,641)	(17,641)
Balance at 30 June 2025	200	3,121	3,321

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 30 June 2026

	2026	2025
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members	1,005,620	862,755
Payments to suppliers and employees	(977,777)	(831,287)
Interest received	6,924	8,948
Net cash provided by operating activities	14 34,767	40,416
Net increase in cash and cash equivalents held	34,767	40,416
Cash and cash equivalents at beginning of year	112,859	72,443
Cash and cash equivalents at end of financial year	5 147,626	112,859

Notes to the Financial Statements

For the Year Ended 30 June 2026

The Holiday Rewards Club is a Unit Trust registered under the Corporations Act 2001 and domiciled in Australia. Holiday Concepts Management Limited, which is the Responsible Entity of the Trust, is an unlisted public company limited by shares incorporated under the Corporations Act 2001. The scheme is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report was authorised for issue by the Directors on 9 October 2026.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

These financial statements and associated notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

The Company has adopted the amendments to AASB 101 Presentation of Financial Statements which require only the disclosure of material accounting policy information rather than significant accounting policies and therefore policy information which does not satisfy one of the following requirements has been removed from these financial statements:

- Relates to change in accounting policy
- Policy has been developed in the absence of an explicit accounting standard requirement
- Documents an accounting policy choice
- Relates to an area of significant judgement or estimation
- Relates to a complex transaction and is required to explain the treatment to the user

Notes to the Financial Statements

For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Trust expects to receive in exchange for those goods or services.

1. Identify the contract
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligation
5. Recognise revenue as and when control of the performance obligation is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Trust have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

All revenue is stated net of the amount of goods and services tax (GST).

Interest revenue

Interest receivable on maintenance fees in arrears is brought to account as and when received, not on an accruals basis.

Interest receivable from banks is brought to account on an accruals basis.

Maintenance Fees and Levies

Members' annual maintenance fees are brought to account in respect of the financial year and are included in the accounts accordingly on an accruals basis.

However, since members are invoiced in respect of the calendar year, maintenance fees received and receivable in respect of the six months ended 31st December 2026 are excluded from current income and are shown in the accounts as part of Other Current Liabilities.

Income from maintenance refurbishment levies is recognised as income when the associated refurbishment expense has been incurred. Until this expenditure has occurred it is shown in the accounts as part of Other Current Liabilities.

Notes to the Financial Statements

For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(b) Unpaid Maintenance Fees and Repossessed Weeks

Maintenance fees are recognised as receivable when they become due from members. The recoverability of outstanding maintenance fees is assessed having regard to the Group's established collection, forfeiture and resale procedures. Where maintenance fees remain unpaid, the Group undertakes a formal debt recovery process, including referral to debt collection agencies and, where amounts remain outstanding, repossession or forfeiture of the member's time-share interest in accordance with the Group's forfeiture policy.

Upon repossession, the related week is recognised as a repossessed week at an amount equal to the outstanding maintenance fees recoverable at the date of forfeiture. Interest, collection charges and administration fees are not included in the carrying amount of repossessed weeks, as these amounts are recognised as income only when received. Repossessed weeks are subsequently offered for sale through the Group's tender process or otherwise transferred in accordance with the forfeiture policy, with sale proceeds applied first to outstanding maintenance fees, interest and administration charges.

At each reporting date, the directors assess the expected recoverability of maintenance fee receivables and the carrying value of repossessed weeks. This assessment considers historical collections experience, current market demand for timeshare interests, recent sales activity, expected resale values and the likelihood of recovering outstanding maintenance fees through the forfeiture and resale process. Where the directors determine that the carrying amount of maintenance fee receivables or repossessed weeks exceeds the amount expected to be recovered, an impairment loss or write-off is recognised.

During the current year, the Group experienced a decline in the market for timeshare interests, resulting in reduced demand and lower resale values for certain repossessed weeks. As a consequence, the Group recognised write-offs and impairment losses in respect of maintenance fee balances and repossessed weeks where recovery through resale was no longer considered probable. The directors continue to monitor market conditions and reassess recoverability at each reporting date.

(c) Bonus Time Income

Bonus time income was derived from additional weeks' holidays taken by resort owners, owners from sister (Holiday Concepts Group) resorts, affiliated resorts and other time-share owners through the various exchange organisations.

Members are able to book bonus holidays, no longer than nine months in advance, provided they have both paid for and been allocated their ownership week(s). The Manager and Membership Services have advised that in any one year the experience of the time share industry generally and the Holiday Concepts Group (hereinafter referred as "HC Group") is that approximately 10% - 15% of the available space each year is not booked by members, whether financial or otherwise, and accordingly each resort has the ability to offer limited bonus time to financial members.

The trust entered into an Agreement with Resort Systems Pty. Ltd.(H.C. Direct) to promote the availability of bonus time throughout the entire Holiday Concepts Group membership.

Resort Systems Pty. Ltd. allocates 60% of all bonus time income to the Clubs and in turn, the Manager allocates this income between the Clubs on a needs basis.

Notes to the Financial Statements

For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(d) Financial instruments

Financial instruments are recognised initially on the date that the Trust becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Trust classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Trust's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Trust has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

Notes to the Financial Statements

For the Year Ended 30 June 2026

1 Material Accounting Policy Information

(d) Financial instruments

Financial assets

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Trust renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The Trust measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Trust comprise trade payables, bank and other loans and lease liabilities.

(e) Income Tax

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future tax profits will be available against which the benefits of the deferred tax asset can be utilised.

(f) Adoption of new and revised accounting standards

There were no new accounting standards adopted during the year which had a significant impact on the reported position of performance of the trust.

Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment

The Trust assesses impairment at the end of each reporting period by evaluating conditions specific to the Trust that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Holiday Rewards Club

ABN: 75 015 789 329

Notes to the Financial Statements

For the Year Ended 30 June 2026

Critical Accounting Estimates and Judgments

Key estimates - fair value of financial instruments

The trust has certain financial assets and liabilities which are measured at fair value. Where fair value is not able to be determined based on a quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2026

2 Revenue and Other Income

	2026	2025
	\$	\$
Operating Activities		
- Annual Maintenance Fees	805,877	777,811
- Bonus Time	68,000	25,000
- Maintenance Refurbishment Fees	40,093	40,094
	<u>913,970</u>	<u>842,905</u>
Non Operating income		
- Interest Received	6,924	8,948
Total Revenue	<u>920,894</u>	<u>851,853</u>

Disaggregation of revenue from contracts with customers

	2026	2025
	\$	\$
Type of contract		
- Provision of services - maintenance	805,877	777,811
- Provision of services - refurbishment	40,093	40,094
- Other	74,924	33,948
Revenue from contracts with customers	<u>920,894</u>	<u>851,853</u>
Timing of revenue recognition		
- Over time	913,970	842,905
- At a point in time	6,924	8,948
Revenue from contracts with customers	<u>920,894</u>	<u>851,853</u>

Unsatisfied performance obligations

The following table shows the aggregate amount of the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations resulting from operating activities.

	2026	2025
	\$	\$
Annual maintenance fees	408,979	396,950
Bonus Time	93,514	89,939
	<u>502,493</u>	<u>486,889</u>

Notes to the Financial Statements

For the Year Ended 30 June 2026

3 Result for the Year

The result for the year was derived after charging / (crediting) the following items:

	2026	2025
	\$	\$
Audit Remuneration		
auditing or reviewing the financial report	7,699	7,245
other services	14,297	13,455
Total Audit Remuneration	<u>21,996</u>	<u>20,700</u>

4 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

	2026	2025
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2025: 25%)	(156)	(4,410)
- Net Member Income	(848)	(1,582)
- Tax loss carry forward	1,004	5,992
Income tax expense	<u>-</u>	<u>-</u>

5 Cash and cash equivalents

	2026	2025
	\$	\$
Cash at bank	147,626	112,859
Total Cash and Cash Equivalents	<u>147,626</u>	<u>112,859</u>

6 Trade and other receivables

	2026	2025
	\$	\$
CURRENT		
Trade receivables	102,790	134,678
Sundry Debtors	13,804	9,869
Repossessioned Points	110,610	82,910
Total current trade and other receivables	<u>227,204</u>	<u>227,457</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2026

7 Other assets

	2026	2025
	\$	\$
CURRENT		
Prepayments	224,047	292,258
Total other assets	224,047	292,258

8 Trade and other payables

	2026	2025
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	91,307	142,364
Sundry payables and accrued expenses	2,378	-
Total trade and other payables	93,685	142,364

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

9 Other liabilities

	2026	2025
	\$	\$
CURRENT		
Unearned Income	408,979	396,950
Points Levies in advance	76,369	74,956
	485,348	471,906
	2026	2025
	\$	\$
NON-CURRENT		
Points Levies in advance	17,145	14,983
	17,145	14,983

Notes to the Financial Statements

For the Year Ended 30 June 2026

10 Financial Risk Management

The Trust financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and accounts payable.

The Trust's overall risk management plan seeks to assist the trust in meeting its financial targets, whilst minimising the potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements. The main purpose of non-derivative financial instruments is to manage cash flow for operations.

Objectives, policies and processes

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements. The main purpose of non-derivative financial instruments is to manage cash flow for operations.

Specific information regarding the mitigation of each financial risk to which the Trust is exposed is provided below.

(i) Financial instrument composition and maturity analysis

The Trust's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Non-interest Bearing		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	%	%	\$	\$	\$	\$	\$	\$
Financial Assets:								
Cash and cash equivalents	4.25	2.25	147,626	112,859	-	-	147,626	112,859
Receivables	-	-	-	-	227,204	227,457	227,204	227,457
Total Financial Assets			<u>147,626</u>	<u>112,859</u>	<u>227,204</u>	<u>227,457</u>	<u>374,830</u>	<u>340,316</u>
Financial Liabilities:								
Trade and sundry payables	-	-	-	-	93,685	142,364	93,685	142,364
Total Financial Liabilities	-	-	<u>-</u>	<u>-</u>	<u>93,685</u>	<u>142,364</u>	<u>93,685</u>	<u>142,364</u>

Notes to the Financial Statements

For the Year Ended 30 June 2026

10 Financial Risk Management

Liquidity risk

The Trust manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

At the reporting date, these reports indicate that the Trust expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Trust.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognise financial assets is the carrying amount of those assets. No provision for bad or doubtful debts is raised as in the opinion of the directors, this is immaterial. No security is held over amounts outstanding at the balance date.

The Trust has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'trade and other receivables' is considered to be the main source of credit risk related to the Trust.

There are no balances within trade receivables that contain assets that are not impaired and are past due. It is expected that these balances will be received when due.

11 Key Management Personnel Disclosures

No income was received or receivable by directors of the trust whilst acting as directors and no amounts were paid to prescribed superannuation funds for the provision of retirement benefits.

Other key management personnel transactions

For details of other transactions with key management personnel, refer to Note 13: Related Party Transactions.

12 Contingencies

In the opinion of the Directors, the Trust did not have any contingencies at 30 June 2026 (30 June 2025:None).

Notes to the Financial Statements

For the Year Ended 30 June 2026

13 Related Parties

(a) The Trust's main related parties are as follows:

(i) The developer of the Holiday Rewards Club, Holiday Concepts Corp Pty Ltd and its associated entities Leisuretime Concepts Pty Ltd and John Pernal Pty Ltd are also the developers of other time-share schemes, being Riviera Beach Resort Ltd, The Bright Resort Ltd, Lakeside Numurkah Country Club Ltd, Marine Cove Resort Club Trust, Mainland Resorts Trust, Resort Vacation Trust, Island Breeze Club Ltd, Tamarind Sands Trust, the Bellbrae Country Club Limited and the Links Club Trust.

(ii) Holispace Pty Ltd, a company of which certain directors of the Responsible Entity are also directors of the developers, hold Club Inventory on behalf of the developers. Upon acquiring units in the Holiday rewards Club, members have the right to use this Club Inventory.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The following transactions occurred with related parties:

	2026	2025
The Holiday Club Pty Ltd		
Central Administration Fees paid in respect of common Club operational expenses, shared on a per capita (member) basis.	5,523	5,523
Leisuretime Concepts Pty Ltd		
Amounts paid to Leisuretime Concepts Pty Ltd (as Group Management Fees)	85,101	82,137
Resort System Pty Ltd		
During the course of the year payments were made to Resort Systems Pty Ltd, an entity of which certain directors of Holiday Rewards Club Trust are also directors, for membership services fees.	26,816	26,034
Certain directors of Holiday Concepts Management Ltd are also directors of the above limited companies. Holiday Concepts Management Ltd is the responsible entity of the Holiday rewards Club Trust.	37,400	36,300
Amounts paid to sister resorts in the Holiday Concepts Group		
Off-Site Management Fees paid to sister resorts within the Holiday Concepts Group for off-site management fees, being the Holiday Rewards Club's share of expenses incurred at these sister resorts for the benefit of their members and guests.	38,610	39,394

Notes to the Financial Statements

For the Year Ended 30 June 2026

14 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net loss to cash provided by operating activities:

	2026	2025
	\$	\$
Loss for the year	(622)	(17,641)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	253	(64,442)
- (increase)/decrease in other assets	68,211	(16,066)
- increase/(decrease) in unearned income	15,604	19,822
- increase/(decrease) in trade and other payables	(48,679)	118,743
Cashflow from operations	<u>34,767</u>	<u>40,416</u>

15 Going Concern

The financial statements have been prepared on a going concern basis, which assumes that the Holiday Rewards Club will continue to operate for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course of business.

The Trust is reliant on the continued receipt of income from members to meet their annual maintenance fees, together with the continued financial support of the director related parties in respect of the maintenance fees in order to continue as a going concern. During the financial year, the Trust experienced an increase in member repossessions which has impacted forecasted revenue from annual fees and redemption activity. These developments reflect broader economic pressures and shifts in member engagement.

In response, management has initiated a series of mitigation strategies, including:

- Launching a tender campaign to facilitate the sale of repossessed shares, aiming to restore active membership and generate liquidity;
- Enhancing member retention.

Management has prepared detailed cash flow forecasts for a period of at least 12 months from the date of signing the financial statements. These forecasts incorporate conservative assumptions regarding member retention, new enrolments, and the success of the tender campaign. Based on this assessment, the directors are satisfied that the Trust has adequate resources to continue operating and meet its obligations as they fall due.

Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities that might be necessary.

16 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected 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 years.

Holiday Rewards Club
ABN: 75 015 789 329

Notes to the Financial Statements

For the Year Ended 30 June 2026

17 Trust Details

The registered office of and principal place of business of the trust is:
Holiday Rewards Club
10 Dover Street
Cremorne VIC 3121

Directors' Declaration of Holiday Concepts Management as Responsible Entity for the Holiday Rewards Club

In accordance with a resolution of the directors, the directors of the Responsible Entity, Holiday Concepts Management Limited declare that:

- 1. the financial statements and notes for the year ended 30 June 2026 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Trust;
- 2. In the directors' opinion, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director *Derek Andrew Reynolds*
CCB80000-F29B-0273-CB04-08DF237DE680 06/10/2026
Mr Derek A Reynolds

Director *spower*
CCB80000-F29B-0273-CB0E-08DF237DE680 06/10/2026
Mr Stephen G Power

Dated 06/10/2026
CCB80000-F29B-0273-CB0E-08DF237DE680

Holiday Rewards Club

Independent Audit Report to the members of Holiday Rewards Club

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Holiday Rewards Club (the Trust), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration of Holiday Concepts Management Limited as responsible entity for the Holiday Rewards Club.

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

- (i) giving a true and fair view of the Trust's financial position as at 30 June 2026 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards 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 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* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of Directors for the Financial Report

The directors of the Responsible Entity are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors 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.

Independent Audit Report to the members of Holiday Rewards Club

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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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 trust'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 events or conditions that may cast significant doubt on the trust'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 trust 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.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd

AW

08/10/2026

CCB80000-F29B-0273-CB12-08DF237DE680

Andrew White
Director

Level 3, 148 Logis Boulevard, Dandenong South VIC 3175

Dated

08/10/2026

CCB80000-F29B-0273-CB12-08DF237DE680

Profit and Loss Statement

Holiday Rewards Club Trust

For the year ended 30 June 2026

	30 JUN 2026	30 JUN 2025
Income		
Annual Maintenance Fees	805,877	777,812
Maintenance Refurbishment Fee	40,093	40,093
Bonus Time	68,000	25,000
Interest Received	6,923	8,948
Total Income	920,894	851,853
Gross Profit	920,894	851,853
Expenses		
Fixed and Financial Expense		
ASIC Filing Fees	1,528	1,492
Audit & Accountancy	21,700	20,700
Audit of Compliance Plan	3,355	330
Bank Fees	6,432	6,057
Central Administration	5,523	5,523
Financials Postage	372	296
Group Management Fees	85,101	82,137
Member Services	26,816	26,034
Membership Fees	899	1,514
Off-Site Management fees	38,610	39,394
Maintenance Fees Paid	639,954	613,646
Maintenance Refurbishment Fee Paid	29,000	29,300
Repossessions Written-Off	17,121	-
Responsible Entity Fees	37,400	36,300
Sundry Expenses	1,756	-
Total Fixed and Financial Expense	915,567	862,723
Other Expenses		
Resort Refurbishment	5,948	6,771
Total Other Expenses	5,948	6,771
Total Expenses	921,514	869,494
Profit/(Loss) before Taxation	(620)	(17,641)
Net Profit After Tax	(620)	(17,641)

The accompanying notes form part of these financial statements. This report should be read in conjunction with the attached compilation report.

Compilation Report

Holiday Rewards Club Trust For the year ended 30 June 2026

Compilation report to Holiday Rewards Club Trust.

We have compiled the accompanying special purpose financial statements of Holiday Rewards Club Trust, which comprise the income statement and balance sheet for the period ended 30 June 2026, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is to provide information relating to the performance and financial position of the company that satisfies the needs of the members.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special purpose financial statements and have determined that the significant accounting policies adopted as set out in Note 1 to the financial statements are appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

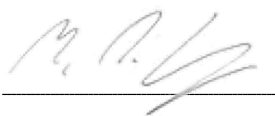
On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the significant accounting policies adopted as set out in Note 1 to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since the compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion of these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the members of Holiday Rewards Club Trust who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



Marc Di Genova - C.A

Ashfords Accountants & Advisory Pty Ltd
Chartered Accountants

Unit 301
148 Logis Boulevard
Dandenong South VIC 3175

Dated: 2 October 2026

Liability limited by a scheme approved under Professional Standards Legislation