



PRESIDENT'S REPORT

On behalf of the Board of Directors, I am pleased to present the President's Report for the year ended 31 May 2026.

Another year has passed in which Wallsend Diggers has continued to demonstrate resilience, adaptability and a commitment to serving both our members and the broader community. The Board's role is to ensure the Club remains financially strong, responsibly governed and well positioned to meet the needs of current and future generations of members, and I am pleased with the progress made during the year.

While the economic environment continues to present challenges for the hospitality industry, the Club has continued to perform well through careful financial management and the ongoing support of our members.

For the financial year, the Group recorded an overall **net profit of \$842,414**, a significant improvement on the prior year's loss of **(\$272,694)**. Included within this result was a depreciation expense of **\$2,176,645**. The Main Club recorded a **profit of \$1,213,912**, while the Sports Club reported a **loss of (\$371,499)**, reflecting its continued closure following the subsidence event in March 2023.

Although the Sports Club remains closed, the Board continues to work diligently towards achieving the most appropriate long-term outcome for the site. Progress continues in relation to the subsidence compensation claim and the consideration of future opportunities for the property. We remain committed to protecting the interests of the Club and its members throughout this process.

The Club also maintained a solid financial position throughout the year. Capital expenditure of **\$1,887,117** was funded through operating cashflows, loan repayments of **\$449,688** were made during the year, and year-end cash reserves totalled **\$6,748,376**. These outcomes ensure the Club remains well placed to continue investing in its facilities while maintaining a prudent financial position.

The Board is pleased with the Club's improved performance across its core trading activities during the year. It has also been encouraging to see recent investments, particularly the redevelopment of our Steakhouse, being well received by members and contributing positively to the Club's overall performance.

Beyond financial performance, the Board remains focused on ensuring the Club continues to evolve. Throughout the year, we have invested in our facilities, explored future opportunities and made decisions aimed at strengthening the Club's long-term sustainability. This includes the Club's increased investment in the Springs Wallsend

Motel, which forms part of our broader strategy to diversify income streams and support the Club's future.

One of the most important responsibilities of our Club is giving back to the community. Through ClubGRANTS, sponsorships, donations and support for local organisations, the Club continues to make a meaningful contribution to the many groups and individuals who rely on community clubs. We remain proud of the positive role Wallsend Diggers plays within our region.

Our ANZAC commemorations remain one of the most significant occasions on the Club's calendar. Once again, it was pleasing to see members of the community gather in large numbers to honour those who have served our country. Preserving these traditions remains central to the values and history of our Club.

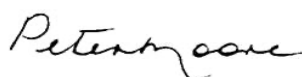
None of the achievements of the past year would have been possible without the dedication of our people. I sincerely thank our Chief Executive Officer, Mark Stanborough, the management team and every member of staff for their professionalism, commitment and outstanding service throughout the year.

I also extend my appreciation to my fellow Directors for the considerable time, experience and commitment they continue to contribute in guiding the Club. Their collective focus remains firmly on ensuring sound governance and making decisions that benefit the membership as a whole.

On behalf of the Board and Management, I also extend our sincere condolences to the families of members who have passed away during the year.

Finally, I thank our members for your ongoing loyalty and support. Every visit you make to the Club contributes to its continued success and allows us to reinvest in the facilities, services and community initiatives that make Wallsend Diggers such an important part of our region.

The Board looks forward to another year of progress as we continue building a strong, sustainable Club that our members can be proud of for many years to come.

A handwritten signature in black ink, appearing to read 'Peter Moore', with a stylized, cursive script.

Peter Moore

President