

MARKET RELEASE

**SkyCity Entertainment Group Limited
(SKC.NZX/SKC.ASX)**

19 June 2026

Resolution of Adelaide Independent Review

SkyCity Entertainment Group Limited (**SkyCity**) advises that, together with SkyCity Adelaide Pty Limited (**SkyCity Adelaide**), it has today entered into a non-binding heads of agreement with the Commissioner for Liquor and Gambling in South Australia (**Commissioner**) to record a basis to fully and finally resolve all outstanding regulatory matters arising from the Independent Review and the findings of the Brian Martin Report.

The heads of agreement provides for a total fine of A\$21 million payable in three equal instalments as detailed below, together with enhanced governance, compliance and operational commitments for the Adelaide Casino.

SkyCity CEO Jason Walbridge said:

“Reaching this in-principle agreement is an important step for SkyCity and reflects the significant work our team has done over the past 4 years to transform our compliance culture, strengthen our governance, and earn back the trust of our regulators. We accept the findings that led to this outcome and take seriously the obligations we have committed to. The structural changes for the Adelaide Casino — including an independent Adelaide board and locally accountable leadership — reflect a genuine commitment to operating as a responsible casino operator. We are grateful for the constructive engagement of the Commissioner’s office throughout this process.”

The parties expect to finalise a binding tripartite settlement deed reflecting the heads of agreement shortly. Further key details of the heads of agreement are summarised below.

Overview of Key Terms

- Non-binding heads of agreement in advance of a formal binding tripartite agreement between SkyCity Adelaide, SkyCity and the State of South Australia
- Full and final settlement of all matters known to CBS arising from the Independent Review / Brian Martin Report as well as several other matters.
- Total fine of A\$21 million payable by SkyCity Adelaide in three instalments as to:
 - A\$7 million within 28 days of the tripartite settlement deed
 - A\$7 million within one year of the first instalment
 - A\$7 million within two years of the first instalment
- By 1 January 2028:
 - the SkyCity Adelaide Board to comprise a majority of non-executive directors who (including the chair) are independent of SCEG and related entities

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- SkyCity Adelaide is prohibited from delegating functions and responsibilities to SCEG without the Commissioner’s approval
- Appointment of a SkyCity Adelaide CEO who reports to the SkyCity Adelaide Board (with a dotted line to the SkyCity CEO), and with all general managers reporting to that SkyCity Adelaide CEO (unless approved by the Commissioner otherwise)
- An obligation to appoint an independent compliance auditor to report annually on compliance under the regulatory regime (to apply 12 months after completion of the B3 Program – SkyCity Adelaide’s three-year compliance transformation program, which is expected to be completed by June 2027)
- SkyCity Adelaide to phase out the use of cash for transactions over A\$4,999
- A prohibition on junkets at the Adelaide Casino (an activity SkyCity ceased in April 2021)
- A number of compliance measures are to be agreed by 1 January 2028 by a working group comprising representatives of SkyCity Adelaide and CBS
- The Commissioner be conferred powers to issue legally binding directions to SkyCity regarding operations carried on under the South Australian Casino licence that depend on SkyCity’s provision of services, personnel, licences, systems or similar matters (with commercially reasonable steps to locate such matters in Adelaide)
- An obligation on SkyCity Adelaide and SkyCity to notify certain compliance breaches to CBS

Ends

For more information, please contact:

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This announcement has been authorised for release by:
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