MA Redcape Hotel Fund

Continuous Disclosure notice

8 July 2026

Asset transactions

The Manager confirms the MA Redcape Hotel Fund (the Fund) has entered contracts to sell two western Sydney Freehold Going Concern hotels, and to purchase seven Freehold Going Concern hotels in the Newcastle region of New South Wales.

The two venues being sold by the Fund are The Crown Hotel in Revesby and the Revesby Pacific Hotel. These long-held venues are being sold for a small premium to book value for a total of approximately $150 million to Iris Capital – a major industry participant – in a transaction that demonstrates the strength of Australia's pub sector in both operating performance and liquidity.

The seven venues are being acquired by the Fund from Iris Capital in two stages. Stage one will see the acquisition of Edgeworth Tavern, Gunyah Hotel, Hotel Elermore, Peden's Hotel and Sydney Junction Hotel and is expected to complete in the next two months. Stage two will see the acquisition of The Argenton Hotel and QT Hotel and Sports Bar and is expected to complete over the next nine months.

The acquisition comprises a diversified and resilient portfolio of venues in the growing Newcastle region with material refurbishment and upside potential. The transaction provided a favourable yield spread and combined with the Fund's active management strategy, the Manager expects the acquisition to drive strong future earnings and value growth for the Fund.

The net consideration to be paid is approximately $115 million which will be funded from equity and undrawn debt facilities.

The proposed transactions remain subject to customary conditions precedent, including receipt of merger clearance from the ACCC.[1]

The Fund has delivered a 17.5% total return to investors for FY26 with strong performance and growth as a result of the Managers investment strategy.[2] The Manager re-affirms its two-year total return target of ~15%[3] p.a. and distribution guidance to 12 cents per unit for FY27.

Trading across the portfolio continues to perform well with like-for-like venue earnings ending FY26 up 15%[4] on FY25, which was 13% up on FY24. Trading performance continues to be underpinned by active management and the growth capex refurbishment strategy.

The Fund ended June 2026 with ~90% of drawn debt hedged and gearing at 42% which is within the Fund's targeted range of 35–45%.

More information

Please refer to the Product Disclosure Statement of the Fund for information relevant to the matters in this notice. The Product Disclosure Statement of the Fund is available at mafinancial.com/invest/real-estateoperational-and-core/ma-redcape-hotel-fund/product-disclosure-statement.pdf.

If you have any questions regarding your investment, please speak to your financial adviser or contact Client Services via clientservices@mafinancial.com or +61 2 8288 5594.

1. Merger clearance is required under Australia's mandatory merger clearance regime, which commenced on 1 January 2026 and requires certain acquisitions meeting prescribed thresholds to be notified to, and cleared by, the Australian Competition and Consumer Commission prior to completion.
2. Past performance is not a reliable indicator of future performance. Historical returns are provided for information purposes only and should not be relied upon as an indication of future performance.
3. After fees but before taxes. All investments carry risk, and this is a target only and may not be achieved. Refer to Section 7 of the Fund's Product Disclosure Statement for specific detail on the risks associated with an investment in the Fund including (but not limited to) regulatory risk, interest rate risk, demographics and changes in consumer preferences and tastes risk and others. Components of the Total Return of 15% are 7% p.a. of distribution return and 8% p.a. of growth return. 1 April 2026 to 1 April 2028.
4. Unaudited management financial accounts for the year to date at the end of June 2026.