

MA Redcape Hotel Fund

Interim report

31 December 2025

ISSUER AND RESPONSIBLE ENTITY

MA Redcape Hotel Fund RE Ltd
ACN 610 990 004, as responsible entity of the
MA Redcape Hotel Trust I, ARSN 629 354 614 and
the MA Redcape Hotel Trust II, ARSN 629 354 696

MANAGER

Redcape Hospitality Pty Ltd
ACN 619 297 228

MA Redcape Hotel Fund

Comprising MA Redcape Hotel Trust I (ARSN 629 354 614) and MA Redcape Hotel Trust II (ARSN 629 354 696)

Interim Report - 31 December 2025

**MA Redcape Hotel Fund
Directors' report
31 December 2025**

The Directors of MA Redcape Hotel Fund RE Limited (the 'Responsible Entity') present their report, together with the financial statements, of the stapled consolidated entity MA Redcape Hotel Fund (referred to hereafter as 'Redcape' or 'Group') consisting of MA Redcape Hotel Trust I ('RHT I') and MA Redcape Hotel Trust II ('RHT II') and the entities they controlled at the end of, or during, the period ended 31 December 2025. The manager of Redcape is Redcape Hospitality Pty Ltd ('Trust Manager' or 'Management'), a wholly owned subsidiary of MA Financial Group Limited ('MA Financial').

Directors

The following persons were Directors of the Responsible Entity of Redcape during the period ended 31 December 2025 and up to the date of this report, unless otherwise stated:

Mr Nicholas Collishaw
Mr Andrew Ireland
Mr David Groves
Mr Christopher Unger
Mr Andrew Martin

Principal activities

Redcape is an Australian hotel business operating a portfolio of 33 hotels across New South Wales ('NSW') and Queensland ('QLD'). Of the 33 hotels Redcape operates, the Group owns the freehold interest in 24 properties and operates the remaining nine hotels under leasehold arrangements. The Group also holds a controlling interest in a Victorian hotel through an investment in a managed fund.

The hotels offer patrons:

- on-premise food and beverage;
- off-premise packaged liquor through retail bottle shops;
- gaming; and
- other services.

Ownership of the freehold provides Redcape with the advantages of capital appreciation associated with the underlying property, as well as the potential to benefit from investments in refurbishments and future development opportunities. Meanwhile, the operation of the leasehold business provides Redcape the opportunity to enhance and improve the business for earnings growth. The combination of both freehold and leasehold generates greater opportunities on Portfolio Valuation than standalone freehold and leasehold assets.

Distributions

Distributions paid/payable in respect of the half-year

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>For the quarters ending:</i>		
30 September 2025 of 2.81 cents (30 September 2024 of 2.30 cents) per stapled unit	11,333	9,813
31 December 2025 of 2.81 cents (31 December 2024 of 2.30 cents) per stapled unit	12,118	9,652
	23,451	19,465
<i>For the half-year ending:</i>		
31 December 2025 of 5.0 cents per Bendigo Hotel Fund Trust I unit*	910	-
	24,361	19,465

* Represent total distribution payable of \$1.8 million to Bendigo Hotel Fund Trust I's unitholders, offset by Redcape's controlling interest which has been eliminated on consolidation

Review of operations

The loss for Redcape after income tax was \$3.2 million (31 December 2024: net profit after tax of \$46.2 million).

Disposal of hotels

In December 2025, the Group entered into a put and call option deed in respect of one NSW hotel for total consideration of

MA Redcape Hotel Fund
Directors' report
31 December 2025

\$55.0 million. Completion of the sale is conditional on the exercise of the relevant option and is expected to be completed at the beginning of the next financial year.

Acquisition of hotels

During the reporting period, the Group acquired six QLD hotels including retail bottle shops and an investment property for total consideration of \$155.1 million (total cash consideration of \$158.0 million including settlement adjustments). In addition, the Group exchanged contracts to acquire one hotel for \$1.6 million, which is expected to complete in the second half of the financial year.

Acquisition of units in Bendigo Hotel Fund Trust I ('BHFT I') and Bendigo Hotel Fund Trust II ('BHFT II')

On 4 November 2025, Redcape acquired 50.1% of units in BHFT I and BHFT II (together referred to as 'Bendigo' or 'the Bendigo Fund') for total consideration of \$20.5 million (\$19.1 million net cash consideration). BHFT I and BHFT II together own and operate the FHGC for All Seasons Resort Hotel Bendigo in Victoria ('VIC'). The acquisition effectively gives Redcape control over BHFT I and BHFT II at acquisition date and accordingly their results have been consolidated into the Group's results from that date.

Refer to Note 24 'Business combinations' for further details.

Bank loan facility

In November 2025, the Group secured an additional bank loan facility of \$50.0 million with maturity date in November 2030.

Capital raise

In August 2025, Redcape reissued the Product Disclosure Statement ('PDS') for a capital raise ('Limited Offer'). The Limited Offer sought to raise equity from existing and new investors, with proceeds to be used for acquisitions, growth capital expenditure across the existing portfolio and working capital purposes. Total equity raised under the Limited Offer which ended in December 2025 amounted to \$74.0 million. Following completion of the Limited Offer, the PDS was amended in December 2025 to remove references to the Limited Offer.

Non-IFRS Disclosures

The Group utilises non-IFRS financial metrics in its assessment and presentation of Group performance. In particular, the Group references Operating Earnings Before Interest, Tax, Depreciation and Amortisation ('Operating EBITDA') and Underlying Earnings ('UE') per Stapled Unit.

The Directors of the Responsible Entity believe these non-IFRS metrics are useful to users as they:

- reveal the underlying and operating performance of the Group which enhances the reader's understanding of past performance;
- provide insight into Management's decision making as Management uses these measures to run the business, allocate resources and make financial, strategic, and operating decisions; and
- form the basis of the Group's annual budgeting and internal forecasting processes.

Operating EBITDA and UE are not prepared in accordance with IFRS and are not audited. A reconciliation of non-IFRS financial metrics to statutory results is provided below.

The highlights for the consolidated Redcape Group (including Bendigo) during the half-year are set out below:

- Distributions* of \$23.5 million or 5.62 cents per stapled unit (31 December 2024: \$19.5 million or 4.60 cents per stapled unit)
- Operating EBITDA of \$46.6 million (31 December 2024: \$37.8 million)
- Cash from operating activities of \$29.1 million (31 December 2024: \$23.3 million cash from operating activities)
- Portfolio value increased to \$1.2 billion¹ (30 June 2025: \$876.4 million). The increase in value reflects the net impact of:
 - (i) Acquisition of assets through business combination: \$224.9 million
 - (ii) Acquisition of investment property: \$2.4 million
 - (iii) Revaluation increase: \$62.1 million comprising a \$64.3 million gain recognised in the asset revaluation reserve and a \$2.2 million loss recognised in the consolidated statement of profit or loss
 - (iv) Reclassification of assets held for sale: (\$46.1million)
 - (v) Capital spend: \$42.8 million
 - (vi) Depreciation: (\$10.2 million)
- Total capital expenditure of \$42.8 million (31 December 2024: \$16.1 million) of which \$40.2 million related to growth projects and gaming machine licences, and \$2.6 million for maintenance capital expenditure.

¹ Portfolio value comprises land, buildings, investment property, plant and equipment, and intangible assets.

**MA Redcape Hotel Fund
Directors' report
31 December 2025**

Reconciliation of non-IFRS financial metrics to statutory results

(i) Reconciliation of Operating EBITDA to Statutory Net Profit before Tax

Income Statement \$'000	Redcape* 31 Dec 2025	Bendigo ** 31 Dec 2025	Adjustments	Consolidated Redcape Group 31 Dec 2025
Operating EBITDA	45,370	1,199	-	46,569
Loss on asset revaluation	(2,160)	-	-	(2,160)
Distribution income	304	-	(304)	-
Transaction costs	(14,955)	-	-	(14,955)
Statutory EBITDA	28,559	1,199	(304)	29,454
Depreciation and amortisation	(14,144)	(403)	(17)	(14,564)
Net finance costs	(18,470)	(431)	-	(18,901)
(Loss)/ profit before tax	(4,055)	365	(321)	(4,011)

(ii) Reconciliation of Statutory EBITDA to Underlying Earnings

Distribution Statement \$'000	Redcape* 31 Dec 2025
Operating EBITDA	45,370
Distribution income	304
Cash rent adjustment	(5,553)
Cash interest expense	(13,830)
Maintenance capital expenditure	(2,443)
Underlying earnings	23,848
Underlying earnings per unit	5.89 cents
Distribution	23,451
Distribution per unit	5.62 cents

* Redcape comprises MA Redcape Hotel Trust I ('RHT I') and MA Redcape Hotel Trust II ('RHT II') prior to consolidation with Bendigo.

** Bendigo's results are presented from the acquisition date to the end of the reporting period.

**MA Redcape Hotel Fund
Directors' report
31 December 2025**

Material business risks

Redcape is subject to a range of business risk factors, both specific to the Group and general in nature which may impact the operating and financial performance of the Group. These risks are regularly reviewed for their possible impact.

Major business disruption events

The Group's continued success is underpinned by its ability to anticipate, respond to and recover from events which have the potential to prevent the continued operation of the Group's venues for a sustained period of time. The Group's business continuity framework enables identification of material risks and outlines the response and recovery of the business to minimise the impact of a major disruption on the business.

Regulatory risk

The Group operates in a highly regulated industry, where changes to liquor or gaming licences or other trading regulations could significantly impact the trading performance and therefore impact Operating EBITDA and long-term profitability of the Group. There is a current focus with regards to gaming regulations reform in NSW, which may include, amongst other regulatory changes, a transition to cashless gaming in the future.

The Group is unable to control regulatory changes that may impact on the Group's venues however this is closely monitored to ensure that any potential impacts are mitigated as much as possible.

Financial management

The ability to maintain financial performance and a strong balance sheet enables the Group to fund future growth opportunities on commercially acceptable terms. Financial performance is continuously monitored for any variations from annual financial budgets and forecast.

At 31 December 2025, the Group had current assets of \$102,878,000 and current liabilities of \$127,166,000 leaving a net working capital deficit of \$24,288,000 (30 June 2025: net working capital deficit of \$23,220,000). At the reporting date, the Group had access to \$33,700,000 of undrawn loan facilities and has prepared cash flow forecasts demonstrating that Redcape is expected to generate sufficient cash to meet its obligations as they fall due. In addition, the establishment of an additional \$25,000,000 loan facility in February 2026, together with the expected sale of one NSW hotel early in the next financial year, is anticipated to further improve the Group's liquidity position. On this basis, the Directors of the Responsible Entity consider it appropriate to prepare the financial statements on a going concern basis.

Significant changes in the state of affairs

Other than the matters noted in the 'Review of Operations', there were no other significant changes in the state of affairs of the Group during the financial period.

Matters subsequent to the end of the financial half-year

On 12 February 2026, the Group finalised an increase of \$25.0 million to its existing bank loan facilities, with a maturity date of November 2030.

Other than the above, no other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Rounding of amounts

Amounts have been rounded to the nearest thousand dollars unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

**MA Redcape Hotel Fund
Directors' report
31 December 2025**

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Nicholas Collishaw
Chairman

18 February 2026
Sydney



Christopher Unger
Managing Director



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of MA Redcape Hotel Fund RE Limited, as Responsible Entity
of MA Redcape Hotel Fund

I declare that, to the best of my knowledge and belief, in relation to the review of MA Redcape Hotel Fund for the half-year ended 31 December 2025 there have been:

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


KPMG



Paul Thomas

Partner

Sydney

18 February 2026

MA Redcape Hotel Fund

Contents

31 December 2025

Condensed consolidated statement of profit or loss and other comprehensive income	8
Condensed consolidated statement of financial position	9
Condensed consolidated statement of changes in equity	10
Condensed consolidated statement of cash flows	11
Notes to the condensed consolidated financial statements	12
Directors' declaration	38
Independent auditor's review report to the members of MA Redcape Hotel Fund	39

MA Redcape Hotel Fund
Condensed consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 \$'000	31 Dec 2024 \$'000
Revenue	4	235,949	159,277
Cost of sales		(107,162)	(71,244)
Expenses			
Operating costs		(30,447)	(18,177)
Employment costs		(41,336)	(25,157)
Management fees	5	(10,435)	(3,612)
Net finance costs	6	(18,901)	(13,530)
Depreciation expense on right-of-use assets	12	(4,364)	(1,803)
Depreciation and amortisation expense	10,8,11	(10,200)	(6,151)
Other non-operating expense		(487)	-
Gain on disposal of non-current assets		-	29,533
(Loss)/ gain on asset revaluation		(2,160)	3,823
Business acquisition costs	24	(14,468)	(5,134)
(Loss)/ profit before income tax benefit/(expense)		(4,011)	47,825
Income tax benefit/(expense)		779	(1,669)
(Loss)/ profit after income tax benefit/(expense) for the half-year		(3,232)	46,156
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of land		64,283	19,587
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in the fair value of cash flow hedges taken to equity		3,488	(5,650)
Other comprehensive income for the half-year, net of tax		67,771	13,937
Total comprehensive income for the half-year		64,539	60,093
(Loss)/ profit for the half-year is attributable to:			
Stapled unitholders of MA Redcape Hotel Trust I (non-controlling interest)		13,329	16,026
Stapled unitholders of MA Redcape Hotel Trust II		(16,561)	30,130
		(3,232)	46,156
Total comprehensive income for the half-year is attributable to:			
Stapled unitholders of MA Redcape Hotel Trust I (non-controlling interest)		81,100	29,963
Stapled unitholders of MA Redcape Hotel Trust II		(16,561)	30,130
		64,539	60,093

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

MA Redcape Hotel Fund
Condensed consolidated statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 Dec 2025	30 Jun 2025
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents		30,401	25,273
Trade and other receivables		7,433	3,438
Inventories		11,212	6,039
Derivative financial instruments		1,696	635
Other current assets		6,022	8,452
		<u>56,764</u>	<u>43,837</u>
Assets classified as held for sale	7	46,114	-
Total current assets		<u>102,878</u>	<u>43,837</u>
Non-current assets			
Investment property	8	5,388	2,982
Land	9	363,170	265,266
Property, plant and equipment	10	185,246	142,901
Intangible assets	11	598,517	465,230
Right-of-use assets	12	107,693	65,040
Derivative financial instruments		2,710	941
Deferred tax		9,064	8,130
Total non-current assets		<u>1,271,788</u>	<u>950,490</u>
Total assets		<u>1,374,666</u>	<u>994,327</u>
Liabilities			
Current liabilities			
Trade and other payables	13	50,785	47,472
Borrowings	16	24,374	-
Lease liabilities	14	11,882	6,561
Income tax		285	-
Employee benefits		4,869	3,446
Distribution payable	15	13,028	9,578
Other financial liabilities	17	21,943	-
Total current liabilities		<u>127,166</u>	<u>67,057</u>
Non-current liabilities			
Borrowings	16	618,511	453,021
Lease liabilities	14	106,298	67,320
Deferred tax		1,002	-
Employee benefits		305	166
Other payables		615	-
Total non-current liabilities		<u>726,731</u>	<u>520,507</u>
Total liabilities		<u>853,897</u>	<u>587,564</u>
Net assets		<u>520,769</u>	<u>406,763</u>
Equity			
Contributed equity	18	219,262	189,434
Accumulated losses		(71,494)	(54,933)
Equity attributable to the stapled unitholders of MA Redcape Hotel Fund		<u>147,768</u>	<u>134,501</u>
Non-controlling interests	19	373,001	272,262
Total equity		<u>520,769</u>	<u>406,763</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

MA Redcape Hotel Fund
Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Issued capital \$'000	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2024	222,991	(66,533)	290,136	446,594
Profit after income tax expense for the half-year	-	30,130	16,026	46,156
Other comprehensive income for the half-year, net of tax	-	-	13,937	13,937
Total comprehensive income for the half-year	-	30,130	29,963	60,093
<i>Transactions with stapled unitholders in their capacity as stapled unitholders:</i>				
Units issued	2	-	3	5
Distribution reinvestment plans	87	-	125	212
Units redeemed (note 18)	(8,366)	-	(11,927)	(20,293)
Distributions paid (note 20)	-	-	(9,813)	(9,813)
Distributions payable (note 15)	-	-	(9,652)	(9,652)
Balance at 31 December 2024	<u>214,714</u>	<u>(36,403)</u>	<u>288,835</u>	<u>467,146</u>

Consolidated	Issued capital \$'000	Accumulated losses \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2025	189,434	(54,933)	272,262	406,763
(Loss)/ profit after income tax benefit for the half-year	-	(16,561)	13,329	(3,232)
Other comprehensive income for the half-year, net of tax	-	-	67,771	67,771
Total comprehensive (loss)/income for the half-year	-	(16,561)	81,100	64,539
<i>Transactions with stapled unitholders in their capacity as stapled unitholders:</i>				
Units issued (note 18)	31,802	-	45,938	77,740
Distribution reinvestment plans	241	-	349	590
Units redeemed (note 18)	(2,215)	-	(3,197)	(5,412)
Distributions paid (note 20)	-	-	(11,333)	(11,333)
Distributions payable (note 15)	-	-	(12,118)	(12,118)
Balance at 31 December 2025	<u>219,262</u>	<u>(71,494)</u>	<u>373,001</u>	<u>520,769</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

MA Redcape Hotel Fund
Condensed consolidated statement of cash flows
For the half-year ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		255,908	174,429
Payments to suppliers (inclusive of GST)		<u>(212,297)</u>	<u>(144,507)</u>
		43,611	29,922
Interest received		328	569
Interest and other finance costs paid		<u>(14,827)</u>	<u>(7,226)</u>
Net cash from operating activities	25	<u>29,112</u>	<u>23,265</u>
Cash flows from investing activities			
Payment for acquisition of hotels, net of cash acquired	24	(174,082)	(66,788)
Payments for investment property	8	(2,408)	-
Business acquisition transaction costs		(14,468)	(5,147)
Payments for deposit relating to acquisitions		(117)	(4,110)
Net payments for property, plant and equipment		(30,350)	(15,492)
Payments for intangibles	11	(13,912)	-
Net proceeds from disposal of business (including assets classified as held for sale)		<u>-</u>	<u>172,566</u>
Net cash (used in)/from investing activities		<u>(235,337)</u>	<u>81,029</u>
Cash flows from financing activities			
Proceeds from borrowings		205,900	55,000
Repayment of borrowings		(41,000)	(136,000)
Repayment of leases		(5,554)	(2,504)
Proceeds from issue of stapled units	18	77,740	5
Payments for redemption of stapled units	18	(5,412)	(20,293)
Distributions paid	15	<u>(20,321)</u>	<u>(19,523)</u>
Net cash from/(used in) financing activities		<u>211,353</u>	<u>(123,315)</u>
Net increase/(decrease) in cash and cash equivalents		5,128	(19,021)
Cash and cash equivalents at the beginning of the financial half-year		<u>25,273</u>	<u>55,604</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>30,401</u></u>	<u><u>36,583</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 1. General Information

MA Redcape Hotel Fund ('Redcape' or 'Group') is a stapled entity comprising MA Redcape Hotel Trust II ('RHT II' or 'the parent entity'), and MA Redcape Hotel Trust I ('RHT I'), and their controlled entities. MA Redcape Hotel Trust I (ARSN 629 354 614) and MA Redcape Hotel Trust II (ARSN 629 354 696) are Australian registered managed investment schemes. MA Redcape Hotel Fund RE Limited (ABN 87 610 990 004) is the Responsible Entity of the Group.

The interim financial statements are presented in Australian dollars, which is Redcape's functional and presentation currency.

In accordance with AASB 3 *Business Combinations*, one of the entities in the stapled structure is required to be identified as the parent for the purpose of preparing consolidated financial reports. In accordance with this requirement, RHT II was identified as the parent entity.

Redcape's registered office and principal place of business are:

Level 27
Brookfield Place
10 Carrington Street
Sydney NSW 2000

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the interim financial statements.

The interim financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 February 2026. The Directors have the power to amend and reissue the financial statements.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 2. Material accounting policy information

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

There are no new or amended Accounting Standards or Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period and are considered applicable to, or to have a material impact on Redcape's financial position or performance.

Going concern

The interim consolidated financial statements have been prepared on a going concern basis.

At 31 December 2025, the Group had current assets of \$102,878,000 and current liabilities of \$127,166,000 leaving a net working capital deficit of \$24,288,000 (30 June 2025: net working capital deficit of \$23,220,000). At the reporting date, the Group had access to \$33,700,000 of undrawn loan facilities and has prepared cash flow forecasts demonstrating that Redcape is expected to generate sufficient cash to meet its obligations as they fall due. In addition, the establishment of an additional \$25,000,000 loan facility in February 2026, together with the expected sale of one NSW hotel early in the next financial year, is anticipated to further improve the Group's liquidity position. On this basis, the Directors of the Responsible Entity consider it appropriate to prepare the financial statements on a going concern basis.

Basis of preparation

These interim financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. They also comply with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual report for the year ended June 2026.

Historical cost convention

The interim financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of land and derivative financial instruments measured at fair value.

Critical accounting estimates

The preparation of the interim financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the interim financial statements, are disclosed in note 3.

Principles of consolidation

The condensed consolidated financial statements incorporate the assets and liabilities of all subsidiaries of RHT II and RHT I as at 31 December 2025 and the results of all subsidiaries of RHT I for the half-year then ended. RHT II and RHT I and its subsidiaries together are referred to in these interim financial statements as 'Redcape' or the 'Group'.

Subsidiaries are all those entities over which Redcape has control. Redcape controls an entity when Redcape is exposed to, or has rights to, variable returns from its involvement with the entity. Subsidiaries are fully consolidated from the date on which control is transferred to Redcape. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in Redcape are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries align with the policies adopted by Redcape.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where Redcape loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. Redcape recognises the

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in Redcape's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in Redcape's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The trust is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the interim half-year reporting period ended 31 December 2025. The Group has made a preliminary assessment of the impact of these new or amended Accounting Standards and Interpretations and does not expect a significant impact to the interim financial statements.

Standards in issue but not yet effective that are most relevant to the Group:

New or revised requirement

When effective

AASB 2024-2 Amendments to the Classification and Measurement of Financial Instruments
AASB 18 Presentation and Disclosure in Financial Statements

Applicable to annual reporting periods beginning on or after 1 January 2026
Applicable to annual reporting periods beginning on or after 1 January 2027

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the interim financial statements. The paragraphs below are related to estimates only. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. All critical accounting judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities have been reflected in the notes:

Goodwill and other indefinite life intangible assets

Redcape tests every reporting period, or more frequently if events or changes in circumstances indicate potential impairment of goodwill and/or other indefinite life intangible assets, in accordance with the accounting policy stated in note 11. The recoverable amounts of cash-generating units have been determined based on the higher of fair value less costs of disposal and value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows and terminal growth rates. Note 11 includes further details of key assumptions used in recoverable amount models related to these assets.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if Redcape considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Refer to the following notes for critical judgements and estimates for other assets:

- Valuation of land - notes 9 and 21
- Fair value measurement - note 21

Note 4. Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Major revenue streams</i>		
Gaming revenue	121,614	99,291
On-premise revenue*	72,013	34,773
Off-premise revenue*	41,795	24,701
Other services*	527	512
Revenue	<u>235,949</u>	<u>159,277</u>

* relates to AASB15 *Revenue from contract with Customers*.

Disaggregation of revenue

All major revenue streams are within Australia and the timing of revenue recognition is at a point in time when goods or services are transferred.

Accounting policy for revenue recognition

Redcape recognises revenue as follows:

Revenue

Redcape's revenue mainly comprises gaming revenue, food and beverage revenue and revenue from accommodation and other services. Revenue is recognised when control of the goods has transferred to the customer or when the service is provided at an amount that reflects the consideration to which Redcape expects to be entitled. Other than gaming revenue, revenue recognition is in accordance with AASB15 *Revenue from contract with Customers*.

Variable consideration is not material in the context of Redcape's total revenue.

Gaming revenue

Gaming revenue is the net difference between gaming wins and losses and is recognised upon the outcome of the game.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 4. Revenue (continued)

On-premise

Food and beverage revenue is recognised when the performance obligation to transfer control of the goods to the customer is satisfied, which occurs at the point in time the goods are provided and payment is collected.

Revenue from accommodation and functions are recognised when the performance obligations have been satisfied. When services are rendered, revenue is recognised at the point in time. Where payment for the goods and services is received prior to control transferring to the customer, revenue recognition is deferred in deposits received in advance within trade and other payables in the consolidated statement of financial position until the goods have been delivered to, or services are rendered to the customer.

Off-premise

For sale of goods in-store, control of the goods transfers to the customer at the point the customer purchases the goods in-store.

Note 5. Management fees

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Hotel operating fee	7,483	4,221
Asset management fee	2,952	2,699
Performance fee *	-	(3,308)
	<u>10,435</u>	<u>3,612</u>

* Fee payable to the Responsible Entity on the overall performance of Redcape and realised every six months. There is no performance fee accrual for the current reporting period. There was a \$3.3 million reversal of accrued performance fee relating to prior periods in the comparative period.

Refer to note 23 'Related party transactions' for further information on outstanding management fees as at 31 December 2025 and 30 June 2025.

Note 6. Net finance costs

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Finance income	(328)	(569)
Finance costs	15,377	12,767
Interest on lease liabilities	2,936	1,332
Hedging costs	916	-
	<u>18,901</u>	<u>13,530</u>

Accounting policy for finance income and costs

Interest

Interest income is recognised using the effective interest method.

Finance costs

Finance costs are expensed in the period in which they are incurred. Finance costs comprise interest expense on borrowings using the effective interest method.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 7. Assets classified as held for sale

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current assets</i>		
Land	14,200	-
Buildings	1,757	-
Property improvement	1,550	-
Fixtures and fittings	692	-
Intangibles	25,782	-
Work-in-progress	2,133	-
	46,114	-
	46,114	-

In December 2025, the Group entered into a put and call option deed in respect of one NSW hotel for total consideration of \$55.0 million. Completion of the sale is conditional on the exercise of the relevant option and is expected to be completed at the beginning of the next financial year. As at 31 December 2025, the carrying value of the assets of the hotel has been classified as assets held for sale. The transaction is expected to settle at the beginning of the next financial year.

Accounting policy for non-current assets classified as held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Upon classification as held for sale, the assets are remeasured in accordance with Redcape's accounting policies. Thereafter the assets are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

Note 8. Investment property

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Investment Property - at cost*	5,408	3,000
Less: Accumulated depreciation	(20)	(18)
	5,388	2,982

* During the reporting period, the Group acquired one investment property for \$2.4 million.

Accounting policy for investment property

Investment property principally comprises freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the Group. Investment property is recognised at cost (including transaction costs) less accumulated depreciation and accumulated impairment losses. Fair value of these properties as at 31 December 2025 is \$7.4 million (30 June 2025: \$7.0 million).

Depreciation is calculated over the freehold building component of the investment property and is recognised in the profit or loss on a straight-line basis over its estimated useful life. The estimated useful life of freehold buildings is 40 years. The residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 9. Land

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Land – at valuation	<u>363,170</u>	<u>265,266</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial period are set out below:		
Opening fair value	265,266	331,734
Classified as held for sale (note 7)	(14,200)	-
Disposals - business	-	(105,641)
Additions - business acquisitions (note 24)	49,981	18,436
Revaluation increment*	<u>62,123</u>	<u>20,737</u>
Closing fair value	<u>363,170</u>	<u>265,266</u>

Refer to note 21 for further information on fair value measurement.

* 31 December 2025 total revaluation increment of \$62.1 million (30 June 2025: increment of \$20.7 million) includes gain of \$64.3 million (30 June 2025: gain of \$18.4 million) recognised in the asset revaluation reserve and loss of \$2.2 million (30 June 2025: gain of \$2.3 million) recognised in the profit and loss.

Accounting policy for land

Land is recognised at fair value based on periodic valuations by external independent valuers and/or Portfolio valuations made in accordance with the Group's valuation policy. The valuations are undertaken more frequently if there is an indicator of a material change in the fair value relative to the carrying amount.

Increases in the carrying amounts arising on revaluation of land are recognised in other comprehensive income and accumulated in other reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 10. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Buildings – at cost	57,854	46,135
Less: Accumulated depreciation	<u>(5,795)</u>	<u>(5,339)</u>
	<u>52,059</u>	<u>40,796</u>
Property improvements – at cost	59,691	56,376
Less: Accumulated depreciation	<u>(14,061)</u>	<u>(12,569)</u>
	<u>45,630</u>	<u>43,807</u>
Furniture, fittings & equipment – at cost	89,351	69,464
Less: Accumulated depreciation	<u>(41,969)</u>	<u>(37,534)</u>
	<u>47,382</u>	<u>31,930</u>
Work-in-progress – at cost	<u>40,175</u>	<u>26,368</u>
	<u><u>185,246</u></u>	<u><u>142,901</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Building \$'000	Property improvements \$'000	Furniture, fittings & equipment \$'000	Work-in- progress \$'000	Total \$'000
Balance at 1 July 2025	40,796	43,807	31,930	26,368	142,901
Additions through business combinations (note 24)	13,679	1,928	13,990	70	29,667
Classified as held for sale (note 7)	(1,757)	(1,550)	(692)	(2,133)	(6,132)
Additions	-	-	-	28,932	28,932
Transfers in/(out)	-	4,136	8,926	(13,062)	-
Depreciation expense	<u>(659)</u>	<u>(2,691)</u>	<u>(6,772)</u>	<u>-</u>	<u>(10,122)</u>
Balance at 31 December 2025	<u><u>52,059</u></u>	<u><u>45,630</u></u>	<u><u>47,382</u></u>	<u><u>40,175</u></u>	<u><u>185,246</u></u>

There has been no impairment recognised in relation to property, plant and equipment ('PPE') at 31 December 2025 (30 June 2025: nil). Refer to note 11 for further details on impairment assessment on CGU assets (including PPE).

Accounting policy for property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 10. Property, plant and equipment (continued)

The estimated useful lives are as follows:

Freehold buildings	40 – 150 years
Property improvements	1 – 43 years
Furniture, fittings and equipment	1 – 40 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to Redcape. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to Redcape. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 11. Intangible assets

	Consolidated	Consolidated
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Goodwill - at cost	296,152	248,644
Gaming and liquor licences - at cost	302,441	216,586
Less: Accumulated amortisation	(76)	-
	<u>302,365</u>	<u>216,586</u>
	<u>598,517</u>	<u>465,230</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Goodwill	Gaming and liquor licences	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2025	248,644	216,586	465,230
Additions through business combinations (note 24)	60,290	84,943	145,233
Classified as held for sale (note 7)	(12,782)	(13,000)	(25,782)
Additions	-	13,912	13,912
Amortisation expense	-	(76)	(76)
Balance at 31 December 2025	<u>296,152</u>	<u>302,365</u>	<u>598,517</u>

Impairment testing

(i) Goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use ('VIU') of the group of cash-generating units ('CGUs') to which goodwill has been allocated. These calculations reflect an estimated cash flow projection based on a five-year forecast and requires the use of assumptions, including estimated discount rates, growth rates of estimated future cash flows, and terminal growth rates.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 11. Intangible assets (continued)

The VIU method used in determining the recoverable amount of the group of CGUs is affected by management's assumptions used in the calculation. A summary of the key assumptions used in the calculation is detailed below.

Estimated future cash flows of the first half of Year 1 from January 2026 to June 2026 are based on the FY26 forecast and the second half from July 2026 to December 2026 are based on July 2025 to December 2025 actual results with 3% growth rate applied. The cash flows are projected from Years 2 to 5 based on an annualised growth rate of 3.0% (30 June 2025: 3.0%). The growth rate has been determined with reference to historical performance of the Group.

The discount rates used in the VIU calculations are pre-tax and reflect management's estimate of the time value of money, as well as the risks specific to the Group. The discount rates have been determined using the weighted average cost of capital and the current market risk-free rate, adjusted for relevant business risks. The discount rate applied in the current year VIU model is 7.73% (30 June 2025: 8.04%).

A terminal growth rate of 2.96% (30 June 2025: 2.96%) has been assumed in the VIU calculation and reflects the long-term growth expectations beyond the five-year forecast horizon, considering both industry comparatives and Redcape's historical performance.

Management has based the VIU calculations on the historical performance and future prospects of the business as reported to the Responsible Entity, taking into consideration the like-for-like historical growth and current trading performance.

Sensitivity

Management believes that based on current economic conditions and Group performance, any reasonably possible change in the key assumptions used would not result in the Group's carrying amount to exceed its recoverable amount and result in a material impairment.

The below table shows the key assumptions used in the VIU calculation and the amount by which each key assumption must change in isolation in order for the estimated recoverable amount to be equal to its carrying value.

	Pre-tax discount rate %	Terminal value %
Assumptions used in value-in-use calculation	7.73%	2.96%
Rate required for recoverable amount to equal carrying value*	10.59%	0.09%

* Each rate is determined in isolation.

The above table excludes growth rates of future cash flows as this key assumption is not sensitive in determining impairment of goodwill. Material changes to short-term cash flows do not result in estimated recoverable amount being less than its carrying value.

There has been no impairment recognised in relation to goodwill at 31 December 2025 (30 June 2025: nil).

(ii) CGU assets comprising gaming and liquor licences and other non-financial assets

Gaming and liquor licences

In accordance with AASB 138, gaming and liquor licences are accounted for at cost. As both gaming and liquor licences are not subject to renewal and do not have an expiry date, these are considered to have an indefinite useful life and are tested for impairment annually.

Gaming and liquor licences of \$302.4 million are allocated across the Group's portfolio (including Bendigo) and no individual

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 11. Intangible assets (continued)

hotel holds a significant amount of gaming and liquor licence relative to the Group's carrying amount of gaming and liquor licences.

Other non-financial assets

Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Impairment assessment

Redcape tests assets for impairment at the CGU level being each individual hotel. This is the smallest group of assets that independently generate cash flows and whose cash flow is largely independent of the cash flows generated by other assets.

Redcape assesses the recoverable amount of each CGU based on the higher of its fair value less costs to dispose ('FVLCD') and VIU. The carrying amount of each CGU comprises land at fair value, buildings at cost less accumulated depreciation, plant and equipment at cost less accumulated depreciation, work in progress and intangibles at cost comprising gaming and liquor licences, and right-of-use assets less lease liabilities. At 31 December 2025, FVLCD methodology was applied for 27 hotels (including Bendigo), while the VIU methodology was applied for 6 hotels. One hotel classified as assets held for sale at the end of the reporting period was excluded from the assessment.

FVLCD includes an estimate of the CGU's fair value and costs of disposal. Each CGU's fair value is based on the income capitalisation method, which is determined with reference to maintainable earnings and adopted yield. Refer to note 21 for details of key assumptions used. Costs of disposal is estimated at 3.0% of the hotel's fair value, which has been determined with reference to recent disposals.

Sensitivity

Management believes that based on current economic conditions and CGU performance, any reasonably possible change in the key assumptions used would not result in the CGU's carrying amount to exceed its recoverable amount and result in a material impairment.

As the recoverable amount from the FVLCD and/or VIU assessments exceeded the carrying amount for each CGU, no impairment loss was recorded (30 June 2025: nil).

Accounting policy for intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested at every reporting period for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

VIC gaming machine entitlement licences

The consolidated Redcape Group holds a controlling interest in gaming machine entitlement licences for 100 machines, which were acquired as part of the net assets obtained through the BHFT II acquisition. These entitlements were originally issued by the Victorian State Government and are due to expire in August 2032.

Other gaming and liquor licences

Separately acquired gaming and liquor licences are shown at historical cost. Gaming and liquor licences acquired in a business combination are recognised at fair value at the acquisition date. They have an indefinite useful life and are subsequently carried at cost less accumulated impairment losses.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 11. Intangible assets (continued)

Gaming and liquor licences are not amortised but tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired, and are carried at cost less accumulated impairment losses.

Note 12. Right-of-use assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Land and buildings - right-of-use assets	127,543	80,629
Less: Accumulated depreciation	(19,850)	(15,589)
	<u>107,693</u>	<u>65,040</u>

Redcape leases land and buildings under agreements of between 1 to 20 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliation

Reconciliations of the written down values at the beginning and end of the current and previous financial period are set out below:

Consolidated	Land and buildings
	\$'000
Balance at 1 July 2025	65,040
Additions	55,846
Initial direct costs	50
Disposals	(10,209)
Remeasurement	1,330
Depreciation expense	(4,364)
	<u>107,693</u>
Balance at 31 December 2025	<u>107,693</u>

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Amounts recognised in profit and loss		
Depreciation expense on right-of-use assets	4,364	1,803
Interest expense on lease liabilities	2,936	1,332
	<u>7,300</u>	<u>3,135</u>

There has been no impairment recognised in relation to right-of-use assets at 31 December 2025 (30 June 2025: nil). Refer to note 11.

For other AASB 16 lease-related disclosures refer to the following:

- note 6 for details of interest on lease liabilities;
- note 14 for details of lease liabilities at the beginning and end of the reporting period;
- note 14 for the maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 12. Right-of-use assets (continued)

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 13. Trade and other payables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Trade payables	12,128	10,933
Accrued interest	1,100	494
Other payables	16,338	18,575
State Government taxes	21,219	17,470
	<u>50,785</u>	<u>47,472</u>

Accounting policy for trade and other payables

Trade and other payables represent liabilities for goods and services provided to the consolidated Redcape Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost, are unsecured and are not discounted.

Note 14. Lease liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Lease liability	<u>11,882</u>	<u>6,561</u>
<i>Non-current liabilities</i>		
Lease liabilities	<u>106,298</u>	<u>67,320</u>
	<u>118,180</u>	<u>73,881</u>

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 14. Lease liabilities (continued)

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Undiscounted maturity analysis:		
Within 1 year	12,184	6,724
1 to 2 years	12,565	6,834
3 to 5 years	38,846	21,358
More than 5 years	102,146	69,273
	<u>165,741</u>	<u>104,189</u>

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 15. Distribution payable

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Distributions	<u>13,028</u>	<u>9,578</u>

Distributions

The provision represents distributions declared, being appropriately authorised and no longer at the discretion of the trusts, on or before the end of the financial period but not distributed at the reporting date.

Movements in provisions

Movements in provision during the current financial period and previous financial year is set out below:

	31 Dec 2025	30 June 2025
	\$'000	\$'000
MA Redcape Hotel Fund (excluding BHFT I)		
Carrying amount at the start of the period	9,578	9,922
Distribution declared during the current period	23,451	38,418
Payments relating to prior period	(9,353)	(9,817)
Payments relating to current period	(10,968)	(28,507)
Distribution under reinvestment plan (note 18)	(590)	(438)
Carrying amount at the end of the period	<u>12,118</u>	<u>9,578</u>

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 15. Distribution payable (continued)

BHFT I	31 Dec 2025	30 June 2025
	\$'000	\$'000
Carrying amount at the start of the period	-	-
Distribution declared during the current period	910	-
	<hr/>	<hr/>
Carrying amount at the end of the period	910	-
	<hr/> <hr/>	<hr/> <hr/>

Accounting policy for provisions

Provisions are recognised when the consolidated Redcape Group has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated Redcape Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 16. Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Bank loans*	24,400	-
Capitalised loan establishment costs*	(26)	-
	<hr/>	<hr/>
	24,374	-
	<hr/>	<hr/>
<i>Non-current liabilities</i>		
Bank loans	622,133	457,033
Capitalised loan establishment costs	(3,622)	(4,012)
	<hr/>	<hr/>
	618,511	453,021
	<hr/>	<hr/>
	642,885	453,021
	<hr/> <hr/>	<hr/> <hr/>

Total secured liabilities

The total secured liabilities are as follows:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Bank Loans	646,533	457,033
	<hr/>	<hr/>

* Subsequent to Redcape acquiring a controlling interest in BHFT I, net borrowings of \$24.4 million were recognised as part of the net assets consolidated in the Group's accounts. As BHFT I's loan facility matures in November 2026, the outstanding loan balance of BHFT I as at 31 December 2025, together with the associated capitalised loan establishment costs, has been classified as current liability in the consolidated statement of financial position.

Common Terms Deed

Redcape entered into a debt arrangement under the Common Terms Deed as outlined below:

In November 2025, the Group secured an additional bank loan facility of \$50.0 million with maturity date in November 2030.

The total current facility amount is \$680.2 million (excluding \$7.5 million ancillary facility).

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 16. Borrowings (continued)

Description of the facility	Amount (\$ million)	Expiry
Tranche A & B	30.2	November 2026
Revolver B Facility	75.0	August 2027
Tranche B	90.0	September 2027
Tranche B	20.0	January 2028
Tranche A,C and Revolver A Facility	154.1	December 2028
Tranche A, B, C, D and Revolver A Facility	260.9	December 2029
Revolver B Facility	50.0	November 2030
	<u>680.2</u>	

The Group has access to a \$7.5 million ancillary facility. At 31 December 2025, \$6.3 million has been utilised on bank guarantees to a supplier and landlords (30 June 2025: \$5.5 million).

Assets pledged as security

The financiers in respect of the bank loans have first ranking security over all of the assets of each entity in Redcape, a registered mortgage over each property and a fixed charge over each liquor and gaming licence.

The Group's financiers do not hold security over assets not legally owned by the relevant borrowing entities.

Defaults and breaches

There have been no breaches of bank covenants for the period ended 31 December 2025.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Total facilities		
Bank loans	<u>680,233</u>	<u>600,033</u>
Used at the reporting date		
Bank loans	<u>646,533</u>	<u>457,033</u>
Unused at the reporting date		
Bank loans	<u>33,700</u>	<u>143,000</u>

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 17. Other financial liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Financial liabilities attributable to external unitholders of BHFT I and BHFT II	<u>21,943</u>	<u>-</u>

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 17. Other financial liabilities (continued)

Acquisition of BHFT I and BHFT II units

On 4 November 2025, Redcape acquired 50.1% of the units in the Bendigo Fund for total consideration of \$20.5 million. The Bendigo Fund owns and operates the freehold going concern of the All Seasons Resort Hotel Bendigo in Victoria. This acquisition resulted in Redcape obtaining control of the Bendigo Fund from the acquisition date and, accordingly, the results of the Bendigo Fund have been consolidated into Redcape's financial statements.

The Bendigo Fund has a statutory life of five years, maturing in November 2026. At maturity, unitholders have a contractual right to redeem their units for cash or another financial asset. As a result, the units are puttable instruments and are classified as financial liabilities.

Under AASB 132 *Financial Instruments: Presentation*, these instruments may be classified as non-controlling interests within equity in the issuing entity's standalone financial statements when the puttable instrument meets all the conditions as described in note 18 for redeemable stapled units. However, this exemption does not extend to Redcape's consolidated financial statements. Accordingly, while Redcape consolidates the Bendigo Fund on the basis of control, the remaining 49.9% of units are required to be presented as a current financial liability.

Accounting policy for financial liabilities

The Group's unit liabilities represent the contributed funds owing to third parties in the Bendigo Fund which the Group is deemed to control. The liabilities are recognised at fair value.

Note 18. Contributed equity

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Stapled units	Stapled units	\$'000	\$'000
Contributed equity	431,239,961	383,123,194	219,262	189,434
	31 Dec 2025	31 Dec 2025	30 June 2025	30 June 2025
Details	No of units	\$'000	No of units	\$'000
	'000	'000	'000	'000
RHT II				
Balance at beginning of the period	383,123	189,434	433,550	222,991
Units issued	2,458	1,555	11,136	5,367
Units issued under Limited Offer	48,849	30,247	-	-
Units issued under distribution reinvestment plan	390	241	300	184
Units redeemed	(3,580)	(2,215)	(61,863)	(39,108)
Balance at end of the period	431,240	219,262	383,123	189,434
	31 Dec 2025	31 Dec 2025	30 June 2025	30 June 2025
Details	No of units	\$'000	No of units	\$'000
	'000	'000	'000	'000
RHT I (non-controlling interest)				
Balance at beginning of the period	383,123	147,756	433,550	186,819
Units issued	2,458	2,221	11,136	11,861
Units issued under Limited Offer	48,849	43,717	-	-
Units issued under distribution reinvestment plan	390	349	300	254
Units redeemed	(3,580)	(3,197)	(61,863)	(51,178)
Balance at end of the period	431,240	190,846	383,123	147,756

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 18. Contributed equity (continued)

Stapled units

The redeemable units of MA Redcape Hotel Trust I ('RHT I') and MA Redcape Hotel Trust II ('RHT II') are stapled together such that the units of RHT I and RHT II must be purchased, sold or transferred together. The stapled group is collectively known as MA Redcape Hotel Fund ('Redcape').

Redeemable stapled units

The redeemable units of RHT II are stapled to the units of RHT I. Each stapled unit entitles the holder to participate in distributions and the proceeds on the winding up of the trust in proportion to the number of and amounts paid on the units held. The fully paid stapled redeemable units have no par value and the trust does not have a limited amount of authorised capital.

On a show of hands every unit holder present at a meeting in person or by proxy shall have one vote and upon a poll each stapled unit shall have one vote.

The Group classified financial instruments issued as financial liabilities or equity instrument in accordance with the substance of the contractual terms of the instrument.

The Group classified all its units as redeemable units.

A puttable financial instrument that includes a contractual obligation for the Group to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the following conditions:

- It entitles the holder to a pro rata share of the Group's net assets in the event of the Group's liquidation;
- It is in the class of instruments that is subordinate to all other classes of instruments;
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- Apart from the contractual obligation for the Group to repurchase or redeem the instrument for cash, the instrument does not include any other features that would require classification as a liability and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Group over the life of the instrument.

The Group's redeemable units meet these conditions and are classified as equity.

BHFTI and BHFT II units held by external unitholders

On 4 November 2025, Redcape acquired 50.1% of the units in the Bendigo Fund for total consideration of \$20.5 million. The Bendigo Fund owns and operates the freehold going concern of the All Seasons Resort Hotel Bendigo in Victoria. This acquisition resulted in Redcape obtaining control of the Bendigo Fund from the acquisition date and, accordingly, the results of the Bendigo Fund have been consolidated into Redcape's financial statements.

The Bendigo Fund has a statutory life of five years, maturing in November 2026. At maturity, unitholders have a contractual right to redeem their units for cash or another financial asset. As a result, the units are puttable instruments and are classified as financial liabilities.

Under AASB 132 *Financial Instruments: Presentation*, these instruments may be classified as non-controlling interests within equity in the issuing entity's standalone financial statements when the puttable instrument meets all the conditions as described above. However, this exemption does not extend to Redcape's consolidated financial statements. Accordingly, while Redcape consolidates the Bendigo Fund on the basis of control, the remaining 49.9% of units are required to be presented as a current financial liability (refer to note 17).

Capital risk management

At 31 December 2025, the Group has 431,239,961 redeemable units (30 June 2025: 383,123,194) classified as equity.

The Group's objective in managing the redeemable units are to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity arising from redemptions.

Redcape's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for stapled unit holders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 18. Contributed equity (continued)

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, Redcape may adjust the amount of distributions paid to stapled unit holders, return capital to stapled unit holders, issue new stapled units or sell assets to reduce debt.

Redcape is subject to certain covenants in respect of its financing and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial period.

The capital risk management policy remains unchanged from the previous reporting period.

Accounting policy for issued capital

Redeemable stapled units are classified as equity. Incremental costs directly attributable to the issue of new stapled units or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 19. Non-controlling interests

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Contributed equity	190,846	147,756
Reserves	229,331	161,560
Accumulated losses	(47,176)	(37,054)
	<u>373,001</u>	<u>272,262</u>

Details	Contributed equity \$'000	Hedging reserve \$'000	Revaluation reserve \$'000	Accumulated losses \$'000	Total \$'000
RHT I					
Balance at 1 July 2025	147,756	(1,610)	163,170	(37,054)	272,262
Profit for the period	-	-	-	13,329	13,329
Total other comprehensive income	-	3,488	64,283	-	67,771
Units issued	2,221	-	-	-	2,221
Equity raised	43,717	-	-	-	43,717
Units issued under distribution reinvestment plan	349	-	-	-	349
Units issued under Limited Offer	(3,197)	-	-	-	(3,197)
Distributions paid to stapled unitholders	-	-	-	(11,333)	(11,333)
Distributions payable to stapled unitholders	-	-	-	(12,118)	(12,118)
Balance at 31 December 2025	<u>190,846</u>	<u>1,878</u>	<u>227,453</u>	<u>(47,176)</u>	<u>373,001</u>

Units in RHT I and RHT II were stapled to one another on 2 July 2018. RHT II is identified as the parent of the Group and acquirer of RHT I with the acquisition accounted for as a change in ownership without a loss of control. The issued units of RHT I are not owned by RHT II and are presented as non-controlling interests in the Group even though units in RHT I are held directly by the unitholders of the Trust.

The equity in the net assets of RHT I and the profit/(loss) arising from those net assets have been separately identified in the statements of comprehensive income and financial position. RHT I's contributed equity and retained earnings/accumulated losses are shown as a non-controlling interest in the consolidated interim financial statements in accordance with accounting standards.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 20. Distributions

Distributions paid/payable in respect of the half-year

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>For the quarters ending:</i>		
30 September 2025 of 2.81 cents (30 September 2024 of 2.30 cents) per stapled unit	11,333	9,813
31 December 2025 of 2.81 cents (31 December 2024 of 2.30 cents) per stapled unit	12,118	9,652
	<u>23,451</u>	<u>19,465</u>
<i>For the half-year ending:</i>		
31 December 2025 of 5.0 cents per BHFT I unit*	910	-
	<u>24,361</u>	<u>19,465</u>

* Represent total distribution payable of \$1.8 million to Bendigo Hotel Fund Trust I's unitholders, offset by Redcape's controlling interest which has been eliminated on consolidation

Accounting policy for distributions

Distributions are recognised when declared during the financial year and no longer at the discretion of the trusts.

Distributions payable is made for the amount of any distribution declared, being appropriately authorised and no longer at the discretion of the trusts, on or before the end of the financial year but not distributed at the reporting date.

Note 21. Fair value measurement

Fair value hierarchy

The following tables detail Redcape's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2025	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<i>Assets</i>				
Land	-	-	363,170	363,170
Interest rate swaps	-	4,406	-	4,406
Total assets	<u>-</u>	<u>4,406</u>	<u>363,170</u>	<u>367,576</u>
Consolidated - 30 Jun 2025	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
<i>Assets</i>				
Land	-	-	265,266	265,266
Interest rate swaps	-	1,576	-	1,576
Total assets	<u>-</u>	<u>1,576</u>	<u>265,266</u>	<u>266,842</u>

Assets and liabilities held for sale are measured at fair value on a non-recurring basis.

There were no transfers between levels during the financial half-year.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 21. Fair value measurement (continued)

The carrying amounts of trade and other receivables and trade and other payables approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Land (level 3)

Land is recognised at fair value based on periodic valuations by external independent valuers and/or six-monthly Portfolio valuations. Independent external assessments are conducted by a professionally qualified valuer, having recent experience in the location and category of land being valued. Land is revalued by the Directors each half-year where an independent valuation has not been obtained.

The historical cost of land is \$154.5 million.

Valuation process

Freehold Going Concern valuations are based on the income capitalisation method, which is determined with reference to maintainable earnings and adopted yield. The overall increment/decrement to the portfolio's Freehold Going Concern valuation is allocated across its various components (both Freehold and Leasehold) based on prior independent valuations, noting that with the exception of land, all other components are recorded at historical cost less impairment and accumulated depreciation (for buildings and PPE). Freehold valuation for each venue comprises land, licences, buildings and investment property. Total value assigned to land is based on a market accepted residual approach after attributing a fair value to the licences and buildings based on recently available market data and indicators associated with the value of licences and buildings.

Portfolio valuations were undertaken for all Freehold Going Concern properties at 31 December 2025. In assessing fair value of these properties, the Portfolio Valuations adopted the same adjustment process as used by external independent valuers. This included changes in assumptions that have been applied to specific properties based on consideration of market indicators. The Group obtained independent valuations for 13 venues from the portfolio (excluding Bendigo) during the reporting period.

All external and internal valuations have been reviewed and approved by the Responsible Entity.

Land value is regarded as a level 3 asset that has unobservable input. The unobservable inputs for deriving the value of land include the following:

Unobservable inputs	Range	Inter-relationship between key unobservable inputs and fair value measurement
Freehold Going Concern - Capitalisation rates	6.48% - 10.65%	The estimated fair value would increase (decrease) if: Capitalisation rates were lower (higher)
Freehold Going Concern - Adopted earnings	\$1.0 million - \$7.3 million	Adopted earnings were higher (lower)
Licences	Diverse*	Licences are lower (higher)
Buildings - replacement costs	\$2,002 - \$13,085 per square metre	Building replacement costs are lower (higher)
Buildings - Economic life remaining	20 years - 150 years	Economic life remaining is lower (higher)

* The range of inputs have been derived from combination of market data assessments from independent valuers or the application thereof of both data sets against assets with like characteristics.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 21. Fair value measurement (continued)

Derivative financial instruments (level 2)

Derivative financial instruments have been valued using observable market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current financial half-year are set out below:

Consolidated	Land \$'000
Balance at 1 July 2025	265,266
Losses recognised in profit or loss	(2,160)
Gain recognised in other comprehensive income	64,283
Additions - business acquisitions (note 24)	49,981
Classified as held for sale (note 7)	<u>(14,200)</u>
Balance at 31 December 2025	<u><u>363,170</u></u>

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 22. Contingent liabilities

Redcape has provided bank guarantees to a supplier and landlords as at 31 December 2025 of \$6.3 million (30 June 2025: \$5.5 million).

Note 23. Related party transactions

Parent entity

MA Redcape Hotel Trust II is the parent entity.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 23. Related party transactions (continued)

Transactions with related parties

Transactions with the Responsible Entity

	Transaction values for the period ended 31 Dec 2025 \$	Balance outstanding as at 31 Dec 2025 \$	Transaction values for the period ended 31 Dec 2024 \$	Balance outstanding as at 30 June 2025 \$
MA Redcape Hotel Fund RE Limited (i)				
Asset management fee (i)	2,951,727	-	2,699,000	-
Debt arrangement fee (ii)	250,000	-	1,905,167	1,905,167
Acquisition fee (iii)	1,550,500	-	665,000	1,455,000
Disposal fee (iv)	-	-	1,780,000	1,778,000
Performance fee (v)	-	-	(3,308,279)	-
	<u>4,752,227</u>	<u>-</u>	<u>3,740,888</u>	<u>5,138,167</u>

- (i) Fees paid to the Responsible Entity are subsequently paid to Redcape Hospitality Pty Ltd in its capacity as Trust Manager.
- (ii) Debt arrangement fee equates to 0.5% of the new loan facility.
- (iii) Acquisition fee equates to 1.0% of consideration paid for the acquisition of six hotels (excluding Bendigo).
- (iv) Disposal fee equates to 1.0% of sales proceeds from the disposal of hotels. There were no divestment transactions during the half year period.
- (v) The Group has not accrued or paid Performance fee during the half year period. The \$3.3 million in December 2024 relates to the reversal of performance fees accrued in prior periods.

Other related party transactions

The aggregate amounts recognised during the period relating to transactions between Redcape and related entities were as follows:

Related Entity	Transaction	Transaction values for the period ended 31 Dec 2025 \$	Balance outstanding as at 31 Dec 2025 \$	Transaction values for the period ended 31 Dec 2024 \$	Balance outstanding as at 30 June 2025 \$
Redcape Hospitality Pty Ltd	Hotel operating fee*	7,483,146	1,205,809	4,221,176	898,210
Redcape Hospitality Pty Ltd	Project development fee	940,296	278,329	509,702	345,982
MA Asset Management Ltd	MA SIV property Fund sell down fees	-	-	-	690,553
		<u>8,423,442</u>	<u>1,484,138</u>	<u>4,730,878</u>	<u>1,934,745</u>

* In the comparative period, the Trust Manager had agreed to reduce fees associated with the Hotel Operator Agreement by an annualised amount of approximately \$4.3 million from 1 January 2024 (total rebate provided for six-month period from 1 July 2024 to 31 December 2024 amounted to \$2.2 million). In the current period, there are no further reduced fees as the Group's underlying earnings are forecast to exceed 10 cents per stapled unit.

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 24. Business combinations

Business acquisitions

Acquisition of hotels

During the reporting period, the Group acquired six QLD hotels including retail bottle shops for total net cash consideration of \$155.0 million.

Acquisition of units in BHFT I and BHFT II

On 4 November 2025, Redcape acquired 50.1% of units in BHFT I and BHFT II (together referred to as 'Bendigo' or 'the Bendigo Fund') for total consideration of \$20.5 million (\$19.1 million net cash consideration). BHFT I and BHFT II together own and operate the FHGC for All Seasons Resort Hotel Bendigo in Victoria ('VIC'). The acquisition effectively gives Redcape control over BHFT I and BHFT II at acquisition date and accordingly their results have been consolidated into the Group's results from that date.

Bendigo qualifies as a business in accordance with AASB 3 *Business Combinations*.

The following summarises the major classes of consideration transferred and recognises the amounts of assets acquired and liabilities consolidated from the acquisition/transaction date.

Fair value of net assets acquired	Wholly- owned hotels	Bendigo	Total
	\$'000	\$'000	\$'000
Cash and cash equivalents	792	1,969	2,761
Trade and other receivables	-	364	364
Inventories	2,915	107	3,022
Prepayments	511	508	1,019
Land (note 9)	12,670	37,311	49,981
Buildings (note 10)	6,530	7,149	13,679
Property, plant and equipment (note 10)	11,130	4,858	15,988
Gaming and liquor licences (note 11)	81,844	3,099	84,943
Trade and other payables	(558)	(4,659)	(5,217)
Distribution payable	-	(1,215)	(1,215)
Provision for income tax	-	(419)	(419)
Deferred tax liability	-	(1,103)	(1,103)
Employee benefits	(684)	(552)	(1,236)
Borrowings	-	(24,569)	(24,569)
Total fair value of net assets acquired	<u>115,150</u>	<u>22,848</u>	<u>137,998</u>
Goodwill	40,626	19,664	60,290
Other financial liabilities	-	(22,053)	(22,053)
Acquisition-date fair value of the total consideration transferred	155,776	20,459	176,235
Representing:			
Cash paid or payable to vendor	<u>155,776</u>	<u>20,459</u>	<u>176,235</u>
Acquisition costs expensed to profit or loss	<u>12,094</u>	<u>2,374</u>	<u>14,468</u>
Cash used to acquire business/controlling interest, net of cash acquired:			
Acquisition-date fair value of the total consideration transferred	155,776	20,459	176,235
Distribution paid to BHFT I's previous unitholders	-	608	608
Less: cash and cash equivalents	(792)	(1,969)	(2,761)
Net cash used	<u>154,984</u>	<u>19,098</u>	<u>174,082</u>

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 24. Business combinations (continued)

Acquisition related costs

Business acquisition costs of \$14.5 million include stamp duty, legal fees and due diligence costs and were included in Redcape's consolidated statement of profit or loss and other comprehensive income.

Contribution to the Group's results

From the date of acquisition to 31 December 2025, the six wholly-owned hotels and their retail bottle shops contributed \$42.5 million to consolidated Group revenue and their operating EBITDA was \$9.1 million. In addition, Bendigo contributed \$4.9 million to the consolidated Group revenue number and \$1.2 million to the consolidated operating EBITDA number.

Accounting policy for business combinations

The acquisition method of accounting is used to account for business combinations.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, Redcape assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, Redcape's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 25. Reconciliation of (loss)/ profit after income tax to net cash from operating activities

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
(Loss)/ profit after income tax benefit/(expense) for the half-year	(3,232)	46,156
Adjustments for:		
Depreciation and amortisation	14,564	7,954
Lease interest	2,936	1,332
Loss/ (gain) on asset revaluation	2,160	(3,823)
Net (liability)/asset acquired, business acquisition	(3,570)	3,324
Business acquisition and transaction costs	15,072	5,647
Gain on disposal of business	-	(29,533)
Financial derivative change in fair value and hedging costs	3,488	-
Accruals and other payables	1,719	-
Disposal of lease	(49)	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(3,995)	(776)
Increase in inventories	(5,173)	(664)
Decrease/(increase) in capitalised loan establishment costs	364	(2,558)
Decrease/(increase) in other current assets	2,430	(6,402)
(Increase)/decrease in deferred tax asset	(934)	1,669
Increase in in trade and other payables	3,313	1,490
Increase in derivative financial instruments	(2,830)	-
Increase in current tax liabilities	285	-
Increase in deferred tax liabilities	1,002	-
Increase/(decrease) in employee benefits	1,562	(551)
Net cash from operating activities	<u>29,112</u>	<u>23,265</u>

MA Redcape Hotel Fund
Notes to the condensed consolidated financial statements
31 December 2025

Note 26. Events after the reporting period

On 12 February 2026, the Group finalised an increase of \$25.0 million to its existing bank loan facilities, with a maturity date of November 2030.

Other than the above, no other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future financial years.

**MA Redcape Hotel Fund
Directors' declaration
31 December 2025**

In the Directors' opinion:

- the attached condensed consolidated financial statements and notes comply with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 'Interim Financial Reporting';
- the attached condensed consolidated financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the period ended on that date;
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Nicholas Collishaw
Chairman

18 February 2026
Sydney



Christopher Unger
Managing Director



Independent Auditor's Review Report

To the stapled security holders of MA Redcape Hotel Fund

Conclusion

We have reviewed the accompanying **Interim Financial Report** of MA Redcape Hotel Fund (the **Stapled Group**).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of MA Redcape Hotel Fund does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Stapled Group's** financial position as at 31 December 2025 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2025
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Interim Period ended on that date
- Notes 1 to 26 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Stapled Group** comprises MA Redcape Hotel Trust II and the entities it controlled at the Interim Period's end or from time to time during the Interim Period and MA Redcape Hotel Trust I and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

The **Interim Period** is the 6 months ended on 31 December 2025.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Report* section of our report.

We are independent of the Stapled Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the MA Redcape Hotel Fund RE Limited (the Responsible Entity) are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Paul Thomas

Partner

Sydney

18 February 2026

MA Redcape Hotel Trust I

ARSN 629 354 614

Interim Report - 31 December 2025

MA Redcape Hotel Trust I
Directors' report
31 December 2025

The Directors of MA Redcape Hotel Fund RE Limited (the 'Responsible Entity') present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of MA Redcape Hotel Trust I (referred to hereafter as the 'Trust' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2025. The manager of MA Redcape Hotel Fund ('Redcape') is Redcape Hospitality Pty Ltd ('Trust Manager' or 'Management'), a wholly owned subsidiary of MA Financial Group Ltd ('MA Financial'). Redcape is a stapled Fund consisting of MA Redcape Hotel Trust I and MA Redcape Hotel Trust II and the entities they controlled at the end of, or during, the period ended 31 December 2025.

Directors

The following persons were Directors of the Responsible Entity of the Trust for the period ended 31 December 2025 and up to the date of this report, unless otherwise stated:

Mr Nicholas Collishaw
Mr Andrew Ireland
Mr David Groves
Mr Christopher Unger
Mr Andrew Martin

Principal activities

During the financial year, the principal continuing activities of the consolidated entity consisted of real estate investment in the hotel freehold (land and building) sector in Australia.

Distributions

Distribution paid/payable in respect of the half-year

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>For the quarters ending:</i>		
30 September 2025 of 2.81 cents (30 September 2024 of 2.30 cents) per stapled unit	11,333	9,813
31 December 2025 of 2.81 cents (31 December 2024 of 2.30 cents) per stapled unit	12,118	9,652
	<u>23,451</u>	<u>19,465</u>
<i>For the half-year ending:</i>		
31 December 2025 of 5.0 cents per Bendigo Hotel Fund Trust I unit*	910	-
	<u>24,361</u>	<u>19,465</u>

* Represent total distribution payable of \$1.8 million to Bendigo Hotel Fund Trust I's unitholders, offset by Redcape's controlling interest which has been eliminated on consolidation

Review of operations

The profit for the consolidated entity amounted to \$14.9 million (31 December 2024: \$12.1 million).

Disposal of investment properties

The consolidated entity entered into a put and call option deed in respect of one New South Wales ('NSW') investment property for total consideration of \$38.5 million. Completion of the sale is conditional on the exercise of the relevant option and is expected to be completed at the beginning of the next financial year.

Acquisition of investment properties

The Group acquired two Queensland ('QLD') investment properties and a controlling interest in one investment property for total consideration of \$21.5 million during the reporting period.

Acquisition of units in Bendigo Hotel Fund Trust I ('BHFT I')

On 4 November 2025, the Group acquired 50.1% of units in BHFT I for total consideration of \$10.5 million. BHFT I holds All Seasons Resort Hotel Bendigo in Victoria ('VIC') as an investment property. This acquisition resulted in the Group obtaining control of BHFT I from the acquisition date and, accordingly, the results of BHFTI have been consolidated into the Group's financial statements.

MA Redcape Hotel Trust I
Directors' report
31 December 2025

Capital raise

In August 2025, Redcape reissued the Product Disclosure Statement ('PDS') for a capital raise ('Limited Offer'). The Limited Offer sought to raise equity from existing and new investors, with proceeds to be used for acquisitions, growth capital expenditure across the existing portfolio and working capital purposes. Total equity raised under the Limited Offer ended in December 2025 amounted to \$74.0 million, of which \$43.7 million was attributed to the Group. Following completion of the Limited Offer, the PDS was amended in December 2025 to remove references to the Limited Offer.

Bank loan facility

In November 2025, the Group secured an additional bank loan facility of \$50.0 million with maturity date in November 2030.

Significant changes in the state of affairs

Other than the matters noted in the 'Review of Operations', there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 12 February 2026, the Group finalised an increase of \$25.0 million to its existing bank loan facilities, with a maturity date of November 2030.

Other than the above, no other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Rounding of amounts

Amounts have been rounded to the nearest thousand dollars unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Nicholas Collishaw
Chairman



Christopher Unger
Managing Director

18 February 2026
Sydney



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of MA Redcape Hotel Fund RE Limited, as Responsible Entity
of MA Redcape Hotel Trust I

I declare that, to the best of my knowledge and belief, in relation to the review of MA Redcape Hotel Trust I for the half-year ended 31 December 2025 there have been:

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

KPMG

Paul Thomas

Partner

Sydney

18 February 2026

MA Redcape Hotel Trust I

Contents

31 December 2025

Condensed consolidated statement of profit or loss and other comprehensive income	5
Condensed consolidated statement of financial position	6
Condensed consolidated statement of changes in equity	7
Condensed consolidated statement of cash flows	8
Notes to the condensed consolidated financial statements	9
Directors' declaration	23
Independent auditor's review report to the members of MA Redcape Hotel Trust I	24

General information

The interim financial statements cover MA Redcape Hotel Trust I as a consolidated entity consisting of MA Redcape Hotel Trust I and the entities it controlled at the end of, or during, the half-year. The interim financial statements are presented in Australian dollars, which is MA Redcape Hotel Trust I's functional and presentation currency.

MA Redcape Hotel Trust I
Condensed consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 \$'000	31 Dec 2024 \$'000
Investment income	4	23,418	21,233
Finance income		11,531	6,826
Total revenue		<u>34,949</u>	<u>28,059</u>
Expenses			
Operating expenses		(2,328)	(2,587)
Management fee	5	(738)	2,167
Finance costs		(16,039)	(12,725)
Depreciation expense		(661)	(394)
Other non-operating expenses		(250)	-
Loss on disposal of investment property		-	(2,393)
Total expenses		<u>(20,016)</u>	<u>(15,932)</u>
Profit for the half-year attributable to the unitholders of MA Redcape Hotel Trust I		14,933	12,127
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net change in the fair value of cash flow hedges taken to equity		3,488	(5,650)
Other comprehensive income/(loss) for the half-year		3,488	(5,650)
Total comprehensive income for the half-year attributable to the unitholders of MA Redcape Hotel Trust I		<u><u>18,421</u></u>	<u><u>6,477</u></u>

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

MA Redcape Hotel Trust I
Condensed consolidated statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 Dec 2025	30 Jun 2025
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents		2,114	3,873
Trade and other receivables	6	11,124	7
Derivative financial instruments		1,696	635
Other current assets	7	1,260	1,327
		<u>16,194</u>	<u>5,842</u>
Assets classified as held for sale	8	17,031	-
Total current assets		<u>33,225</u>	<u>5,842</u>
Non-current assets			
Trade and other receivables	6	309,737	155,760
Derivative financial instruments		2,710	941
Investment properties	9	430,124	373,667
Total non-current assets		<u>742,571</u>	<u>530,368</u>
Total assets		<u>775,796</u>	<u>536,210</u>
Liabilities			
Current liabilities			
Trade and other payables		4,036	6,910
Distribution payable	10	13,028	9,578
Borrowings	11	24,374	-
Other financial liabilities	12	11,087	-
Total current liabilities		<u>52,525</u>	<u>16,488</u>
Non-current liabilities			
Borrowings	11	618,511	453,021
Total non-current liabilities		<u>618,511</u>	<u>453,021</u>
Total liabilities		<u>671,036</u>	<u>469,509</u>
Net assets		<u>104,760</u>	<u>66,701</u>
Equity			
Issued capital	13	190,845	147,756
Cash flow hedge reserve		1,878	(1,610)
Accumulated losses		(87,963)	(79,445)
Total equity		<u>104,760</u>	<u>66,701</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

MA Redcape Hotel Trust I
Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Issued capital \$'000	Cash flow hedge reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2024	186,819	5,803	(87,160)	105,462
Profit for the half-year	-	-	12,127	12,127
Other comprehensive loss for the half-year	-	(5,650)	-	(5,650)
Total comprehensive (loss)/income for the half-year	-	(5,650)	12,127	6,477
<i>Transactions with unitholders in their capacity as unitholders:</i>				
Units issued (note 13)	3	-	-	3
Units redeemed (note 13)	(11,927)	-	-	(11,927)
Units issued under distribution reinvestment plan (note 13)	125	-	-	125
Distributions paid/payable (note 14)	-	-	(19,465)	(19,465)
Balance at 31 December 2024	175,020	153	(94,498)	80,675

Consolidated	Issued capital \$'000	Cash flow hedge reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2025	147,756	(1,610)	(79,445)	66,701
Profit for the half-year	-	-	14,933	14,933
Other comprehensive income for the half-year	-	3,488	-	3,488
Total comprehensive income for the half-year	-	3,488	14,933	18,421
<i>Transactions with unitholders in their capacity as unitholders:</i>				
Units issued (note 13)	45,937	-	-	45,937
Units redeemed (note 13)	(3,197)	-	-	(3,197)
Units issued under distribution reinvestment plan (note 13)	349	-	-	349
Distributions paid/payable	-	-	(23,451)	(23,451)
Balance at 31 December 2025	190,845	1,878	(87,963)	104,760

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

MA Redcape Hotel Trust I
Condensed consolidated statement of cash flows
For the half-year ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		17,986	25,790
Payments to suppliers (inclusive of GST)		(9,264)	(7,578)
Interest received		11,531	6,826
Interest and other finance costs paid		<u>(14,555)</u>	<u>(7,183)</u>
Net cash from operating activities	18	<u>5,698</u>	<u>17,855</u>
Cash flows from investing activities			
Payments for investment property	9	(5,268)	-
Payments of deposits for acquisition of investment properties		-	(2,079)
Payment for acquisition of investment properties		(35,127)	(54,247)
Net proceeds from disposal of investment properties (including assets classified as held for sale)		<u>-</u>	<u>97,450</u>
Net cash (used in)/ from investing activities		<u>(40,395)</u>	<u>41,124</u>
Cash flows from financing activities			
Proceeds from borrowings		205,900	55,000
Repayment of borrowings		(41,000)	(136,000)
Loans to related and other parties		(195,934)	(54,931)
Loans from related and other parties		41,553	82,070
Net proceeds from issue of stapled units	13	45,937	3
Payments for redemption of stapled units	13	(3,197)	(11,927)
Distributions paid	10	<u>(20,321)</u>	<u>(19,523)</u>
Net cash from/ (used in) financing activities		<u>32,938</u>	<u>(85,308)</u>
Net decrease in cash and cash equivalents		(1,759)	(26,329)
Cash and cash equivalents at the beginning of the financial half-year		<u>3,873</u>	<u>36,026</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>2,114</u></u>	<u><u>9,697</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 1. General Information

The interim financial statements cover MA Redcape Hotel Trust I (ARSN 629 354 614) as a consolidated entity consisting of MA Redcape Hotel Trust I ('RHT I') and the entities it controlled at the end of, or during, the period (collectively referred to as the 'consolidated entity' or 'Group'). MA Redcape Hotel Trust I is a registered managed investment scheme under the *Corporations Act 2001* domiciled in Australia. The registered managed investment scheme became effective on 26 October 2018. The responsible entity of RHT I is MA Redcape Hotel Fund RE Limited (ABN 87 610 990 004) (the 'Responsible Entity').

The interim financial statements are presented in Australian dollars, which is MA Redcape Hotel Trust I's functional and presentation currency.

The Responsible Entity is incorporated and domiciled in Australia. Its registered office and principal place of business are:

Level 27
Brookfield Place
10 Carrington Street
Sydney NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' report, which is not part of the interim financial statements.

The interim financial statements were authorised for issue, in accordance with a resolution of Directors, on 18 February 2026. The Directors have the power to amend and reissue the interim financial statements.

Note 2. Material accounting policy information

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

There are no new or amended Accounting Standards or Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period and are considered applicable to, or to have a material impact on the consolidated entity's financial position or performance.

Going Concern

The interim consolidated financial statements have been prepared on a going concern basis.

At 31 December 2025, the Group had current assets of \$33,225,000 and current liabilities of \$52,525,000 leaving a net deficit of working capital of \$19,300,000 (or net working capital deficit of \$22,431,000 if related party receivables are excluded) (30 June 2025: net working capital deficit of \$10,646,000). At the reporting date, the Group had access to \$33,700,000 of undrawn loan facilities and has prepared cash flow forecasts demonstrating that Redcape is expected to generate sufficient cash to meet its obligations as they fall due. In addition, the establishment of an additional \$25,000,000 loan facility in February 2026, together with the expected sale of one NSW investment property early in the next financial year, is anticipated to further improve the Group's liquidity position. On this basis, the Directors of the Responsible Entity consider it appropriate to prepare the financial statements on a going concern basis.

Basis of preparation

These interim financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. They also comply with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'.

These interim financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these interim financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025.

Historical cost convention

The interim financial statements have been prepared under the historical cost convention, except for, the revaluation of derivative financial instruments measured at fair value.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Critical accounting estimates

The preparation of the interim financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the interim financial statements, are disclosed in note 3.

Principles of consolidation

The consolidated interim financial statements incorporate the assets and liabilities of all subsidiaries of MA Redcape Hotel Trust I ('trust' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the half-year then ended. MA Redcape Hotel Trust I and its subsidiaries together are referred to in these interim financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries align with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Taxation

Under current income tax legislation, RHT I is not liable for income tax provided unit holders are presently entitled to all of RHT I's income at 30 June each year.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts

The trust is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the interim half-year reporting period ended 31 December 2025. The consolidated entity has made a preliminary assessment of the impact of these new or amended Accounting Standards and Interpretations and does not expect a significant impact to the interim financial statements.

Standards in issue but not yet effective that are most relevant to the consolidated entity:

New or revised requirement

When effective

AASB 2024-2 *Amendments to the Classification and Measurement of Financial Instruments*
AASB 18 *Presentation and Disclosure in Financial Statements*

Applicable to annual reporting periods beginning on or after 1 January 2026
Applicable to annual reporting periods beginning on or after 1 January 2027

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the interim financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. All critical accounting judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities have been reflected in the notes:

Investment properties and impairment – note 9

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 4. Investment income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Rental income from investment properties *	21,492	19,076
Revenue from outgoings recovered	1,926	2,157
	<u>23,418</u>	<u>21,233</u>
Investment income	<u><u>23,418</u></u>	<u><u>21,233</u></u>

* Rental income includes both internal rental income and external rental income. Refer to note 17 'Related party transactions' for further information on internal rental income.

Revenue

Disaggregation of revenue

All major revenue streams are within Australia and revenue is recognised over time as the service is provided.

Accounting policy for revenue recognition

The consolidated entity recognises revenue as follows:

Rent

Rental income from investment property leases with fixed annual rent increases is recognised on a straight-line basis over the lease term. Fixed increases to the operating lease revenue relating to future periods, are recognised as components of the relevant property investment's carrying value.

Interest

Interest income is recognised using the effective interest method.

Note 5. Management fee

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Asset management fee	738	675
Performance fee*	-	(2,842)
	<u>738</u>	<u>(2,167)</u>
	<u><u>738</u></u>	<u><u>(2,167)</u></u>

* Fee payable to the Responsible Entity on the overall performance of the consolidated entity and realised every six months. There is no performance fee accrual for the current reporting period. There was a \$2.8 million reversal of the accrued performance fee relating to prior periods in the comparative period.

Refer to note 17 'Related party transactions' for further information on outstanding management fees as at 31 December 2025 and 30 June 2025.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 6. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	7,993	7
Interest-bearing related party receivable*	3,131	-
	<u>11,124</u>	<u>7</u>
<i>Non-current assets</i>		
Interest-bearing related party receivable **	309,379	155,139
Straight-line lease asset	358	621
	<u>309,737</u>	<u>155,760</u>
	<u><u>320,861</u></u>	<u><u>155,767</u></u>

* The interest-bearing related party receivable is from Bendigo Hotel Fund Trust II. The related party loan facility expires in November 2026. Loan interest is paid on a monthly basis.

** The interest-bearing related party receivable is from Redcape Hotel Fund Pty Ltd. The related party loan facility was renewed in June 2025 for an additional 2 years, expiring on 30 June 2027. An amendment deed was executed during the reporting period to increase the facility limit to \$355.0 million. Loan interest is paid on a monthly basis. Refer to note 17 'Related party transactions' for more details.

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value, less any allowance for expected credit losses.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 7. Other current assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current assets</i>		
Prepayments	1,260	1,327
	<u>1,260</u>	<u>1,327</u>

Note 8. Assets classified as held for sale

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current assets</i>		
Investment properties	17,031	-
	<u>17,031</u>	<u>-</u>

During the half-year, the consolidated entity entered into a put and call option deed in respect of one New South Wales ('NSW') investment property for total consideration of \$38.5 million. Completion of the sale is conditional on the exercise of the relevant option and is expected to be completed at the beginning of the next financial year. As at 31 December 2025, the carrying value of the assets of the investment property has been classified as assets held for sale. The transaction is expected to settle at the beginning of the next financial year.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 8. Assets classified as held for sale (continued)

Accounting policy for non-current assets classified as held for sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Upon classification as held for sale, the assets are remeasured in accordance with the consolidated entity's accounting policies. Thereafter the assets are measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss.

Note 9. Investment properties

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Investment properties – at cost	435,938	379,024
Less: Accumulated depreciation	(5,814)	(5,357)
	<u>430,124</u>	<u>373,667</u>

Reconciliation

Reconciliation at the beginning and end of the current and previous financial year are set out below:

Opening balance	373,667	453,682
Additions through acquisitions*	68,881	-
Additions - gaming licences	5,268	97,838
Classified as held for sale (note 8)	(17,031)	-
Disposals	-	(176,920)
Depreciation expense	(661)	(933)
Closing balance	<u>430,124</u>	<u>373,667</u>

* During the reporting period, the consolidated entity acquired two investment properties and a controlling interest in one investment property. Acquired investment properties have been accounted for on a provisional basis and are expected to be finalised by the end of the financial year.

Investment properties are comprised of land, buildings, liquor and gaming licences that are:

- Freehold and 100% owned by MAHF Custodian Pty Ltd as appointed custodian
- Freehold and 100% owned by Bendigo Hotel Fund TT Pty Ltd, which is an entity of BHFT I

Plant and equipment is held by the tenant.

Accounting policy for investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation. Investment properties are recognised at cost (including transaction costs) less accumulated depreciation and accumulated impairment losses. Fair value of these investment properties as at 31 December 2025 is \$728.3 million (30 June 2025: \$646.9 million).

Note 10. Distribution payable

	Consolidated	
	31 Dec 2025	30 June 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Distribution	<u>13,028</u>	<u>9,578</u>

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 10. Distribution payable (continued)

Distributions

The provision represents distributions declared, being appropriately authorised and no longer at the discretion of the trusts, on or before the end of the financial year but not distributed at the reporting date.

Movements in provision during the financial period are set out below:

MA Redcape Hotel Trust I (excluding BHFT I)	31 Dec 2025	30 June 2025
	\$'000	\$'000
Carrying amount at the start of the half-year	9,578	9,922
Distribution declared during the current period	23,451	38,418
Payments relating to prior period	(9,353)	(9,817)
Payments relating to current period	(10,968)	(28,507)
Distribution under reinvestment plans (note 13)	(590)	(438)
	<u>12,118</u>	<u>9,578</u>

BHFT I	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Carrying amount at the start of the half-year	-	-
Distribution declared during the current period	910	-
	<u>910</u>	<u>-</u>

Accounting policy for provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 11. Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Bank loans*	24,400	-
Capitalised loan establishment costs*	(26)	-
	<u>24,374</u>	<u>-</u>
<i>Non-current liabilities</i>		
Bank loans	622,133	457,033
Capitalised loan establishment costs	(3,622)	(4,012)
	<u>618,511</u>	<u>453,021</u>
	<u>642,885</u>	<u>453,021</u>

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 11. Borrowings (continued)

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Bank loans	<u>646,533</u>	<u>457,033</u>

* Subsequent to Redcape acquiring a controlling interest in BHFT I, net borrowings of \$24.4 million were recognised as part of the net assets consolidated in the Group's accounts. As BHFT I's loan facility matures in November 2026, the outstanding loan balance of BHFT I as at 31 December 2025, together with the associated capitalised loan establishment costs, has been classified as current liability in the consolidated statement of financial position.

Common Terms Deed

The consolidated entity entered into a debt arrangement under the Common Terms Deed as outlined below:

In November 2025, the Group secured an additional bank loan facility of \$50.0 million with maturity date in November 2030.

The total current facility amount is \$680.2 million (excluding \$7.5 million ancillary facility).

Description of the facility	Amount	Expiry
	(\$ million)	
Tranche A & B	30.2	November 2026
Revolver B Facility	75.0	August 2027
Tranche B	90.0	September 2027
Tranche B	20.0	January 2028
Tranche A,C and Revolver A Facility	154.1	December 2028
Tranche A, B, C, D and Revolver A Facility	260.9	December 2029
Revolver B Facility	<u>50.0</u>	November 2030
	<u>680.2</u>	

The consolidated entity has access to a \$7.5 million ancillary facility. As at 31 December 2025, \$6.3 million has been utilised on bank guarantees to a supplier and landlords (30 June 2025: \$5.5 million).

Assets pledged as security

The financiers in respect of the bank loans have first ranking security over all of the assets of the consolidated entity, a registered mortgage over each property and a fixed charge over each liquor and gaming licence.

The Group's financiers do not hold security over assets not legally owned by the relevant borrowing entities.

Defaults and breaches

There have been no breaches of bank covenants for the period ended 31 December 2025.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 11. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Total facilities		
Bank loans	<u>680,233</u>	<u>600,033</u>
Used at the reporting date		
Bank loans	<u>646,533</u>	<u>457,033</u>
Unused at the reporting date		
Bank loans	<u>33,700</u>	<u>143,000</u>

Accounting policy for borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 12. Other financial liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Financial liabilities attributable to external unitholders of BHFT I	<u>11,087</u>	<u>-</u>

Acquisition of BHFT I units

On 4 November 2025, the Group acquired 50.1% of units in BHFT I for a total consideration of \$10.5 million. BHFT I holds All Seasons Resort Hotel Bendigo in VIC as an investment property. This acquisition resulted in the Group obtaining control of BHFT I from the acquisition date and, accordingly, the results of BHFTI have been consolidated into the Group's financial statements.

BHFT I and Bendigo Hotel Fund Trust II ('BHFT II') (together referred to as 'the Bendigo Fund') has a statutory life of five years, maturing in November 2026. At maturity, unitholders have a contractual right to redeem their units for cash or another financial asset. As a result, the units are puttable instruments and are classified as financial liabilities.

Under AASB 132 *Financial Instruments: Presentation*, these instruments may be classified as non-controlling interests within equity in the issuing entity's standalone financial statements when the puttable instrument meets all the conditions as described in note 13 for redeemable stapled units. However, this exemption does not extend to the Group's consolidated financial statements. Accordingly, while the Group consolidates the BHFT I on the basis of control, the remaining 49.9% of units are required to be presented as a current financial liability.

Accounting policy for financial liabilities

The Group's unit liabilities represent the contributed funds owing to third parties in the Bendigo Fund which the Group is deemed to control. The liabilities are recognised at fair value.

Note 13. Issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Units	Units	\$'000	\$'000
Ordinary units – fully paid	<u>431,239,961</u>	<u>383,123,194</u>	<u>190,845</u>	<u>147,756</u>

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 13. Issued capital (continued)

Details	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	No. of units '000	No. of units '000	\$'000	\$'000
Balance at beginning of the period	383,123	433,550	147,756	186,819
Units issued	2,458	11,136	2,220	11,861
Units issued under Limited Offer	48,849	-	43,717	-
Units issued under distribution reinvestment plan	390	300	349	254
Units redeemed	(3,580)	(61,863)	(3,197)	(51,178)
Balance at end of the period	<u>431,240</u>	<u>383,123</u>	<u>190,845</u>	<u>147,756</u>

Stapled units

The redeemable units of MA Redcape Hotel Trust I ('RHT I') and MA Redcape Hotel Trust II ('RHT II') are stapled together such that the units of RHT I and RHT II must be purchased, sold or transferred together. The stapled group is collectively known as Redcape Hotel Group ('Redcape').

Redeemable units

Redeemable units entitle the holder to participate in distributions and the proceeds on the winding up of the trust in proportion to the number of and amounts paid on the units held. The fully paid ordinary units have no par value and the trust does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each units shall have one vote.

The Group classified financial instruments issued as financial liabilities or equity instrument in accordance with the substance of the contractual terms of the instrument.

The Group classified all its units as redeemable units.

A puttable financial instrument that includes a contractual obligation for the Group to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the following conditions:

- It entitles the holder to a pro rata share of the Group's net assets in the event of the Group's liquidation;
- It is in the class of instruments that is subordinate to all other classes of instruments;
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- Apart from the contractual obligation for the Group to repurchase or redeem the instrument for cash, the instrument does not include any other features that would require classification as a liability and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Group over the life of the instrument.

The Group's redeemable units meet these conditions and are classified as equity.

BHFT I units held by external unitholders

On 4 November 2025, the Group acquired 50.1% of units in BHFT I for total consideration of \$10.5 million. BHFT I holds All Seasons Resort Hotel Bendigo in Victoria as an investment property. This acquisition effectively gives the Group control over BHFT I at acquisition date and accordingly its results have been consolidated into the Group's results from that date.

The Bendigo Fund has a statutory life of five years, maturing in November 2026. At maturity, unitholders have a contractual right to redeem their units for cash or another financial asset. As a result, the units are puttable instruments and are classified as financial liabilities.

Under AASB 132 *Financial Instruments Presentation*, these instruments may be classified as non-controlling interests ('NCI') within equity in the issuing entity's standalone financial statements; however, this exemption does not extend to the Group's consolidated financial statements when the puttable instrument meets all the conditions as described above. Accordingly,

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 13. Issued capital (continued)

while the Group consolidates BHFT I on the basis of control, the remaining 49.9% of units is required to be presented as a financial liability (refer to note 12).

Capital risk management

At 31 December 2025, the Group has 431,239,961 redeemable units (30 June 2025: 383,123,194) classified as equity.

The Group's objective in managing the redeemable units are to ensure a stable and strong base to maximise returns to all investors, and to manage liquidity arising from redemptions.

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for unit holders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of distributions paid to unit holders, return capital to unit holders, issue new units or sell assets to reduce debt.

The consolidated entity is subject to certain covenants in respect of its financing and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from previous reporting period.

Accounting policy for issued capital

Redeemable units are classified as equity. Incremental costs directly attributable to the issue of new units or options are shown in equity as a deduction from the proceeds.

Note 14. Distributions

Distributions paid/payable in respect of the half-year

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>For the quarters ending:</i>		
30 September 2025 of 2.81 cents (30 September 2024 of 2.30 cents) per stapled unit	11,333	9,813
31 December 2025 of 2.81 cents (31 December 2024 of 2.30 cents) per stapled unit	12,118	9,652
	<u>23,451</u>	<u>19,465</u>
<i>For the half-year ending:</i>		
31 December 2025 of 5.0 cents per BHFT I unit*	910	-
	<u>24,361</u>	<u>19,465</u>

* Represents total distribution payable of \$1.8 million to Bendigo Hotel Fund Trust I's unitholders, offset by Redcape's controlling interest which has been eliminated on consolidation.

Accounting policy for distributions

Distributions are recognised when declared during the financial year and no longer at the discretion of the trusts.

Distributions payable is made for the amount of any distribution declared, being appropriately authorised and no longer at the discretion of the trusts, on or before the end of the financial year but not distributed at the reporting date.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 15. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Assets</i>				
Interest rate swaps	-	4,406	-	4,406
Total assets	-	4,406	-	4,406

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2

Derivative financial instruments (level 2)

Derivative financial instruments have been valued using observable market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 16. Contingent liabilities

The consolidated entity has given bank guarantees to a supplier and landlords of a related party as at 31 December 2025 of \$6.3 million (30 June 2025: \$5.5 million).

Note 17. Related party transactions

Parent entity

MA Redcape Hotel Trust I is the parent entity.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 17. Related party transactions (continued)

Transactions with related parties

(a) Responsible Entity

	Transaction values for the year ended 31 Dec 2025 \$	Balance outstanding as at 31 Dec 2025 \$	Transaction values for the year ended 31 Dec 2024 \$	Balance outstanding as at 30 June 2025 \$
MA Redcape Hotel Fund RE Limited (i)				
Asset management fee	722,869	-	674,750	-
Debt arrangement fee (ii)	250,000	-	1,905,167	1,905,167
Acquisition fee (iii)	215,000	-	447,000	911,500
Disposal fee (iv)	-	-	1,001,000	1,066,800
Performance fee (v)	-	-	(2,841,699)	-
	<u>1,187,869</u>	<u>-</u>	<u>1,186,218</u>	<u>3,883,467</u>

(i) Fees paid to the Responsible Entity are subsequently paid to Redcape Hospitality Pty Ltd in its capacity as Trust Manager.

(ii) Debt arrangement fee equates to 0.5% of the new loan facility.

(iii) Acquisition fee equates to 1.0% of consideration paid for two investment property acquisitions (excluding BHFT I).

(iv) Disposal fee equates to 1.0% of sales proceeds from the disposal of investment properties.

(v) Performance fees are accrued based on Portfolio Valuations and is expected to crystallise and become payable as Independent Valuations are performed. Accrued fees are split proportionately between MA Redcape Hotel Trust I and MA Redcape Hotel Trust II based on the latest published Net Asset Value ('NAV'). There is no additional performance fee accrual during the reporting period.

(b) Other related party disclosures

The aggregate amounts recognised during the period relating to transactions between the consolidated entity and related entities were as follows:

Related Entity	Transaction	Transaction values for the year ended 31 Dec 2025 \$	Balance outstanding as at 31 Dec 2025 \$	Transaction values for the year ended 31 Dec 2024 \$	Balance outstanding as at 30 June 2025 \$
Redcape Hotel Group Pty Ltd	Rental income	(21,308,751)	(7,603,655)	(19,111,698)	-
Redcape Hotel Fund Pty Ltd	Interest income	(11,352,502)	(2,189,725)	(6,421,646)	(12,607,511)
Redcape Hotel Fund Pty Ltd	Loan receivable	154,240,025	309,379,070	(27,226,588)	155,139,045
Bendigo Hotel Fund Op Co Pty Ltd	Rental income	(350,590)	-	-	-
Bendigo Hotel Fund Trust II	Interest income	(19,916)	(1,430,218)	-	-
Bendigo Hotel Fund Trust II*	Loan Receivable	3,130,765	3,130,765	-	-

Loan receivable of \$3.2 million was recognised on the acquisition date of BHFT I as part of the net assets acquired during the reporting period.

MA Redcape Hotel Trust I
Notes to the condensed consolidated financial statements
31 December 2025

Note 18. Reconciliation of profit to net cash from operating activities

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Profit for the half-year	14,933	12,127
Adjustments for:		
Depreciation and amortisation	661	394
Loss on disposal of investment properties	-	2,393
Net (liability)/asset acquired, investment properties acquisition	(387)	2,080
Financial derivative - movement in fair value & hedging costs	3,487	-
Change in operating assets and liabilities:		
(Increase)/ decrease in trade and other receivables	(7,723)	3,058
Decrease/(increase) in other current assets	67	(1,492)
Decrease/(increase) in capitalised loan establishment costs	364	(2,558)
(Decrease)/ increase in trade and other payables	(2,874)	1,853
Increase in derivative financial instruments	(2,830)	-
Net cash from operating activities	<u>5,698</u>	<u>17,855</u>

Note 19. Events after the reporting period

On 12 February 2026, the Group finalised an increase of \$25.0 million to its existing bank loan facilities, with a maturity date of November 2030.

Other than the above, no other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in the future financial years.

MA Redcape Hotel Trust I
Directors' declaration
31 December 2025

In the Directors' opinion:

- the attached condensed consolidated financial statements and notes comply with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached condensed consolidated financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Nicholas Collishaw
Chairman

18 February 2026
Sydney



Christopher Unger
Managing Director



Independent Auditor's Review Report

To the security holders of MA Redcape Hotel Trust I

Conclusion

We have reviewed the accompanying **Interim Financial Report** of MA Redcape Hotel Trust I (the **Group**).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of MA Redcape Hotel Trust I does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 31 December 2025 and of its performance for the **Interim Period** ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 31 December 2025
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Interim Period ended on that date
- Notes 1 to 19 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The **Group** comprises MA Redcape Hotel Trust I and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

The **Interim Period** is the 6 months ended on 31 December 2025.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the MA Redcape Hotel Fund RE Limited (the Responsible Entity) are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Paul Thomas

Partner

Sydney

18 February 2026