



Financial Statements

for the half-year ended 31 December 2025

Rural Funds Group | ASX:
RFF

Managed by:



Rural Funds Group

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Rural Funds Group

Corporate Directory

Registered Office	Level 2, 2 King Street DEAKIN ACT 2600
Responsible Entity	Rural Funds Management Limited ABN 65 077 492 838 AFSL 226701 Level 2, 2 King Street DEAKIN ACT 2600 Ph: 1800 026 665
Directors	Guy Paynter David Bryant Michael Carroll Julian Widdup Andrea Lemmon
Company Secretary	Emma Spear
Custodian	Certane CT Pty Limited ACN 106 424 088 Level 6, 80 Clarence Street SYDNEY NSW 2000
Auditors	PricewaterhouseCoopers One International Towers Sydney Watmans Quay BARANGAROO NSW 2000
Share Registry	Boardroom Pty Limited Level 8, 210 George Street SYDNEY NSW 2000 Ph: 1300 737 760
Bankers	Australia and New Zealand Banking Group Limited (ANZ) 242 Pitt Street SYDNEY NSW 2000
	Cooperatieve Rabobank UA Darling Park Tower 3 201 Sussex Street SYDNEY NSW 2000
	National Australia Bank (NAB) Level 6, 2 Carrington Street SYDNEY NSW 2000
Stock Exchange Listing	Rural Funds Group units (Rural Funds Trust and RF Active form a stapled investment vehicle) are listed on the Australian Securities Exchange (ASX)
ASX Code	RFF

Rural Funds Group

Directors' Report

31 December 2025

Rural Funds Group (RFF or the Group) comprises the stapled units in two Trusts, Rural Funds Trust (RFT) (ARSN 112 951 578) and RF Active (RFA) (ARSN 168 740 805) (collectively, the Trusts). The Directors of Rural Funds Management Limited (RFM) (ACN 077 492 838, AFSL 226701), the Responsible Entity of Rural Funds Group present their report on the Group for the half year ended 31 December 2025.

In accordance with AASB 3 *Business Combinations*, the stapling arrangement referred to above is regarded as a business combination and Rural Funds Trust has been identified as the parent for the purpose of preparing the consolidated financial report.

The Directors' report is a combined report that covers both Trusts. The financial information for the Group is taken from the Consolidated Financial Statements and notes.

Directors

The following persons held office as Directors of the Responsible Entity during the period and up to the date of this report:

Guy Paynter	Non-Executive Chair
David Bryant	Managing Director
Michael Carroll	Non-Executive Director
Julian Widdup	Non-Executive Director
Andrea Lemmon	Non-Executive Director

Principal activities and significant changes in state of affairs

The principal activity of the Group during the half year was the development and leasing of agricultural properties. The Group is a lessor of agricultural property with revenue derived from leasing almond orchards, macadamia orchards, vineyards, cattle properties, cropping properties, agricultural plant and equipment, cattle and water rights. The Group also carries out farming operations on an interim basis for unleased properties and properties under development.

The Group also provides a guarantee to J&F Australia Pty Ltd (J&F), a wholly owned subsidiary of RFM, earning a return equivalent to an equity rate of return calculated on the amount of the guarantee during the half year.

The following activities of the Group changed during the half year:

In August 2025, the Group completed the sale of 2,254ML of High security Murrumbidgee River water entitlements previously contracted.

In December 2025, the Group completed the sale of two Maryborough cropping properties previously contracted.

In December 2025, the Group contracted to sell 4,000ML of High Security Murrumbidgee River water entitlements, expected to settle early 2026.

In December 2025, the Group increased the J&F guarantee from \$123,000,000 to \$132,000,000.

In December 2025, the Group extended the term on its core debt facility of \$830,000,000 (30 June 2025: \$830,000,000). The term on the \$420,000,000 tranche remains unchanged at November 2027. The term on the \$410,000,000 tranche was extended to November 2028. A separate tranche of \$50,000,000 was approved during the half year but not drawn.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group during the half year.

Operating results

The consolidated net profit after income tax of the Group for the half year ended 31 December 2025 amounted to \$47,365,000 (31 December 2024: \$12,090,000). The consolidated total comprehensive income of the Group for the half year ended 31 December 2025 amounted to \$44,094,000 (31 December 2024: \$13,051,000).

The Group holds investment property, bearer plants, owner-occupied property and derivatives at fair value. The Group also reports adjusted funds from operations (AFFO) as a performance measure which adjusts profit for the effects of contracted rent, rental straight-lining, unrealised fair value adjustments, depreciation, impairments, non-cash tax expense, one-off transaction costs and other transactions. AFFO for the half year was \$21,525,000 (31 December 2024: \$22,311,000) and is reconciled to net profit before income tax below.

Rural Funds Group

Directors' Report

31 December 2025

Adjusted funds from operations (AFFO)

The adjusted funds from operations (AFFO) calculated below effectively represents the underlying and recurring cash earnings from the Group's operations from which distributions are funded:

	31 December 2025	31 December 2024
	\$'000	\$'000
Net profit before income tax	47,904	12,595
Property related		
Change in fair value of investment property	(4,491)	(4,583)
Reversal of impairment of bearer plants	-	(155)
Impairment of property - owner occupied	3,624	788
Impairment of intangible assets	299	1,129
Depreciation - bearer plants	5,896	6,003
Depreciation - property - owner occupied	709	473
Depreciation and impairments - other	1,451	2,218
(Gain)/loss on sale of assets	(11,777)	216
Revenue items		
Rental revenue - prepaid rent (TRG macadamias and cropping)	-	870
Prepaid rent recognised (TRG macadamias and cropping)	(316)	(152)
Lease incentive amortisation (TRG macadamias)	173	80
Straight-lining of rental revenue	(7,966)	(4,195)
Interest component of JBS feedlot finance lease	128	(11)
Share of net loss of investments accounted for using the equity method	958	569
Farming operations		
Change in fair value of biological assets (unharvested crops and unsold cattle)	(997)	(1,258)
Change in fair value of biological assets (prior year biological assets realised during the half year)	877	893
Contracted farming cost recovery (TRG cropping)*	-	(850)
Share of loss in Cotton JV Pty Ltd (AFFO)	(588)	(534)
Other		
Change in fair value of financial assets/liabilities	28	24
Change in fair value of interest rate swaps	(14,056)	8,776
Income tax payable (AWF)	(331)	(585)
AFFO	21,525	22,311
AFFO cents per unit	5.5	5.7

* Contracted farming cost recovery (TRG cropping) recognised in AFFO for the year ended 30 June 2024, realised in net profit before income tax for the half year ended 31 December 2024.

Rural Funds Group

Directors' Report

31 December 2025

Financial position

The net assets of the consolidated Group have increased to \$1,070,121,000 at 31 December 2025 from \$1,048,884,000 at 30 June 2025. At 31 December 2025, the Group had total assets of \$1,974,929,000 (30 June 2025: \$1,911,722,000).

At 31 December 2025, the Group held total water entitlements (including investments in Barossa Infrastructure Limited (BIL) and Coleambally Irrigation Co-operative Limited (CICL)) at a book value of \$196,789,000 (30 June 2025: \$210,987,000). Directors obtain independent valuations on RFF properties ensuring that each property will have been independently valued at least every two years or more often where appropriate. These valuations attribute a value to the water entitlements held by the Group. The Directors have taken into account the most recent valuations on each property and consider that they remain a reasonable estimate of fair value. On this basis the fair value of water entitlements at 31 December 2025 was \$335,472,000 (30 June 2025: \$361,228,000). The value of water entitlements is illustrated in the table below:

	31 December 2025	30 June 2025
	\$'000	\$'000
Intangible assets (water entitlements)	184,805	199,003
Investment in CICL	11,464	11,464
Investment in BIL	520	520
Total book value of water entitlements	196,789	210,987
Revaluation of intangible assets per valuation	138,683	150,241
Adjusted total water entitlements	335,472	361,228

Adjusted net asset value

The following depicts the net assets of the Group following the revaluation of water entitlements comprising intangible assets and investments in BIL and CICL per these valuations.

	31 December 2025	30 June 2025
	\$'000	\$'000
Net assets per Consolidated Statement of Financial Position	1,070,121	1,048,884
Revaluation of intangible assets per valuation	138,683	150,241
Adjusted net assets	1,208,804	1,199,125
Adjusted NAV per unit (\$)	3.10	3.08

Banking facilities

At 31 December 2025 the core debt facility available to the Group was \$830,000,000 (30 June 2025: \$830,000,000), with a drawn balance of \$740,606,000 (30 June 2025: \$703,606,000). The facility is split into two tranches with a \$420,000,000 tranche expiring in November 2027 and a \$410,000,000 tranche expiring in November 2028. A separate tranche of \$50,000,000 was approved during the half year but not drawn. At 31 December 2025, RFF had active interest swaps totalling 64.7% (30 June 2025: 65.9%) of the drawn balance on the floating debt facility to manage interest rate risk.

At 31 December 2025 the TRG loan balance was \$68,591,000 (30 June 2025: \$76,660,000). Debt is repaid with interest over 7 years to March 2030.

At 31 December 2025 a borrowing facility provided by Rabobank to the Group relating to the acquisition of Wyseby property was \$24,454,000. At balance date, the facility is due to expire on January 2026. Subsequent to the balance date, the facility was extended to March 2026.

Units on issue

389,722,999 units in Rural Funds Trust were on issue at 31 December 2025 (30 June 2025: 389,722,999). During the half year nil units (30 June 2025: 1,479,953) were issued by the Trust and nil (30 June 2025: nil) were redeemed.

Rural Funds Group

Directors' Report

31 December 2025

Distributions

	Cents per unit	Total \$
Distribution declared 02 June 2025, paid 31 July 2025	2.9325	11,428,627
Distribution declared 01 September 2025, paid 31 October 2025	2.9325	11,428,627
Distribution declared 01 December 2025, paid 30 January 2026	2.9325	11,428,627

Earnings per unit

Net profit after income tax for the half year ('000)	47,365
Weighted average number of units on issue during the half year	389,722,999
Basic and diluted earnings per unit (total) (cents)	12.15

Property leasing

At 31 December 2025 the Group held 61 (30 June 2025: 63) properties as follows:

- 3 almond orchards (4,068 planted hectares).
- 6 vineyards (638 planted hectares).
- 19 macadamia orchards (3,712 planted hectares, 37 hectares under development and an additional 690 planned hectares).
- 21 cattle properties made up of 16 breeding, backgrounding and finishing properties (688,493 hectares)* and 5 cattle feedlots with combined capacity of 150,000 head.
- 12 cropping properties (41,815 hectares).

During the half year ended 31 December 2025, the properties held by the Group recorded fair value movements and depreciation as follows:

	31 December 2025	31 December 2024
	\$'000	\$'000
Change in fair value of investment property	4,491	4,583
Reversal of impairment of bearer plants	-	155
Revaluation decrement - bearer plants	(5,164)	(403)
Depreciation - bearer plants	(5,896)	(6,003)
Impairment of intangible assets	(299)	(1,129)
Impairment of property - owner occupied	(3,624)	(788)
Revaluation increment - property - owner occupied	1,893	1,364
Depreciation - property - owner occupied	(709)	(473)
Change in fair value of financial assets/liabilities - property related	(37)	(24)
Total property revaluation through total comprehensive income	(9,345)	(2,718)
Revaluation of water entitlements per Directors' valuation	(527)	169
Total property revaluation	(9,872)	(2,549)

Almond orchards

The three fully established almond orchard properties (including water entitlements) are located in Hillston, NSW and Darlington Point, NSW and are leased to tenants who make regular rental payments. These encompass a planted area of 4,068 hectares (30 June 2025: 4,068 hectares):

- Yilgah 935 planted hectares (30 June 2025: 935 hectares).
- Tocabil 603 planted hectares (30 June 2025: 603 hectares).
- Kerarbury 2,530 planted hectares (30 June 2025: 2,530 hectares).

These properties are under lease to the following tenants:

- Select Harvests Limited (SHV) 835 planted hectares (30 June 2025: 935 hectares).
- Olam Orchards Australia Pty Limited (Olam) 3,133 planted hectares (30 June 2025: 3,133 hectares).

* The Group's Area for Wyseby (held as tenant-in-common in the interest of 57.25%) included in the number of hectares. Kaiuroo classified as a cropping property at 1 July 2025.

Rural Funds Group

Directors' Report

31 December 2025

Property leasing (continued)

Almond orchards (continued)

For its almond orchards the Group owns water entitlements of 55,525ML (30 June 2025: 55,525ML) comprising groundwater, high security river water, general security river water, supplementary river water, and domestic and stock river water. In addition, the Group owns 21,430ML (30 June 2025: 21,430ML) of water delivery entitlements that provide access to water delivery through CICL, with a low annual allocation expected to be provided.

Vineyards

The vineyard properties held by the Group include six vineyards, with five located in South Australia, in the Barossa Valley and Adelaide Hills regions, and one located in the Grampians in Victoria. For its vineyards, the Group owns 909ML of water entitlements (30 June 2025: 909ML). All vineyards are leased to Treasury Wine Estates Limited and produce premium quality grapes.

Macadamia orchards

Three established macadamia orchards are located near Bundaberg, Queensland:

- Swan Ridge and Moore Park, 234 hectares (30 June 2025: 234 hectares), currently operated by the Group.
- Bonmac, 27 hectares (30 June 2025: 27 hectares), currently leased to RFM Farming.

Beerwah and Bauple, 475 hectares (30 June 2025: 475 hectares) located in the Glass House Mountains and Wide Bay regions of Queensland are currently operated by the Group.

The following properties are leased to a company managed by The Rohatyn Group (TRG):

- Cygnet, located in Bundaberg, Queensland consists of 37 hectares (30 June 2025: 37 hectares) of newly established plantings.
- Nursery Farm, located in Bundaberg, Queensland consists of 41 hectares (30 June 2025: 41 hectares) of newly established plantings and a macadamia tree nursery, separately leased to another external party.
- Ten properties located in Maryborough, consisting of 1,484 hectares (30 June 2025: 1,394 hectares) of newly established macadamia plantings and 25 hectares (30 June 2025: 115 hectares) of planned macadamia plantings.
- Riverton, located in the Fitzroy region in Queensland consisting of 422 hectares (30 June 2025: 422 hectares) of newly established plantings.
- The Rookwood Farms aggregation, located in the Fitzroy region in Queensland with 992 hectares (30 June 2025: 843 hectares) of newly planted macadamia plantings and 12 hectares (30 June 2025: 161 hectares) of planned macadamia plantings totalling 1,004 hectares (30 June 2025: 1,004 hectares).
- An additional 690 hectares on the Rookwood Farms Aggregation identified as suitable for macadamia plantings to be developed with a long-term tenant being sought.

Cattle properties

Cattle properties held by the Group comprise of cattle breeding, backgrounding and finishing properties and cattle feedlots.

- Rewan located near Rolleston in central Queensland 17,479 hectares (30 June 2025: 17,479 hectares).
- Mutton Hole and Oakland Park located in far north Queensland 225,800 hectares (30 June 2025: 225,800 hectares).
- Natal aggregation located near Charters Towers in north Queensland 390,600 hectares (30 June 2025: 390,600 hectares).
- Comanche located in central Queensland 7,600 hectares (30 June 2025: 7,600 hectares).
- Cerberus located north west of Rockhampton in central Queensland 8,280 hectares (30 June 2025: 8,280 hectares).
- Dyamberin located in the New England region of New South Wales 1,728 hectares (30 June 2025: 1,728 hectares).
- Cobungra located in the East Gippsland region of Victoria 6,497 hectares (30 June 2025: 6,497 hectares).
- Petro, High Hill and Willara located in Western Australia 6,196 hectares (30 June 2025: 6,196 hectares).

Rural Funds Group

Directors' Report

31 December 2025

Property leasing (continued)

Cattle properties (continued)

- Yarra located south west of Rockhampton in central Queensland 4,090 hectares (30 June 2025: 4,090 hectares).
- Homehill located north west of Rockhampton in central Queensland 4,925 hectares (30 June 2025: 4,925 hectares).
- Coolibah and River Block located south west of Rockhampton in central Queensland 724 hectares (30 June 2025: 724 hectares).
- Thirsty Creek located south west of Rockhampton in central Queensland 503 hectares (30 June 2025: 503 hectares).
- Prime City, Mungindi, Caroona, Beef City and Riverina, 5 cattle feedlots with a combined capacity of 150,000 head (30 June 2025: 150,000 head).
- Wyseby, held as tenant-in-common arrangement (57.25% interest), located south-west of Rockhampton in Central Queensland adjoining Rewan 14,071 hectares (30 June 2025: 14,071 hectares).

The following cattle properties are leased to the following tenants:

- Australian Agricultural Company Limited, leasing Rewan, Comanche and Home Hill.
- Cattle JV Pty Limited, a wholly owned subsidiary of RFM, leasing Mutton Hole and Oakland Park.
- DA & JF Camm Pty Limited, a member of the Camm Agricultural Group, leasing the Natal aggregation.
- Stone Axe Pastoral Company Pty Limited, leasing Dyamberin, Cobungra, Petro, High Hill and Willara.
- Mort & Co Lot Feeder Pty Limited, leasing Coolibah, River Block and Thirsty Creek.
- Acton Cattle Company Pty Limited, leasing a portion of Cerberus.
- Clarke Creek Energy Pty Limited leasing a portion of Cerberus.
- Caldwell Family (Milong) Pty Limited, leasing a portion of Wyseby.

In addition to this, JBS Australia Pty Limited (JBS) leases the Prime City, Mungindi, Caroona, Beef City and Riverina feedlots.

Yarra is currently being operated by the Group while long-term lessees are being sought.

The lease arrangement for Natal aggregation includes a \$5,000,000 cattle leasing arrangement to fund the purchase of cattle. The balance as at 31 December 2025 was nil (30 June 2025: nil).

Cropping properties

Cropping properties held by the Group comprise of:

- Lynora Downs, a 4,963 hectare (30 June 2025: 4,963 hectare) cropping property located near Emerald, QLD is leased to Cotton JV Pty Limited (Cotton JV), a joint venture between RFM and the Group, until April 2027.
- 7 Maryborough properties located in Queensland totalling 1,785 hectares (30 June 2025: 2,059 hectares) which have potential to be developed into macadamia orchards. These properties are currently being utilised for cropping purposes.
- Swan Ridge South, located in Bundaberg, Queensland totalling 132 hectares (30 June 2025: 123 hectares)
- Baamba Plains (50% share), a 4,130 hectare cropping property located in central Queensland leased to a company managed by The Rohatyn Group.
- Mayneland (50% share), a 2,942 hectare cropping property, located in central Queensland leased to a company managed by The Rohatyn Group.
- Kaiuroo, previously classified as a cattle property, located north west of Rockhampton in central Queensland, 27,863 hectares (30 June 2025: 27,879 hectares).

Kaiuroo is currently being operated by the Group, allowing for further capital development and improvement designed to improve productivity while long-term lessees are being sought.

Rural Funds Group

Directors' Report

31 December 2025

Other activities

The Group provides a \$132,000,000 (30 June 2025: \$123,000,000) limited guarantee to J&F Australia Pty Ltd (J&F). The guarantee is currently used to support \$132,000,000 of J&F's debt facility which is used for cattle purchases, feed and other costs associated with finishing the cattle on the feedlots, enabling J&F to supply cattle to JBS Australia Pty Limited (JBS) for its grain fed business and the funding of grain in JBS' pork business. The guarantee earns a return for RFF equivalent to an equity rate of return which is calculated on the amount of the guarantee during the period.

Breeder herd assets under finance lease of \$21,109,000 (30 June 2025: \$19,613,000) are leased to Cattle JV.

Agricultural plant and equipment with a net book value of \$1,792,000 (30 June 2025: \$1,092,000) is owned by the Group and leased to RFM Farming, RFM Macadamias and Cattle JV. Agricultural plant and equipment with a net book value of \$18,257,000 (30 June 2025: \$18,253,000) is used for the Group's farming operations and macadamia developments.

Risks and opportunities

Climate-related risk

As the Responsible Entity for the Group, RFM acknowledges the potential risk of climate change. RFM implements the Group's climate diversification strategy to mitigate these risks within the portfolio. In accordance with the Group's Sustainability Policy, RFM manages portfolio risk within its existing Risk Management Framework.

Extreme weather events have the potential to damage assets and disrupt operations. The majority of assets are subject to triple-net leases where the lessee is responsible for operations and insurance costs. RFM considers that climate change may present risks for the Group primarily in the form of residual risk of the Group's assets at the end of the lease term. These risks may be mitigated by how the assets are managed. External valuations consider these types of factors as well as other risks when determining the valuations of the assets.

The Group is working towards climate-related risk disclosure to align with the Australian Sustainability Reporting Standards. Based on current guidance, RFF is expected to be classified within Group 3 under AASB S2, with mandatory reporting set to commence from the 30 June 2028 reporting period. RFM monitors Scope 1 and Scope 2 emissions, focusing on carbon dioxide, methane, and nitrous oxide from assets operated by the Group.

The Group's assets produce these emissions through its agricultural infrastructure and machinery, cattle operations, fertiliser application, and grid power consumption. RFM is enhancing internal systems to enable more transparent and comprehensive reporting in line with these disclosures. This approach will support the Group in managing climate related risks while improving asset management practices.

Capital and funding requirements

Volatility in capital markets and debt markets will impact on the Group's ability to access capital. RFM will continue to explore opportunities to diversify funding sources through capital partnering and by managing debt levels in line with the Group's internal target gearing of between 30-35%. The optimal capital structure is reviewed periodically with reference to prevailing market conditions.

Likely developments and expected results of operations

The Group expects to continue to derive its core future income from the holding and leasing of agricultural property and water entitlements. A key part of the Group's strategy is the continued development of macadamia orchards in Queensland in addition to identifying opportunities for the Group to enter into leases for the assets that the Group is currently operating. Management continues to look for growth opportunities in agricultural and related industries.

Environmental regulation

The Group operates under various Commonwealth and State-based environmental laws, including those which regulate water use and irrigation. Tenants who lease land and water assets from the Group must comply with legislation relating to their use of the asset. The Group also complies with broader environmental laws covering waste, emissions, and biodiversity. No environmental breaches have been recorded. The Group actively manages risks and monitors compliance to ensure ongoing adherence.

Rural Funds Group

Directors' Report

31 December 2025

Indirect cost ratio

The indirect cost ratio (ICR) is the ratio of the Group's management costs over the Group's average net assets for the half year, expressed as a percentage.

Management costs include management fees and other expenses such as corporate overheads in relation to the Group, but do not include transactional and operational costs such as brokerage. Management costs are not paid directly by the unitholders of the Group.

The ICR for the Group for the half year ended 31 December 2025 is 1.78% (30 June 2025:1.72%).

Indemnity of Responsible Entity and Custodian

In accordance with its constitution, Rural Funds Group indemnifies the Directors, Company Secretary and all other officers of the Responsible Entity and Custodian when acting in those capacities, against costs and expenses incurred in defending certain proceedings.

Matters subsequent to the end of the half year

In February 2026, the Group completed the sale of 2,000ML of High security Murrumbidgee River water entitlements contracted in December 2025, with the remaining 2,000ML expected to settle by March 2026.

Information is to be provided to RFF unitholders to vote on increasing the J&F guarantee from \$132 million to \$200 million. Initially, the guarantee would increase from \$132 million to \$160 million to facilitate an increase in the J&F facility. The guarantee may then increase to \$200 million subject to asset sales and approval by RFF's financiers.

No other matter or circumstance has arisen since the end of the half year that has significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Rounding of amounts

The Group is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and accordingly amounts in the consolidated financial statements and Directors' report have been rounded to the nearest thousand dollars.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2025 has been received and is included on page 10 of the financial report.

The Directors' report is signed in accordance with a resolution of the Board of Directors of Rural Funds Management Limited.



David Bryant
Director

20 February 2026



Auditor's Independence Declaration

As lead auditor of Rural Funds Group's financial report for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

A handwritten signature in black ink, appearing to read 'Marc Upcroft'.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney

20 February 2026

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Rural Funds Group

Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2025

		31 December 2025	31 December 2024
	Note	\$'000	\$'000
Revenue	B3	70,240	62,155
Other income	B3	2,132	3,183
Management fee		(5,525)	(5,423)
Asset management fee		(4,143)	(4,067)
Property expenses		(2,095)	(1,834)
Other expenses		(3,905)	(3,745)
Finance costs		(16,286)	(12,344)
Cost of goods sold - farming operations		(11,705)	(11,340)
Property and other expenses - farming operations		(2,865)	(2,894)
Change in fair value of biological assets - farming operations	E2	4,697	4,362
Change in fair value of investment property	C2	4,491	4,583
Reversal of impairment of bearer plants		-	155
Depreciation - bearer plants	C3	(5,896)	(6,003)
Impairment of intangible assets	C5	(299)	(1,129)
Impairment of property - owner occupied	C6	(3,624)	(788)
Depreciation - property - owner occupied	C6	(709)	(473)
Depreciation and impairments - other		(1,451)	(2,218)
Change in fair value of interest rate swaps		14,056	(8,776)
Change in fair value of financial assets/liabilities		(28)	(24)
Share of net loss of investments accounted for using the equity method	E3	(958)	(569)
Gain/(loss) on sale of assets		11,777	(216)
Net profit before income tax		47,904	12,595
Income tax expense		(539)	(505)
Net profit after income tax		47,365	12,090
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation decrement - bearer plants	C3	(5,164)	(403)
Revaluation increment - property - owner occupied	C6	1,893	1,364
Income tax expense relating to these items		-	-
Other comprehensive income for the half year, net of tax		(3,271)	961
Total comprehensive income attributable to unitholders		44,094	13,051

The accompanying notes form part of these financial statements.

Rural Funds Group

Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2025

	Note	31 December 2025 \$'000	31 December 2024 \$'000
Total net profit after income tax for the half year attributable to unitholders arising from:			
Rural Funds Trust		43,166	12,051
RF Active (non-controlling interest)		4,199	39
Total		47,365	12,090

Total comprehensive income for the half year attributable to unitholders arising from:

Rural Funds Trust	39,895	13,012
RF Active (non-controlling interest)	4,199	39
Total	44,094	13,051

Earnings per unit

Basic and diluted earnings per unit attributable to the unitholders:

Per stapled unit (cents)	12.15	3.11
Per unit of Rural Funds Trust (cents)	11.08	3.10
Per unit of RF Active (cents)	1.07	0.01

The accompanying notes form part of these financial statements.

Rural Funds Group

Consolidated Statement of Financial Position

As at 31 December 2025

		31 December 2025	30 June 2025
	Note	\$'000	\$'000
ASSETS			
Current assets			
Cash and cash equivalents		10,927	7,914
Trade and other receivables		14,499	19,053
Other current assets		3,038	1,768
Assets held for sale	C8	14,423	13,806
Biological assets	E2	14,503	11,974
Inventories		2,909	1,782
Financial assets	C4, E1	22,109	1,000
Derivative financial assets		1,075	320
Total current assets		83,483	57,617
Non-current assets			
Investment property	C2	1,099,762	1,058,791
Plant and equipment - bearer plants	C3	249,157	247,330
Financial assets	C4, E1	120,445	131,799
Intangible assets	C5	184,805	199,003
Property - owner occupied	C6	177,356	164,808
Plant and equipment - other	C7	20,049	19,345
Investments accounted for using the equity method	E3	7,969	8,927
Derivative financial assets		31,451	20,131
Other assets		452	3,971
Total non-current assets		1,891,446	1,854,105
Total assets		1,974,929	1,911,722
LIABILITIES			
Current liabilities			
Trade and other payables		12,171	10,194
Unearned income		7,094	1,916
Current tax payable		490	461
Interest bearing liabilities	D1	54,811	46,976
Distributions payable		12,128	12,071
Total current liabilities		86,694	71,618
Non-current liabilities			
Interest bearing liabilities	D1	793,058	764,074
Deferred tax liabilities		8,477	8,269
Unearned income		13,373	13,689
Other non-current liabilities		3,206	3,206
Derivative financial liabilities		-	1,982
Total non-current liabilities		818,114	791,220
Total liabilities (excluding net assets attributable to unitholders)		904,808	862,838
Net assets attributable to unitholders		1,070,121	1,048,884
Total liabilities		1,974,929	1,911,722

*Water entitlements are held at cost less accumulated impairment in the Consolidated Statement of Financial Position in accordance with accounting standards. Refer to note B1 Segment information, for disclosure of the Directors' valuation of water entitlements, which are supported by independent property valuations.

The accompanying notes form part of these financial statements.

Rural Funds Group

Consolidated Statement of Financial Position

As at 31 December 2025

		31 December 2025	30 June 2025
	Note	\$'000	\$'000
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS			
Unitholders of Rural Funds Trust			
Issued units	D2	407,159	409,006
Asset revaluation reserve		97,249	101,201
Retained earnings		573,734	550,897
Parent entity interest		1,078,142	1,061,104
Unitholders of RF Active			
Issued units	D2	7,018	7,018
Retained earnings		(15,039)	(19,238)
Non-controlling interest		(8,021)	(12,220)
Total net assets attributable to unitholders		1,070,121	1,048,884

The accompanying notes form part of these financial statements.

Rural Funds Group

Consolidated Statement of Changes in Net Assets Attributable to Unitholders

For the half year ended 31 December 2025

31 December 2025	Note	Issued units \$'000	Asset revaluation reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interest \$'000	Total \$'000
Balance at 1 July 2025		409,006	101,201	550,897	1,061,104	(12,220)	1,048,884
Other comprehensive income, net of tax		-	(3,271)	-	(3,271)	-	(3,271)
Net profit after income tax		-	-	43,166	43,166	4,199	47,365
Total comprehensive income for the half year		-	(3,271)	43,166	39,895	4,199	44,094
Transfer on disposal of property - owner occupied to retained earnings		-	(681)	681	-	-	-
Distributions to unitholders		(1,847)	-	(21,010)	(22,857)	-	(22,857)
Balance at 31 December 2025		407,159	97,249	573,734	1,078,142	(8,021)	1,070,121

31 December 2024	Note	Issued units \$'000	Asset revaluation reserve \$'000	Retained earnings \$'000	Total \$'000	Non-controlling interest \$'000	Total \$'000
Balance at 1 July 2024		424,533	106,979	546,700	1,078,212	(6,895)	1,071,317
Other comprehensive income, net of tax		-	961	-	961	-	961
Net profit after income tax		-	-	12,051	12,051	39	12,090
Total comprehensive income for the half year		-	961	12,051	13,012	39	13,051
Transfer on disposal of property - owner occupied to retained earnings		-	(21)	21	-	-	-
Issued units							
Units issued during the half year		2,885	-	-	2,885	59	2,944
Total issued units		2,885	-	-	2,885	59	2,944
Distributions to unitholders		(15,368)	-	(7,467)	(22,835)	-	(22,835)
Balance at 31 December 2024		412,050	107,919	551,305	1,071,274	(6,797)	1,064,477

The accompanying notes form part of these financial statements.

Rural Funds Group

Consolidated Statement of Cash Flows

For the half year ended 31 December 2025

	Note	31 December 2025 \$'000	31 December 2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		72,034	60,204
Payments to suppliers (inclusive of GST)		(33,699)	(27,610)
Interest received	B3	229	303
Finance income		7,029	6,064
Finance costs		(16,286)	(12,344)
Income tax paid		(303)	(463)
Net cash inflow from operating activities		29,004	26,154
Cash flows from investing activities			
Payments for investment property		(30,464)	(27,605)
Payments for plant and equipment - bearer plants		(11,025)	(8,735)
Payments for financial assets - property related		(2,919)	(1,564)
Payments for intangible assets	C5	(524)	(1,667)
Payments for property - owner occupied	C6	(19,358)	(6,066)
Payments for plant and equipment		(2,364)	(3,201)
Payments for financial assets - other		(32)	-
Payments for financial assets - convertible note		-	(2,000)
Payment for investments accounted for using the equity method		-	(7,440)
Payments for other assets		(188)	(3,630)
Proceeds from sale of investment property		-	1,229
Proceeds from financial assets - property related		879	1,802
Proceeds from sale of intangible assets		-	35
Proceeds from sale of property - owner occupied	C6	61	611
Proceeds from sale of plant and equipment		280	2,102
Proceeds from assets held for sale		25,514	48,864
Distributions received		144	133
Net cash outflow from investing activities		(39,996)	(7,132)
Cash flows from financing activities			
Proceeds from issue of units		-	2,944
Proceeds from borrowings		112,642	148,666
Repayment of borrowings		(75,837)	(148,117)
Distributions paid		(22,800)	(22,753)
Net cash inflow/(outflow) from financing activities		14,005	(19,260)
Net increase/(decrease) in cash and cash equivalents held		3,013	(238)
Cash and cash equivalents at the beginning of the half year		7,914	7,243
Cash and cash equivalents at the end of the half year		10,927	7,005

The accompanying notes form part of these financial statements.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

A. REPORT OVERVIEW

General information

This financial report covers the consolidated financial statements and notes of Rural Funds Trust and its Controlled Entities including RF Active (Rural Funds Group, the Group or collectively the Trusts). Rural Funds Group is a for profit entity incorporated and domiciled in Australia. The Directors of the Responsible Entity authorised the Financial Report for issue on 20 February 2026 and have the power to amend and reissue the Financial Report.

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The separate financial statements and notes of the parent entity, Rural Funds Trust, have not been presented within this financial report as permitted by amendments made to the *Corporations Act 2001*.

Basis of preparation

The Trusts have common business objectives and operate collectively as an economic entity known as Rural Funds Group. The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board, the *Corporations Act 2001* and the Trusts' Constitution. The report has been prepared on a going concern basis.

The material accounting policies used in the preparation and presentation of these financial statements are provided below and are consistent with prior reporting periods unless otherwise stated. The financial statements are based on historical cost, except for the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

This general purpose financial report for the half year ended 31 December 2025 has been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*. The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report.

It is recommended that the half year financial report be read in conjunction with the annual financial report for the financial year ended 30 June 2025 and any public announcements made by the Group during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

These financial statements are consolidated financial statements and accompanying notes of both Rural Funds Trust and RF Active.

Rounding of amounts

The Group is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and accordingly amounts in the consolidated financial statements and Directors' report have been rounded to the nearest thousand dollars.

Principles of consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, income, expenses and cash flows relating to transactions between entities in the consolidated Group have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to the controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a 30 June financial year end.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

Principles of consolidation (continued)

Controlled entities

In accordance with AASB 3 *Business Combinations*, Rural Funds Trust is deemed to control RF Active from the stapling date of 16 October 2014. Rural Funds Trust is considered to be the acquirer of RF Active due to the size of the respective entities and as the stapling transaction and capitalisation of RF Active was funded by a distribution from Rural Funds Trust that was compulsorily used to subscribe for units in RF Active.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements, estimates and assumptions 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 it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

The following are areas for which significant judgements, estimates or assumptions are made:

Valuation of property related assets

Independent valuations on the Group's properties are obtained, ensuring that each property will have been independently valued every two financial years or more often where appropriate. Independent valuation reports assess and provide value for properties in their entirety.

Significant judgement is applied in order to allocate the total property value, as disclosed in the independent valuation reports where applicable, to investment property, bearer plants and water entitlements. The allocation technique will vary depending on the nature of the lease arrangement.

Where information is available, each component of the property, meaning the land and infrastructure, the trees and any water assets, disclosed in the financial statements as investment property, bearer plants and water entitlements, will be allocated on an encumbered (subject to lease) basis.

If this information is not available, the valuation report may provide additional information, such as the summation basis of the unencumbered (vacant possession) value, evidence of other market transactions and the analysis of those component parts, which along with other sources, including the nature of capital expenditure on the property, is used to determine the encumbered allocation to components. Significant judgement is applied as part of these allocations, which vary from property to property, given the individual circumstances of the leasing arrangements. The allocation technique may change to reflect the best estimate of fair value attributable to each component at reporting date. Allocation techniques are disclosed in Note C1.

Estimation of useful lives of bearer plants

The useful lives of bearer plants have been estimated by assessing industry data. The useful lives of bearer plants are disclosed in Note C3.

Working capital

The deficiency in working capital at 31 December 2025 is due to the timing of distributions at balance date and the classification of the \$24,454,000 Wyseby debt facility due in January 2026. Subsequent to the balance date, the Wyseby debt facility was extended to March 2026. Based on the forecast cash flows, the Group believes it can pay all its debts as and when they fall due for at least a minimum period of 12 months from the date of these accounts. The Group has headroom in its syndicated bank facility of \$89,394,000 as at 31 December 2025 subject to compliance with the Group's bank covenants. A separate tranche of \$50,000,000 was approved during the half year but not drawn.

Comparative amounts

Comparative amounts have not been restated unless otherwise noted.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B. RESULTS

B1 Segment information

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Responsible Entity. During the half year ended 31 December 2025, the Group held property in agricultural sectors presented in five segments (30 June 2025: five segments) each holding and leasing agricultural property and equipment. Segment revenue includes rental income, finance income and interest income. Segment property assets include investment property, bearer plants, intangible assets, property – owner occupied, financial assets and plant and equipment. Revenue and property assets not categorised in these sectors are managed at a corporate level. Liabilities and direct or indirect expenses are not allocated to individual segments as these are reviewed by the chief operating decision maker on a consolidated basis.

Segment revenue and revaluation movements

31 December 2025	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Other* \$'000	Total \$'000
Rental revenue**	16,099	11,744	2,479	1,780	10,061	1,278	43,441
Rental revenue - prepaid rent (TRG)	-	-	-	174	142	-	316
Lease incentive amortisation	-	-	-	-	(173)	-	(173)
Rental revenue - straight-lining	(613)	90	164	-	8,325	-	7,966
Revenue from farming operations	-	-	-	-	-	11,560	11,560
Interest received	-	66	-	-	-	163	229
Finance income	-	6,478	-	-	392	31	6,901
Total revenue	15,486	18,378	2,643	1,954	18,747	13,032	70,240
Other income	-	-	-	-	-	2,132	2,132
Gain/(loss) on disposal	(15)	9	-	583	72	11,128	11,777
Depreciation - bearer plants	(2,819)	-	(636)	-	(2,441)	-	(5,896)
Depreciation - property (owner occupied)	-	(192)	-	(319)	(198)	-	(709)
Change in fair value through profit or loss (property related)	-	27	-	(1,203)	1,707	-	531
Revaluation increment/(decrement) through other comprehensive income	(3,373)	-	-	1,893	(1,791)	-	(3,271)
Total revaluation per statutory accounts	(3,373)	27	-	690	(84)	-	(2,740)
Revaluation of water entitlements per director's valuation	-	-	-	370	(897)	-	(527)
Total revaluation including water entitlements	(3,373)	27	-	1,060	(981)	-	(3,267)

*Other rental revenue includes the lease of water entitlements.

**Includes Rental revenue – prepaid rent (TRG).

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

Segment revenue and revaluation movements (continued)

Revaluation for cropping segment relates to external valuation for Kaiuroo, Mayneland, Baamba Plains and Maryborough cropping properties with market movements supported by comparable sales transactions.

Revaluation for macadamia segment relates to the external valuations for macadamia properties that are under development and leased to a company managed by The Rohatyn Group (TRG). Movements are supported by rent forecasts, capital expenditure deployment and comparable sales transactions.

Revaluation for almond segment relates to a Directors' valuation of the Yilgah property. The Director's valuation has been prepared on an encumbered (subject to lease) basis following the completion of the rent review process with the tenant.

Refer to section C1 for details on properties valued during the half year.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

Segment revenue and revaluation movements (continued)

31 December 2024	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Other* \$'000	Total \$'000
Rental revenue**	15,807	10,848	2,337	2,575	7,818	1,578	40,963
Rental revenue - prepaid rent (TRG)	-	-	-	(710)	(8)	-	(718)
Lease incentive amortisation	-	-	-	-	(80)	-	(80)
Rental revenue - straight-lining	1	137	(88)	-	4,174	(29)	4,195
Revenue from farming operations	-	-	-	-	-	11,417	11,417
Interest received	-	195	-	-	-	108	303
Finance income	-	5,771	-	-	247	57	6,075
Total revenue	15,808	16,951	2,249	1,865	12,151	13,131	62,155
Other income	-	-	-	-	-	3,183	3,183
Gain/(loss) on disposal	-	29	-	(244)	(1)	-	(216)
Depreciation - bearer plants	(3,196)	-	(554)	-	(2,253)	-	(6,003)
Depreciation - property (owner occupied)	-	(271)	-	(7)	(195)	-	(473)
Change in fair value through profit or loss	-	476	-	3,915	(1,594)	-	2,797
Revaluation increment through other comprehensive income	-	-	-	-	961	-	961
Total revaluation per statutory accounts	-	476	-	3,915	(633)	-	3,758
Revaluation of water entitlements per director's valuation	-	142	-	-	27	-	169
Total revaluation including water entitlements	-	618	-	3,915	(606)	-	3,927

*Other rental revenue relates to lease of water entitlements.

**Includes Rental revenue – prepaid rent (TRG).

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

Segment assets

31 December 2025	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Unallocated \$'000	Total \$'000
Investment property	175,924	527,718	37,120	102,166	256,834	-	1,099,762
Plant and equipment - bearer plants	104,888	-	18,926	-	125,343	-	249,157
Financial assets - property related	10,880	89,936	968	-	30,132	31	131,947
Intangible assets (water)	66,707	12,635	500	17,744	25,139	62,080	184,805
Property - owner occupied	-	27,919	-	104,954	44,483	-	177,356
Plant and equipment	44	1,885	-	7,010	11,100	10	20,049
Assets held for sale	-	-	-	-	-	14,423	14,423
Total property assets per statutory accounts	358,443	660,093	57,514	231,874	493,031	76,544	1,877,499
Revaluation of intangible assets per director's valuation	87,229	-	3,679	2,222	12,193	33,360	138,683
Total adjusted property assets at director's valuation	445,672	660,093	61,193	234,096	505,224	109,904	2,016,182
Other assets per statutory accounts	-	-	-	-	-	97,430	97,430
Total adjusted assets	445,672	660,093	61,193	234,096	505,224	207,334	2,113,612

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

Segment assets

30 June 2025	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Unallocated \$'000	Total \$'000
Investment property	174,116	526,244	35,730	93,854	228,847	-	1,058,791
Plant and equipment - bearer plants	110,859	-	18,239	-	118,232	-	247,330
Financial assets - property related	11,466	88,098	804	-	21,807	58	122,233
Intangible assets (water)	66,707	22,488	500	7,774	25,408	76,126	199,003
Property - owner occupied	-	101,818	-	19,009	43,981	-	164,808
Plant and equipment - other	94	5,049	-	3,320	10,714	168	19,345
Assets held for sale	-	-	-	5,679	-	8,127	13,806
Total property assets per statutory accounts	363,242	743,697	55,273	129,636	448,989	84,479	1,825,316
Revaluation of intangible assets per director's valuation	87,229	142	3,679	1,710	13,089	44,392	150,241
Total adjusted property assets at director's valuation	450,471	743,839	58,952	131,346	462,078	128,871	1,975,557
Other assets per statutory accounts	-	-	-	-	-	86,406	86,406
Total adjusted assets	450,471	743,839	58,952	131,346	462,078	215,277	2,061,963

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

Net asset value adjusted for water rights

The chief operating decision maker of RFF assesses the segments on property asset values adjusted for water rights. RFF owns permanent water rights and entitlements which are recorded at historical cost less accumulated impairment losses. Such rights have an indefinite life and are not depreciated. The carrying value is tested annually for impairment as well as for possible reversal of impairment. If events or changes in circumstances indicate impairment, or reversal of impairment, the carrying value is adjusted to take account of impairment losses.

The book value of the water rights (including investments in BIL and CICL recognised as financial assets) at 31 December 2025 is \$196,789,000 (30 June 2025: \$210,987,000).

Independent valuations on the Group's properties are obtained, ensuring that each property will have been independently valued every two years or more often where appropriate. Independent valuation reports assess and provide value for properties in their entirety. The independent valuation reports contain information with which judgement is applied in order to allocate values to investment property, bearer plants and water entitlements. The Directors have taken into account the most recent valuations on each property and consider that they remain a reasonable estimate and, on this basis, the fair value of water entitlements before deferred tax adjustments at 31 December 2025 was \$335,472,000 (30 June 2025: \$361,228,000) representing the value of the water rights of \$138,683,000 (30 June 2025: \$150,241,000) above cost.

The following is a reconciliation of the book value at 31 December 2025 to an adjusted value based on the Directors' valuation of the water rights which are assessed by the chief operating decision maker.

	Per Statutory Consolidated Statement of Financial Position \$'000	Revaluation of water entitlements per Directors' valuation \$'000	Directors' valuation (Adjusted) \$'000
Assets			
Total current assets	83,483	-	83,483
Total non-current assets	1,891,446	138,683	2,030,129
Total assets	1,974,929	138,683	2,113,612
Liabilities			
Total current liabilities	86,694	-	86,694
Total non-current liabilities	818,114	-	818,114
Total liabilities (excluding net assets attributable to unitholders)	904,808	-	904,808
Net assets attributable to unitholders	1,070,121	138,683	1,208,804
Net asset value per unit (\$)	2.75	0.35	3.10

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B1 Segment information (continued)

31 December 2025	Area ¹	31 December	30 June	Most Recent Independent Valuation	
		2025 Adjusted property value \$'000	2025 Adjusted property value \$'000	Date	Valuation \$'000
Almonds					
Yilgah (NSW)	935 ha	95,288	98,890	May 2024 ²	111,500
Tocabil (NSW)	603 ha	63,879	63,863	May 2025	64,000
Kerarbury (NSW)	2,530 ha	287,047	287,625	May 2025	288,000
Cattle					
Rewan (QLD)	17,479 ha	72,775	72,749	Jul 2024	72,600
Mutton Hole (QLD)	140,300 ha	19,726	19,700	May 2025	19,700
Oakland Park (QLD)	85,500 ha	10,202	10,150	May 2025	10,150
Natal Aggregation (QLD)	390,600 ha	187,227	186,000	May 2025	186,000
Comanche (QLD)	7,600 ha	36,239	36,239	May 2024	36,250
Cerberus (QLD)	8,280 ha	26,213	26,177	May 2024	25,900
Dyamberin (NSW)	1,728 ha	23,300	23,235	Dec 2025	23,300
JBS Feedlots Finance Lease Receivable (NSW/QLD)	150,000 hd	66,605	66,733	N/A	N/A
Cobungra (VIC)	6,497 ha	52,854	52,854	Feb 2024	52,700
Petro (WA)	2,942 ha	16,850	16,850	Jan 2025	16,850
High Hill (WA)	1,601 ha	9,240	9,240	Jan 2025	9,240
Willara (WA)	1,653 ha	8,770	8,770	Jan 2025	8,770
Yarra (QLD)	4,090 ha	35,911	34,867	May 2024	27,200
Homehill (QLD)	4,925 ha	20,825	20,825	May 2024	20,825
Coolibah aggregation (QLD)	724 ha	5,660	5,660	May 2024	5,660
Thirsty Creek (QLD)	503 ha	6,997	6,997	Oct 2025	6,997
Wyseby (QLD)	14,071 ha	35,116	34,974	Jul 2024	34,951
Cropping					
Lynora Downs (QLD)	4,963 ha	51,027	50,719	Jul 2024	50,000
Mayneland (QLD)	2,942 ha	18,922	16,933	Nov 2025	18,625
Baamba Plains (QLD)	4,130 ha	23,736	23,341	Nov 2025	23,650
Maryborough - Cropping (QLD)	1,785 ha	32,640	35,031	Oct 2025	30,410
Swan Ridge South (QLD)	132 ha	2,002	2,002	Sep 2024	2,000
Kaiuroo (QLD)	27,863 ha	98,761	84,938	Oct 2025	94,350
Macadamias					
Swan Ridge (QLD)	130 ha	26,303	26,049	Sep 2024	22,350
Moore Park (QLD)	104 ha	16,448	16,651	Sep 2024	16,950
Bonmac (QLD)	27 ha	4,249	4,310	Sep 2024	4,400
Cygnet and Nursery Farm - TRG (QLD)	78 ha	10,264	10,431	Oct 2025	10,333
Riverton - TRG (QLD)	422 ha	55,177	53,289	Oct 2025	54,030
Maryborough - TRG (QLD)	1,509 ha	161,658	151,242	Oct 2025	156,122
Rookwood Farms - TRG (QLD)	1,004 ha	99,724	95,859	Oct 2025	92,128
Rookwood Farms (QLD)	690 ha	36,114	16,275	Apr 2025	15,655
Beerwah (QLD)	340 ha	34,935	35,975	Sep 2024	37,300
Bauple (QLD)	135 ha	19,116	19,473	Sep 2024	20,000

Valuations are encumbered unless not applicable (for example where a property is not subject to lease or at acquisition)

¹ Unless otherwise denoted, the almond, vineyard and macadamia areas refer to planted and planned development areas. Wyseby held as tenant-in-common arrangement with a 57.25% interest.

² Refer to *Revaluations from external valuations* on page 30.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

31 December 2025	31 December 2025	30 June 2025	Most Recent Independent Valuation		
	Adjusted property value \$'000	Adjusted property value \$'000			
Vineyards					
Kleinig (SA)	206 ha	22,142	21,753	Jun 2024	20,100
Geier (SA)	244 ha	25,845	24,676	Jun 2024	23,700
Hahn (SA)	50 ha	3,835	3,892	Jun 2024	4,000
Mundy and Murphy (SA)	55 ha	5,266	4,673	Jun 2024	4,400
Rosebank (VIC)	83 ha	3,659	3,676	Jun 2024	3,700
Water rights					
River water (NSW)*	6,500 ML	55,250	74,408	Jun 2025	74,408
River water (QLD)	8,359 ML	14,711	14,335	N/A	N/A
Ground water (NSW)	8,338 ML	39,902	39,902	Jun 2025	39,902
Total property and water assets	1,942,410	1,912,231			1,839,106
Cattle finance leases and other assets		21,474	20,078		
Plant and equipment - other		20,049	19,345		
Other receivables and equipment leases		32,249	23,903		
Total adjusted property assets	2,016,182	1,975,557			

*2,254 ML of River water (NSW) was sold during the half year ended 31 December 2025

Revaluations from external valuations

All of the Group's properties have been valued by an independent valuer within the last 24 months. Further information on the significant unobservable inputs adopted by the external valuer in the fair value measurement of the properties is described in note C1.

In relation to the Yilgah property, the fair value adopted for statutory reporting is based on a Director's valuation on an encumbered (subject to lease) basis with reference to forecast rent and estimated components of the orchard.

The Group's unleased macadamia properties have been valued on an unencumbered (vacant possession) basis.

Adjusted property values movements after the most recent independent valuation

Increases to the adjusted property value from the last valuation is primarily a result of new acquisitions or capital expenditure subsequent to the valuation, designed to improve an asset's productivity and value.

Decrease to adjusted property value from last valuation for properties is primarily a result of depreciation on owner occupied property and bearer plants (where relevant).

Rural Funds Group

Notes to the Financial Statements

31 December 2025

B2 Adjusted funds from operations (AFFO)

The following presents the components of adjusted funds from operations (AFFO) and provides a reconciliation from AFFO to Net profit after income tax which is assessed by the chief operating decision maker.

	31 December 2025 \$'000	31 December 2024 \$'000
Revenue	58,680	50,738
Other income	2,049	2,180
Management fee	(5,525)	(5,423)
Asset management fee	(4,143)	(4,067)
Property expenses	(2,095)	(1,834)
Other expenses	(3,905)	(3,745)
Finance costs	(16,286)	(12,344)
Income tax payable (AWF)	(331)	(585)
Revenue adjustments		
Rental revenue - prepaid rent (TRG macadamias and TRG cropping)	-	870
Prepaid rent recognised (TRG macadamias and TRG cropping)	(316)	(152)
Lease incentive amortisation (TRG macadamias)	173	80
Straight-lining of rental revenue	(7,966)	(4,195)
Interest component of JBS feedlot finance lease	128	(11)
Farming operations		
Revenue from farming operations	11,560	11,417
Other income - farming operations	83	153
Cost of goods sold - farming operations	(11,705)	(11,340)
Change in fair value of biological assets (realised from harvested crops and cattle)	3,700	3,104
Change in fair value of biological assets (prior year biological assets realised during the half year)	877	893
Property and other expenses - farming operations	(2,865)	(2,894)
Share of loss - Cotton JV Pty Ltd	(588)	(534)
Adjusted Funds From Operations (AFFO)	21,525	22,311
Property related		
Change in fair value of investment property	4,491	4,583
Reversal of impairment / (impairment) of bearer plants	-	155
Impairment of property - owner occupied	(3,624)	(788)
Impairment of intangible assets	(299)	(1,129)
Depreciation - bearer plants	(5,896)	(6,003)
Depreciation - property owner occupied	(709)	(473)
Depreciation and impairments - other	(1,451)	(2,218)
Gain/(loss) on sale of assets	11,777	(216)
Revenue items		
Rental revenue - prepaid rent (TRG macadamias and TRG cropping)	-	(870)
Prepaid rent recognised (TRG macadamias and TRG cropping)	316	152
Lease incentive amortisation (TRG macadamias)	(173)	(80)
Straight-lining of rental revenue	7,966	4,195
Interest component of JBS feedlot finance lease	(128)	11
Share of net loss of investments accounted for using the equity method	(958)	(569)
Farming operations		
Change in fair value of biological assets (unharvested crops and unsold cattle)	997	1,258
Change in fair value of biological assets (prior year biological assets realised during the half year)	(877)	(893)
Farming cost recovery (TRG cropping)*	-	850
Share of loss - Cotton JV Pty Ltd	588	534
Other		
Change in fair value of financial assets/liabilities	(28)	(24)
Change in fair value of interest rate swaps	14,056	(8,776)
Income tax (expense)/credit	(208)	80
Net profit after income tax	47,365	12,090
AFFO cents per unit	5.5	5.7

* Contracted farming cost recovery (TRG cropping) recognised in AFFO at year end, realised in net profit before income tax in the following half year.

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31 December 2025

B3 Revenue

	31 December 2025 \$'000	31 December 2024 \$'000
Rental income	51,550	44,360
Sale of agricultural produce - farming operations	9,543	9,551
Sale of livestock and agistment income	2,017	1,866
Finance income	6,901	6,075
Interest received	229	303
Total	70,240	62,155

The Group's revenue is largely comprised of income under leases and finance income. All revenue is stated net of the amount of goods and services tax (GST).

Rental revenue primarily arises from the leasing of property assets at commencement and is accounted for on a straight-line basis over the period of the lease. The respective leased assets are included in the Consolidated Statement of Financial Position based on that nature.

Sale of agricultural produce and livestock is recognised when the performance obligation of passing control of agricultural produce and livestock at an agreed upon delivery point to the customer has been satisfied.

Finance income arises from the provision of financial guarantees and working capital loans, finance leases on cattle feedlots and cattle breeders and leased agricultural plant and equipment and recognised on an accrual basis using the effective interest rate method.

Other Income

	31 December 2025 \$'000	31 December 2024 \$'000
Sale of temporary water allocations	1,802	2,048
Other income	330	1,135
Total	2,132	3,183

Lease and sale of temporary water allocations is recognised when the annual water allocations are received by the customer.

Expenses

Expenses such as Responsible Entity fees, property expenses and overheads are recognised on an accruals basis. Interest expenses are recognised on an accrual basis using the effective interest method.

B4 Distributions

The Group paid and declared the following distributions during the half year:

	Cents per unit	Total \$
Distribution declared 02 June 2025, paid 31 July 2025	2.9325	11,428,627
Distribution declared 01 September 2025, paid 31 October 2025	2.9325	11,428,627
Distribution declared 01 December 2025, paid 30 January 2026	2.9325	11,428,627

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C. PROPERTY ASSETS

This section includes detailed information regarding RFF's properties, which are made up of multiple line items on the Consolidated Statement of Financial Position including Investment property, Plant and equipment – bearer plants, Financial assets – property related, Intangible assets, Property – owner occupied and Plant and equipment – other.

C1 RFF property assets

		31 December 2025	30 June 2025
		\$'000	\$'000
Investment property	C2	1,099,762	1,058,791
Plant and equipment - bearer plants	C3	249,157	247,330
Financial assets - property related	C4	131,947	122,233
Intangible assets	C5	184,805	199,003
Property - owner occupied	C6	177,356	164,808
Plant and equipment - other	C7	20,049	19,345
Asset held for sale	C8	14,423	13,806
Total		1,877,499	1,825,316

Key changes to the property portfolio during the half year:

- In August 2025, the Group completed the sale of 2,254ML of High security Murrumbidgee River water entitlements previously contracted.
- In December 2025, the Group completed the sale of two Maryborough cropping properties previously contracted.
- The Group contracted to sell 4,000ML of High security Murrumbidgee River water entitlements, expected to settle early 2026.

Macadamia development

The Group is developing macadamia orchards across a number of properties located in Queensland, Australia. As part of the development, costs relating to the acquisition, construction and development of macadamia orchards will be capitalised to the respective asset class that the cost relates to. The asset classes identified are investment property, bearer plants and water entitlements.

Investment Property

This includes costs associated with the acquisition for land, buildings, orchard and irrigation infrastructure and any costs directly attributable to bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management.

Bearer Plants

This includes costs associated with the acquisition of macadamia trees, planting costs, growing costs incurred for the trees to reach maturity including fertiliser and watering costs and costs associated with establishing the macadamia trees in the orchard and bringing the asset to the condition necessary for it to be capable of operating in the manner intended by management.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C1 RFF property assets (continued)

Macadamia development (continued)

Water entitlements

This includes costs associated with the purchase of water entitlements. Water entitlements are deemed ready for use on acquisition.

Borrowing costs

Borrowing costs may be capitalised on qualifying assets up until the property is deemed ready for use. Borrowing costs relating to the acquisition, construction and development of properties are capitalised to the respective asset classes up until the property is deemed ready for use. Properties could be deemed ready for use when the property has been leased or when the property is operating in a manner as intended by management, for example, a macadamia orchard may be deemed operational when the orchard is fully planted and the plantings have been established.

Total borrowing costs capitalised during the half year ended 31 December 2025 was \$3,414,000 (31 December 2024: \$7,089,000).

Valuations

Independent valuations on the Group's properties are obtained, ensuring that each property will have been independently valued every two financial years or more often where appropriate. Independent valuers engaged hold recognised and relevant professional qualifications with experience in agricultural properties.

The following existing properties had relevant independent valuations during the half year ended 31 December 2025:

Cattle properties	Dyamberin
Macadamia properties	Cygnets - TRG, Nursery Farm - TRG, Riverton - TRG, Maryborough – TRG, Rookwood Farms – TRG
Cropping properties	Baamba Plains, Mayneland, Maryborough - Cropping, Kaiuroo

The fair value adopted for the following property was updated based on information available to Directors as at 31 December 2025:

Almond properties	Yilgah
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The Directors have considered independent valuations and market evidence where appropriate to determine the appropriate fair value to adopt. The Directors have adopted all valuations from independent valuers in the periods where valuations have been obtained. In relation to the Yilgah property, the valuation adopted has been calculated based on the forecast rent on the property and the underlying components of the orchard, including the land, infrastructure, water entitlements and the bearer plants.

The Directors have deemed that independent valuations were not required on the remaining properties as there have been no material changes to the industry, physical and geographical conditions of these properties in which the independent valuers have previously assessed. For these properties, the Directors have performed internal assessments, considering the latest valuation reports, that the carrying amount is still reflective of the fair value of the properties at reporting date.

The Group's properties, including those under development, are carried at fair value excluding the value of water rights. Water rights are treated as intangible assets, which are held at historical cost less accumulated impairment losses. Independent valuation reports assess and provide value for properties in its entirety. The independent valuation reports contain information with which judgement is applied in order to allocate values to investment property, bearer plants, property – owner occupied and water entitlements, where relevant.

Judgement is applied in order to allocate the total property value, as disclosed in the independent valuation reports, to each component; investment property, bearer plants and water entitlements. The allocation technique will vary depending on the nature of the underlying lease arrangement.

Where information is available, such as when provided by the external valuer, each component of the property, meaning the land and infrastructure, the trees and any water assets, disclosed in the financial statements as investment property, bearer plants and water entitlements, will be allocated on an encumbered (subject to lease) basis. Conditions associated with individual assets are considered as part of the valuation allocation.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C1 RFF property assets (continued)

Valuations (continued)

If this information is not available, the valuation report may provide additional information, such as the summation basis of the unencumbered (vacant possession) value, which along with other sources, including the nature of capital expenditure on the property, is used to determine the encumbered allocation to components.

Judgement is applied as part of these allocations which vary from property to property given the individual circumstances of the leasing arrangements. The allocation technique may change to reflect the best estimate of fair value attributable to each component at reporting date.

Significant accounting judgements, estimates and assumptions in relation to valuation of property assets

At the end of each reporting period, the Directors update their assessment of fair value of each property, considering the most recent independent valuations. The Directors determine a property's value using reasonable fair value estimates from the most recent independent valuer's valuation reports.

Independent valuation reports assess and provide fair values for properties in their entirety. Judgement is applied in order to allocate the total property values as disclosed in the independent valuation reports, to investment property, bearer plants, property – owner occupied and water entitlements. The independent valuation reports contain information with which judgement is applied to allocate values to investment property, bearer plants, property – owner occupied and water entitlements.

Investment property, Bearer plants and Property – owner occupied

The main level 3 inputs used by the Group include discount rates, terminal capitalisation rates, rate per area of land, adult equivalent rates and carrying capacity estimated in the respective valuations based on comparable transactions and industry data.

At the end of each reporting period, the directors update their assessment of the fair value of each property. Changes in level 3 fair values are analysed at each reporting date and during discussions with the independent valuers.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C1 RFF property assets (continued)

Valuations (continued)

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurement:

Description (excludes water assets)	Fair value at		Primary valuation technique	Allocation technique	Unobservable inputs*	Range of inputs			
	31 December 2025 \$'000	30 June 2025 \$'000				31 December 2025 %	30 June 2025 %		
Almond orchard property	280,812	284,975	Discounted Cash Flow (encumbered)	Rental base	Discount rate (%)	7.25 - 8.00**	7.25 - 14.50***		
			Discounted Cash Flow (unencumbered)	Component based	Terminal Capitalisation Rate (%) (encumbered)	7.75 - 8.00	7.75 - 8.00		
Cattle property and infrastructure**	555,637	628,062	Summation assessment	Component based	\$ per adult equivalent (AE) carrying capacity (Backgrounding properties)	\$6,128 - \$11,513	\$6,128 - \$12,174		
			Productive unit		\$ per adult equivalent (AE) carrying capacity (Breeder properties)	\$1,728 - \$3,509	\$1,654 - \$3,509		
Vineyard property and infrastructure	56,046	53,969	Discounted Cash Flow	Component based	Discount rate (%)	8.25	8.25		
					Terminal Capitalisation rate (%)	8.50 - 9.00	8.50 - 9.00		
Cropping property and infrastructure**	207,120	126,669	Summation assessment	Component based	\$ per irrigated hectare per property	\$16,609 - \$29,275	\$16,190 - \$21,090		
					Average \$ per plantable hectare (Maryborough)	\$23,027	\$20,883		
Macadamia orchard property	426,660	391,060	Discounted Cash Flow	Rental base	Discount rate (%)	8.25	8.25		
			Summation assessment	Component based	Terminal Capitalisation rate (%)	6.50 - 6.75	6.50 - 6.75		
					Average \$ per planted hectare (Orchard > 5 years)	\$131,297	\$133,218		
					Average \$ per planted/plantable hectare (Orchard < 5 years)	\$106,119	\$95,992		
Total	1,526,275	1,484,735							

*There were no significant inter-relationships between unobservable inputs that materially affect fair values. Unobservable inputs are based on assessments by external valuers.

**Cattle property and infrastructure include the Kaiuroo property as at 30 June 2025, classified as Cropping property and infrastructure as at 31 December 2025.

***Yilgah fair value was valued on an unencumbered (vacant possession) basis at 30 June 2025 as the Group was in discussions with the tenant as part of the rent review process. Yilgah valued on an encumbered basis as at 31 December 2025 following the completion of the rent review.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C1 RFF property assets (continued)

Valuations (continued)

Primary valuation technique

External valuations typically assess property values using different valuation techniques.

Discounted cash flow (encumbered)	Valuation based on future net rental cash flows discounted to the present value. The terminal value (as determined by the terminal capitalisation rate) is typically assessed and discounted in these types of valuations. The valuer may also use comparative sales as supporting information.
Discounted cash flow (unencumbered)	Valuation based on future net cash flows discounted to the present value. The terminal value (as determined by the terminal capitalisation rate) is typically assessed and discounted in these types of valuations.
Summation assessment	Assessment of the property on an asset-by-asset basis based on comparative sales evidence and typically driven by a rate per productive hectare and assessment of other components such as water and supporting buildings.
Productive unit	Assessment on the property driven by the value per adult equivalent head that is supported by the property and carrying capacity of the property.
Rent capitalisation	Valuation based on passing rent applied against a capitalisation rate.

Allocation technique

Independent valuation reports assess and provide value for properties in their entirety. Component allocation techniques are adopted to allocate the total property value to investment property, bearer plants, property – owner occupied and water entitlements. The component allocation technique applied is assessed on each external valuation to ensure that the allocation technique is consistent with the nature and characteristics of the property including any lease encumbrances. The allocation technique may change to reflect the best estimate of fair value attributable to each component at reporting date.

The following allocation techniques have been applied:

Rental base	Applied for properties with long term indexed leases by allocating value to component assets using the rental base. The rental base is identifiable and generally determined by the cost of the assets. The allocation by rental base reflects the encumbered nature of the assets where rental incomes are not affected by short term market fluctuations in the value of the assets due to lack of rental review mechanism.
Component based	The encumbered value is allocated based on information in the valuation report which enables the allocation by components on an encumbered basis. Conditions associated with individual assets are considered as part of the valuation allocation. To determine the allocation of components on an encumbered basis, the external valuer will assess various factors such as market indicators, comparable sales data of encumbered assets, comparable rental data and other relevant information such as replacement cost concepts.
Component based – Almonds and Macadamias	Applied for properties where leases include rental reviews. Information is provided in the valuation to allocate the encumbered value of the property to water assets, investment property and bearer plants on an encumbered basis. Firstly, the approach allocates value to water assets based on comparable encumbered rental data. The value of land is determined based on comparable sales data. Orchard infrastructure including irrigation is determined based on a replacement cost assumption adjusted for an estimate of the age of the assets. Bearer plants are identified as being the residual value of the total encumbered value of the property.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C1 RFF property assets (continued)

Valuations (continued)

Unobservable inputs

Unobservable inputs are assumptions based on the assessments and determinations made by external valuers in their capacity as qualified experts which are key inputs in the valuation techniques utilised.

Discount rate (%)	The higher the discount rate the lower the fair value
Terminal capitalisation rate (%)	The higher the terminal capitalisation rate the lower the fair value
\$ per irrigated/planted hectare	The higher the value per irrigated/planted hectare, the higher the fair value
Average \$ per plantable hectare	The higher the value per plantable hectare, the higher the fair value
\$ per adult equivalent carrying capacity	The higher the value per adult equivalent carrying capacity, the higher the fair value

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Notes to the Financial Statements

31 December 2025

C2 Investment property

31 December 2025	Almond property \$'000	Cattle property \$'000	Vineyard property \$'000	Cropping property \$'000	Macadamia property \$'000	Total \$'000
Opening net book amount	174,116	526,244	35,730	93,854	228,847	1,058,791
Additions	1,808	1,509	1,390	1,540	25,401	31,648
Capitalisation of borrowing costs	-	-	-	42	581	623
Transfer from property - owner occupied	-	-	-	4,309	-	4,309
Amortisation of lease incentives	-	(100)	-	-	-	(100)
Fair value adjustment	-	65	-	2,421	2,005	4,491
Closing net book amount	175,924	527,718	37,120	102,166	256,834	1,099,762
30 June 2025	Almond property	Cattle property	Vineyard property	Cropping property	Macadamia property	Total
Opening net book amount	167,334	535,575	33,253	71,372	195,707	1,003,241
Acquisitions	-	-	-	-	524	524
Additions	5,214	3,322	2,477	2,285	30,039	43,337
Capitalisation of borrowing costs	-	-	-	1,556	2,616	4,172
Classified as held for sale	-	-	-	(5,679)	-	(5,679)
Disposal	-	(12,540)	-	(1,229)	-	(13,769)
Transfer to property - owner occupied	-	-	-	21,162	-	21,162
Amortisation of lease incentives	-	(200)	-	-	-	(200)
Fair value adjustment	1,568	87	-	4,387	(39)	6,003
Closing net book amount	174,116	526,244	35,730	93,854	228,847	1,058,791

Investment properties comprise land, buildings and integral infrastructure including shedding, irrigation and trellising.

Macadamia properties under development during the half year include Maryborough – Macadamias and Rookwood Farms. Development costs for these properties have been capitalised.

Investment properties are held for long-term rental yields and capital growth and are not occupied by the Group. RFF measures and recognises investment property at fair value where the valuation technique is based on unobservable inputs. Changes in fair value are presented through profit or loss in the Consolidated Statement of Comprehensive Income.

Capital expenditure that enhances the future economic benefits of the assets are capitalised to investment property. Incentives provided are capitalised to the investment property and amortised on a straight-line basis over the term of the lease as a reduction to rental revenue.

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Notes to the Financial Statements

31 December 2025

C3 Plant and equipment – bearer plants

31 December 2025	Bearer Plants - Almonds \$'000	Bearer Plants - Vineyards \$'000	Bearer Plants - Macadamias \$'000	Total \$'000
Opening net book amount	110,859	18,239	118,232	247,330
Additions	220	1,323	6,790	8,333
Capitalisation of borrowing costs	-	-	18	18
Lease incentive	-	-	4,709	4,709
Amortisation of lease incentive	-	-	(173)	(173)
Depreciation	(2,818)	(636)	(2,442)	(5,896)
Fair value adjustment - other comprehensive income	(3,373)	-	(1,791)	(5,164)
Closing net book amount	104,888	18,926	125,343	249,157
30 June 2025	Bearer Plants - Almonds \$'000	Bearer Plants - Vineyards \$'000	Bearer Plants - Macadamias \$'000	Total \$'000
Opening net book amount	125,899	17,946	104,997	248,842
Additions	94	1,374	8,213	9,681
Capitalisation of borrowing costs	-	-	242	242
Lease incentive	-	-	7,758	7,758
Amortisation of lease incentive	-	-	(206)	(206)
Depreciation	(6,365)	(1,081)	(4,597)	(12,043)
Fair value adjustment - profit and loss	-	-	177	177
Fair value adjustment - other comprehensive income	(8,769)	-	1,648	(7,121)
Closing net book amount	110,859	18,239	118,232	247,330

Bearer plants are solely used to grow produce over their productive lives and are accounted for under AASB 116 *Property, Plant and Equipment*.

RFF initially measures and recognises bearer plants at cost, including planting costs and direct costs associated with establishing these plants to maturity. After initial measurement, the Group adopts the revaluation model and bearer plants are carried at fair value less any accumulated depreciation and accumulated impairment losses.

Bearer plants are subject to revaluations based on the Group's valuation policies. Increases in the carrying amounts arising from revaluation of bearer plants are recognised in other comprehensive income and accumulated in net assets attributable to unitholders under asset revaluation reserve. Revaluation increases which reverse a decrease previously recognised in profit and loss are recognised in profit or loss. Revaluation decreases which offset previous increases are recognised in other comprehensive income in the asset revaluation reserve. Any other decreases are recognised in profit and loss.

Lease incentives relate to orchard establishment costs incurred by the Group subsequent to lease commencement. Lease incentives are capitalised to bearer plants and amortised on a straight-line basis over the term of the lease as a reduction of rental revenue.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C3 Plant and equipment – bearer plants (continued)

Bearer plants are subject to depreciation over their respective useful lives calculated on a straight-line basis on the carrying amount. Depreciation commences when bearer plants are assumed ready for use which is considered to be when the trees reach maturity or on the commencement of lease. The useful lives and maturity assumptions used for each class of depreciable asset are shown below:

Fixed asset class:	Useful life:
Almond bearer plants	30 years
Vineyard bearer plants	40 years
Macadamia bearer plants	45 - 55 years

At the end of each annual reporting period, the useful life, maturity assumptions and carrying amount of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Bearer plants as stated on a historical cost basis is as follows:

	31 December 2025 \$'000	30 June 2025 \$'000
Cost	215,006	206,595
Accumulated depreciation	(45,318)	(41,258)
Accumulated impairment	(6,666)	(2,333)
Bearer plants at historical cost less accumulated impairment	163,022	163,004

C4 Financial assets – property related

	31 December 2025 \$'000	30 June 2025 \$'000
Financial Assets - property related		
Current		
Finance Lease - Breeders	21,109	-
Total	21,109	-
Non-current		
Finance Lease - Breeders	-	19,613
Investment - BIL	520	520
Investment - CICL	11,464	11,464
Finance Lease - Feedlots	66,605	66,733
Finance Lease - Equipment	10,878	10,498
Other receivables - straight-line asset	21,371	13,405
Total	110,838	122,233

Barossa Infrastructure Ltd (BIL) is an unlisted public Company supplying non-potable supplementary irrigation water for viticulture in the Barossa. The Group holds a minority interest in BIL.

Coleambally Irrigation Co-operative Limited (CICL) is one of Australia's major irrigation companies and is wholly owned by its farmer members. CICL's irrigation delivery system delivers water to 400,000 hectares of area across the Coleambally Irrigation District, in the Riverina, near Griffith, NSW. The Group holds a minority interest in CICL.

Finance Lease – Breeders is comprised of breeders owned by the Group which have been leased to Cattle JV, a wholly-owned subsidiary of Rural Funds Management Limited, for a term of ten years ending in 2026. As part of the arrangement, the lessee is required to maintain the breeder herd and maintain an active breeding program. The expected credit loss on the finance lease is assessed on the value of the breeder herd secured against the finance lease. This assessment involves the monitoring of the value of the breeder herd through a bi-annual mustering process conducted by the lessee, Cattle JV and an annual valuation process. There has been no expected credit loss recognised at 31 December 2025 (30 June 2025: nil).

Finance Lease – Feedlots is comprised of feedlots leased to JBS Australia Pty Limited (JBS) for a term of ten years ending in 2028 with a repurchase call option exercisable by JBS and a sale put option exercisable by the Group. The call option held by JBS can be exercised from year six but will incur a break fee if exercised before year ten.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C4 Financial assets – property related (continued)

Finance Lease – DA & JF Camm Pty Limited is comprised of cattle owned by the Group and leased to DA & JF Camm Pty Limited, the lessee of the Natal aggregation, as part of a \$5,000,000 facility. The gross balance drawn as at 31 December 2025 was nil (30 June 2025: nil).

Finance Lease – Equipment largely comprises of plant and equipment leased to a company managed by TRG used for the operation of the leased macadamia orchards.

Other receivables relate to recognition of rental revenue on a straight-line basis in accordance with AASB 16 *Leases*.

Significant accounting judgements in the valuation of Coleambally Irrigation Co-operative and Barossa Infrastructure Limited shares

The investments in BIL and CICL are treated the same as water rights, that is, recorded at historical cost less accumulated impairment losses and not revalued.

Rural Funds Group

Notes to the Financial Statements

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C5 Intangible assets

Intangible assets are made up of water rights and entitlements. Refer to note B1 for Directors' valuation of water rights and entitlements.

31 December 2025	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Unallocated \$'000	Total \$'000
Non-current							
Opening net book amount	66,707	22,488	500	7,774	25,408	76,126	199,003
Capitalisation of borrowing costs	-	-	-	117	30	377	524
Transfer	-	(9,853)	-	9,853	-	-	-
Classified as held for sale	-	-	-	-	-	(14,423)	(14,423)
Impairment	-	-	-	-	(299)	-	(299)
Closing net book amount	66,707	12,635	500	17,744	25,139	62,080	184,805
Cost	67,462	13,507	500	18,015	26,752	62,113	188,349
Accumulated impairment	(755)	(872)	-	(271)	(1,613)	(33)	(3,544)
Net book amount	66,707	12,635	500	17,744	25,139	62,080	184,805
30 June 2025	Almonds \$'000	Cattle \$'000	Vineyards \$'000	Cropping \$'000	Macadamias \$'000	Unallocated \$'000	Total \$'000
Non-current							
Opening net book amount	66,707	21,437	500	6,831	26,251	79,998	201,724
Additions	-	507	-	875	-	43	1,425
Capitalisation of borrowing costs	-	419	-	70	368	757	1,614
Classified as held for sale	-	-	-	-	-	(8,127)	(8,127)
Disposals	-	-	-	(35)	-	-	(35)
Reversal of impairment/(impairment)	-	125	-	33	(1,211)	3,455	2,402
Closing net book amount	66,707	22,488	500	7,774	25,408	76,126	199,003
Cost	67,462	23,360	500	8,045	26,722	76,159	202,248
Accumulated impairment	(755)	(872)	-	(271)	(1,314)	(33)	(3,245)
Net book amount	66,707	22,488	500	7,774	25,408	76,126	199,003

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C5 Intangible assets (continued)

Water rights

Permanent water rights and entitlements are recorded at historical cost less accumulated impairment losses. Such rights have an indefinite life and are not depreciated. The carrying value is tested annually for impairment as well as for possible reversal of impairment. If events or changes in circumstances indicate impairment, or reversal of impairment, the carrying value is adjusted to take account of impairment losses.

C6 Property – owner occupied

31 December 2025	Land	Building	Irrigation	Total
	\$'000	\$'000	\$'000	\$'000
Opening net book amount	134,106	15,468	15,234	164,808
Additions	2,596	6,763	7,750	17,109
Capitalisation of borrowing costs	1,950	112	187	2,249
Transfer to investment property	(4,309)	-	-	(4,309)
Disposals	(61)	-	-	(61)
Depreciation	-	(408)	(301)	(709)
Fair value adjustment – profit and loss	157	(3,783)	2	(3,624)
Fair value adjustment - other comprehensive income	1,768	(4)	129	1,893
Closing net book amount	136,207	18,148	23,001	177,356
30 June 2025	Land	Building	Irrigation	Total
	\$'000	\$'000	\$'000	\$'000
Opening net book amount	140,612	12,580	16,604	169,796
Additions	2,832	6,043	3,702	12,577
Capitalisation of borrowing costs	4,277	123	244	4,644
Transfer to investment property	(14,417)	(2,131)	(4,614)	(21,162)
Disposals	(94)	(98)	(419)	(611)
Depreciation	-	(626)	(386)	(1,012)
Fair value adjustment – profit and loss	(341)	(452)	5	(788)
Fair value adjustment - other comprehensive income	1,237	29	98	1,364
Closing net book amount	134,106	15,468	15,234	164,808

Property – owner occupied relates to owner occupied property that is being used to conduct farming operations by the Group and accounted for under AASB 116 *Property, Plant and Equipment*. Property – owner occupied are held under the revaluation model. As at 31 December 2025, this included properties that were operated by the Group including the Maryborough properties (cropping), Beerwah, Bauple, Swan Ridge, Moore Park (macadamias), Yarra (cattle and cropping) and Kaiuroo (cropping and cattle).

These assets are subject to revaluations based on the Group's valuation policies. Increases in the carrying amounts arising from revaluation of Property are recognised in other comprehensive income and accumulated in net assets attributable to unitholders under asset revaluation reserve. Revaluation increases which reverse a decrease previously recognised in profit and loss are recognised in profit or loss. Revaluation decreases which offset previous increases are recognised in other comprehensive income in the asset revaluation reserve. Any other decreases are recognised in profit and loss.

Rural Funds Group

Directors' Declaration

31 December 2025

C6 Property – owner occupied (continued)

Elements of Property – owner occupied are subject to depreciation over their respective useful lives calculated on a straight-line basis on the carrying amount. The useful lives and for each class of depreciable asset are shown below:

Fixed asset class:	Useful life:
Land	Not applicable
Buildings	20 years
Irrigation	40 years

At the end of each annual reporting period, the useful life of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Property – owner occupied as stated on a historical cost basis is as follows:

31 December 2025	Land	Building	Irrigation	Total
	\$'000	\$'000	\$'000	\$'000
Cost	126,560	25,687	20,337	172,584
Accumulated depreciation and impairment	(1,900)	(7,599)	(591)	(10,090)
Net book amount	124,660	18,088	19,746	162,494

30 June 2025	Land	Building	Irrigation	Total
	\$'000	\$'000	\$'000	\$'000
Cost	125,702	18,400	12,404	156,506
Accumulated depreciation and impairment	(2,219)	(2,808)	(345)	(5,372)
Net book amount	123,483	15,592	12,059	151,134

C7 Plant and equipment – other

	31 December 2025 \$'000	30 June 2025 \$'000
Opening net book amount	19,345	29,001
Additions	2,614	5,368
Transfers to finance lease - equipment	(24)	(8,636)
Disposals	(211)	(2,530)
Depreciation	(1,290)	(2,724)
Depreciation capitalised to developments	(385)	(1,134)
Closing net book amount	20,049	19,345
Cost	39,597	37,390
Accumulated depreciation	(18,226)	(16,723)
Accumulated impairment	(1,322)	(1,322)
Net book amount	20,049	19,345

Classes of plant and equipment other than bearer plants are measured using the cost model as specified below. The asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and removing the asset, where applicable.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

C7 Plant and equipment – other (continued)

The Group manages and monitors its leased assets and physically attends to properties where assets are located on a regular basis.

The useful lives and for each class of depreciable asset are shown below:

Fixed asset class:	Useful life:
Capital works in progress	Not applicable
Plant and equipment	2-16 years
Farm vehicles and equipment	2-16 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit and loss.

C8 Assets held for sale

	Note	31 December 2025 \$'000	30 June 2025 \$'000
Investment property	C2	-	5,679
Intangible assets	C5	14,423	8,127
Total		14,423	13,806

At 31 December 2025, the Group had contracted the sale of 4,000ML of High Security Murrumbidgee River water.

C9 Capital commitments

Capital expenditure across all properties largely relates to macadamia developments, cropping property developments and cattle property developments. These commitments are contracted to be incurred over several years but not recognised as liabilities.

	31 December 2025 \$'000	30 June 2025 \$'000
Investment property	57,847	77,856
Bearer plants	62,191	59,583
Plant and equipment	594	803
Total	120,632	138,242

Rural Funds Group

Notes to the Financial Statements

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D. CAPITAL STRUCTURE AND FINANCIAL RISK MANAGEMENT

RFM, the Responsible Entity of RFF, is responsible for managing the policies designed to optimise RFF's capital structure. This is primarily monitored through an internal gearing ratio target range of 30-35% calculated as interest bearing liabilities as a proportion of adjusted total assets. The optimal capital structure is reviewed periodically, although this may be impacted by market conditions which may result in an actual position which may differ from the desired position.

D1 Interest bearing liabilities

	31 December 2025 \$'000	30 June 2025 \$'000
Current		
Equipment loans (ANZ)	14,020	6,145
Wyseby facility	24,454	24,454
TRG loan	16,139	16,192
J&F Guarantee - Borrowing loss provision	198	185
Total	54,811	46,976
Non-current		
Borrowings (ANZ)	286,015	283,372
Borrowings (Rabobank)	297,160	280,422
Borrowings (NAB)	157,431	139,812
TRG loan	52,452	60,468
Total	793,058	764,074

Interest bearing liabilities are initially recognised at fair value less any related transaction costs. Subsequent to initial recognition, interest bearing liabilities are stated at amortised cost. Any difference between cost and redemption value is recognised in the Consolidated Statement of Comprehensive Income over the entire period of the borrowings on an effective interest basis. Interest-bearing liabilities are classified as current liabilities unless the Group has an unconditional right to defer the settlement of the liability for at least twelve months from the balance sheet date.

J&F Guarantee

Subsequent to initial recognition, financial guarantee contracts are measured as financial liabilities at the higher of any loss allowance calculated and the amount initially recognised. A loss allowance is recognised for expected credit losses on a financial guarantee contract. The expected credit loss is assessed based on the probability of default and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the risk of default at the reporting date is compared to the risk of default at the date of initial recognition. Consideration is made to factors that could impact the financial guarantee such as actual or expected significant adverse changes in business, financial or economic conditions, and any material / adverse changes to the operating results of the associated parties of the financial guarantee.

The J&F Guarantee is a \$132.0 million (30 June 2025: \$123.0 million) limited guarantee provided by the Group to J&F Australia Pty Ltd (J&F), a wholly owned subsidiary of Rural Funds Management Limited, for a period of ten years from August 2018. From the provision of this guarantee, the Group earns a guarantee fee classified as finance income as noted in B3, paid on a monthly basis. The guarantee is currently used to support \$132,000,000 of J&F's debt facility which is used for cattle purchases, feed and other costs associated with finishing the cattle on the feedlots, enabling J&F to supply cattle to JBS Australia Pty Limited (JBS) for its grain fed business and the funding of grain in JBS' Pork business. Given J&F's primary source of income is from payments from JBS, a J&F default is only likely to occur in the event of a JBS default. In the event of a JBS default, J&F would cease buying cattle and commence selling cattle in the feedlots. As cattle are sold, J&F bank loans would be repaid. Given that lot-fed cattle can gain up to 2kgs per day, and are sold on a per kg basis, a material fall in the cattle price would be required for there to be a shortfall. The guarantee would be called to cover any shortfall between J&F borrowings and cattle sales but limited to \$132.0 million.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

D1 Interest bearing liabilities (continued)

J&F Guarantee (continued)

The guarantee fee received from J&F during the half year was \$3,386,000 (31 December 2024: \$2,642,000). The annualised net return to the Group relating to the guarantee fee arrangement for the half year was 5.5% (31 December 2024: 4.3%). There was no event of default during the half year, and as a result, the guarantee has not been called.

The financial guarantee was recognised at fair value at inception, which was nil. Subsequently, it is carried at the value of the expected credit loss. The credit loss has been calculated considering the likelihood of the financial guarantee being triggered and its financial impact on the Group. In calculating the allowance, consideration is given to counterparty risk associated with the arrangement, with JBS being the ultimate counterparty. The credit risk of JBS was determined not to have increased significantly since initial recognition, therefore the loss allowance for the guarantee has been recognised at an amount equal to 12-month expected credit losses. Consideration is also given to the value of cattle in assessing any potential shortfall should the guarantee be called by the Group. An additional credit loss provision of \$14,000 was recognised during the half year.

As part of the JBS transaction, the Group purchased five feedlots from JBS Australia Pty Limited (JBS) and leased them back to JBS. The feedlots are classified as a finance lease with a repurchase call option exercisable by JBS and a sale put option exercisable by the Group as noted in C4. The call option held by JBS can be exercised from year six but will incur a break fee if exercised before year ten in 2028.

Borrowings

At 31 December 2025 the syndicated debt facility available to the Group was \$830,000,000 (30 June 2025: \$830,000,000), with a drawn balance of \$740,606,000 (30 June 2025: \$703,606,000). The facility is split into two tranches, with a \$420,000,000 tranche expiring in November 2027 and a \$410,000,000 tranche expiring in November 2028. A separate tranche of \$50,000,000 was approved during the half year but not drawn.

As at 31 December 2025 RFF had active interest rate swaps totalling 64.7% (30 June 2025: 65.9%) of the drawn balance on the floating debt facility to manage interest rate risk. Hedging requirements under the terms of the borrowing facility may vary with bank consent.

As at 31 December 2025 the TRG loan balance was \$68,591,000 (30 June 2025: \$76,660,000) with the balance to be repaid with interest to March 2030.

As at 31 December 2025 a borrowing facility provided by Rabobank to the Group relating to the acquisition of Wyseby property was \$24,455,000, expiring in January 2026. Subsequent to the balance date, the facility was extended to March 2026.

Loan covenants

Under the terms of the updated borrowing facility, the Group was required to comply with the following financial covenants for the half year ended 31 December 2025:

- maintain a maximum Loan to Value Ratio of 60% (30 June 2025: 60%);
- maintain Net Tangible Assets (including water entitlements) in excess of \$400,000,000; and
- an Interest Cover Ratio for the Group not less than 1.50:1.00 (30 June 2025: 1.50:1.00) with distributions permitted if the Interest Cover Ratio is not less than 1.65:1.00 (30 June 2025: 1.65:1.00).

The loan to value ratio calculation includes the actual amount guaranteed under the J&F guarantee of an amount of up to \$132.0 million (30 June 2025: \$123.0 million).

Rural Funds Group has complied with the financial covenants of its borrowing facilities during the half year.

The Group has received approval from the banking syndicate to continue the reduced Interest Cover Ratio financial covenant to 1.50:1.00 with distributions permitted if the Interest Cover Ratio is not less than 1.65:1.00 to 30 June 2027.

Loan amounts are provided at the Bankers' floating rate, plus a margin. For bank reporting purposes, the Group's property assets are valued at market value based on the latest external valuation report. Refer to section B1 for Directors' valuation of water rights and entitlements.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

D1 Interest bearing liabilities (continued)

Borrowings with Australian and New Zealand Banking Group (ANZ), Coöperatieve Rabobank UA (Rabobank) and National Australia Bank (NAB) are secured by:

- a fixed and floating charge over the assets held by Certane CT Pty Limited (Certane) as custodians for Rural Funds Trust, RFM Australian Wine Fund (a subsidiary of Rural Funds Trust) and RF Active; and
- registered mortgages over all property owned by the Rural Funds Trust and its subsidiaries provided by Certane as custodians for Rural Funds Trust and its subsidiaries.

D2 Issued units

	31 December 2025		30 June 2025	
	No.	\$'000	No.	\$'000
Units on issue at the beginning of the period	389,722,999	416,024	388,243,046	431,496
Units issued during the period	-	-	1,479,953	2,940
Distributions to unitholders	-	(1,847)	-	(18,412)
Units on issue	389,722,999	414,177	389,722,999	416,024

The holders of ordinary units are entitled to participate in distributions and the proceeds on winding up of the Group. On a show of hands at meetings of the Group, each holder of ordinary units has one vote in person or by proxy, and upon a poll each unit is entitled to one vote. Voting is determined based on the closing market value of each unit.

The Group does not have authorised capital or par value in respect of its units.

Distributions totalling \$22,857,000 were declared during the half year. Distributions are allocated to the components of equity which is comprised of issued units and retained earnings.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E. OTHER INFORMATION

E1 Financial assets – other (non-property related)

	31 December 2025 \$'000	30 June 2025 \$'000
Current		
Convertible note - Inform Ag Pty Limited	1,000	1,000
Total	1,000	1,000
Non - current		
Investment - Marquis Macadamias Limited	5,519	5,478
Investment - Almondco Australia Limited	4,088	4,088
Total	9,607	9,566

The Group's investments in Marquis Macadamias Limited, Almondco Australia Limited and Convertible note – Inform Ag Pty Limited are held at fair value through profit and loss. Fair value has been assessed based on the latest financial information and an assessment of net realisable value.

E2 Biological assets

	Sugar \$'000	Macadamias \$'000	Cropping \$'000	Cattle \$'000	Total \$'000
31 December 2025					
Opening net book amount	2,738	421	1,242	7,573	11,974
Additions	2,524	2,989	3,552	1,001	10,066
Increases due to biological transformation	563	(262)	2,783	1,613	4,697
Decreases due to sales	(4,417)	(162)	(5,674)	(1,981)	(12,234)
Closing net book amount	1,408	2,986	1,903	8,206	14,503
30 June 2025					
Opening net book amount	1,808	2,149	2,489	6,461	12,907
Additions	2,713	4,781	4,012	1,225	12,731
Increases/(decrease) due to biological transformation	2,136	(566)	2,270	4,441	8,281
Decreases due to sales	(3,919)	(5,943)	(7,529)	(4,554)	(21,945)
Closing net book amount	2,738	421	1,242	7,573	11,974

Biological assets relate to the Group's farming operations. In accordance with AASB 141 *Agriculture*. The Group's cropping biological assets have been recognised at fair value as determined based on the present value of expected net cash flows from the crops.

Cattle biological assets relates to livestock recognised at fair value as determined based on sales for similar cattle in active markets.

Fair value has been based on expected net cash flows from the crops discounted from the time of harvest. The main level 3 inputs used by the Group includes estimates based on production costs (including input and harvest costs) and the estimated time of harvest adjusted for the risks of the cash flows.

Significant estimates used in determining the expected net cash flows:

Sugar from cane planted (tonnes per ha)	The higher the sugar from cane planted, the higher the fair value
Yield	The higher the yield, the higher the fair value
Price (\$ per tonne)	The higher the net price, the higher the fair value

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E2 Biological assets (continued)

Changes in the fair value of biological assets are recognised in the Consolidated Statement of Comprehensive Income in the half year they arise.

Judgements and estimates are made in determining the fair values of the biological assets that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its biological assets into three levels prescribed under the accounting standards.

31 December 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Sugar	-	-	1,408	1,408
Macadamias	-	-	2,986	2,986
Cropping	-	-	1,903	1,903
Cattle	-	8,206	-	8,206
Total biological assets	-	8,206	6,297	14,503

30 June 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Sugar	-	-	2,738	2,738
Macadamias	-	-	421	421
Cropping	-	-	1,242	1,242
Cattle	-	7,573	-	7,573
Total biological assets	-	7,573	4,401	11,974

Farming operations	Fair value at		Unobservable inputs	Range of inputs	
	31 December 2025 \$'000	30 June 2025 \$'000		31 December 2025	30 June 2025
Sugar	85	2,738	Sugar from cane planted (tonnes per ha) (+/- 10%)	4.0 - 4.9 tonnes per ha	2.6 - 5.5 tonnes per ha
			Net price (\$ per tonne) (+/- 10%)	\$530 - \$648 per tonne	\$567 - \$693 per tonne
	1,323	-	Cost approximates fair value less costs to sell	-	-
Macadamias	-	421	Macadamia yield (tonnes) (+/- 10%)	-	196.5 - 236.5 tonnes
			Farmgate NIS price (\$ per tonne) (+/-10%)	-	\$3,800 - \$4,640 per tonne
	2,986	-	Cost approximates fair value less costs to sell	-	-
Cropping (other crops)	1,903	1,242	Cost approximates fair value less costs to sell	-	-
Total	6,297	4,401			

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E3 Investments accounted for using the equity method

	31 December 2025 \$'000
Beginning of the half year	8,927
Additions	-
Loss for the half year	(958)
Dividends paid	-
End of the half year	7,969

At 31 December 2025, the Group held a 50% joint venture shareholding in Cotton JV Pty Limited (Cotton JV). The carrying amount of the investment at 31 December 2025 in Cotton JV was \$1,918,000.

The Group also held an investment in Inform Ag Pty Limited (Inform Ag) comprising equity interests and a convertible debt facility with an ownership interest of 46.7%. This is expected to increase to approximately 50% following the conversion of the remaining tranche of the \$1,000,000 debt facility (refer to E1 – Financial assets – other (non-property related)) in 30 June 2026. The investment in Inform Ag is treated as an associate. The carrying amount of the investment in Inform Ag at 31 December 2025 was \$6,051,000.

Joint ventures

Interests in joint ventures are accounted for using the equity method after initially being recognised at cost in the consolidated statement of financial position.

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E4 Related party transactions

Responsible Entity (Rural Funds Management) and related entities

Transactions between the Group and the Responsible Entity and its associated entities are shown below:

	31 December 2025	31 December 2024
	\$'000	\$'000
Management fee	5,525	5,423
Asset management fee	4,143	4,067
Total management fees	9,668	9,490
Expenses reimbursed to RFM	5,559	5,403
Expenses and capital expenditure reimbursed to RFM Macadamias	12,154	10,787
Costs reimbursed to Cotton JV	55	-
Purchases from Cattle JV	341	-
Expenses reimbursed to RFM Farming	1,092	2,537
Dividends declared to the Responsible Entity	772	772
Total amount paid to RFM and related entities	29,641	28,989
Rental income received from RFM	32	27
Rental income received from RFM Farming	462	704
Rental income received from Cattle JV	724	627
Rental income received from Cotton JV	911	869
Finance income from Cattle JV	907	820
Finance income from J&F Australia	3,386	2,642
Expenses charged to RFM Macadamias	1,035	146
Expenses charged to RFM Farming	60	82
Expenses charged to Cattle JV	33	-
Costs charged to Cotton JV	91	-
Total amounts received from RFM and related entities	7,641	5,917

The terms and nature of the historical transactions between the Group and related parties have not changed during the half year ended 31 December 2025. Transactions entered between related parties during the half year have been reviewed.

Expenses reimbursed to RFM relates to expenses incurred or paid by RFM on behalf of the Group which are subsequently reimbursed by the Group. Examples of these expenses include corporate overheads, professional service fees such as legal, audit and tax matter costs, and regulatory fees and charges.

RFM Macadamias and RFM Farming perform management activities, including capital development, farming operations and farm management on behalf of the Group. Expenses include service recharge cost recoveries, costs relating to farm management and capital development costs. These costs incurred by RFM Macadamias and RFM Farming are subsequently reimbursed by the Group.

Rental income from RFM Farming largely relates to rental income from the Bonmac property.

Rental income from Cattle JV largely relates to rental income from Mutton Hole and Oakland Park properties. Finance income from Cattle JV relates to breeder herds under finance.

Rental income from Cotton JV relates to rental income from Lynora Downs property.

Finance income from J&F Australia Pty Limited (J&F) relates to the \$132.0 million (30 June 2025: \$123.0 million) limited guarantee provided to J&F, a wholly owned subsidiary of Rural Funds Management Limited. From the provision of this guarantee, the Group earns a guarantee fee classified as finance income.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E4 Related party transactions (continued)

Expenses charged to RFM Macadamias, RFM Farming, Cattle JV and Cotton JV relate to farm management operating costs and property rates that are incurred by the Group and subsequently reimbursed to the Group.

Debtors and loans

	31 December 2025 \$'000	30 June 2025 \$'000
Rural Funds Management Limited	39	2
RFM Farming Pty Limited	3	146
RFM Macadamias Pty Limited	226	171
Cattle JV Pty Limited	22,023	20,596
Cotton JV Pty Limited	484	-
Total	22,775	20,915

Receivables are not secured and have terms of up to 30 days. Interest is charged on overdue amounts. Finance lease receivables are secured by the Group's ownership of the relevant assets. Outstanding balances are settled through payment.

Finance lease receivable from Cattle JV relates to the breeders and agricultural plant and equipment leased to Cattle JV. An additional \$1,521,000 of breeders were funded during the half year.

Creditors

	31 December 2025 \$'000	30 June 2025 \$'000
Rural Funds Management Limited	1,428	1,885
RFM Farming Pty Limited	54	590
RFM Macadamias Pty Limited	2,096	1,623
Total	3,578	4,098

Custodian fees

	31 December 2025 \$'000	31 December 2024 \$'000
Certane CT Pty Limited	291	293
Total	291	293

Financial Guarantee

The Group provides a \$132,000,000 (30 June 2025: \$123,000,000) limited guarantee to J&F Australia Pty Ltd (J&F). The guarantee is currently used to support \$132,000,000 of J&F's debt facility which is used for cattle purchases, feed and other costs associated with finishing the cattle on the feedlots, enabling J&F to supply cattle to JBS Australia Pty Limited (JBS) for its grain fed business and the funding of grain in JBS' pork business. The guarantee earns a return for RFF equivalent to an equity rate of return which is calculated on the amount of the guarantee during the half year.

Rural Funds Group

Notes to the Financial Statements

31 December 2025

E4 Related party transactions (continued)

Entities with influence over the Group

	31 December 2025		30 June 2025	
	Units	%	Units	%
Rural Funds Management	13,157,659	3.38	13,157,659	3.38

David Bryant is a director of Marquis Macadamias Limited. Marquis Macadamias Limited provides processing and selling services for the Group's macadamia operations on the Beerwah, Bauple, Swan Ridge and Moore Park properties. The Group also holds shares in Marquis Macadamias Limited. Marquis Macadamias Limited is not a related party as defined by AASB 124 *Related Party Disclosure*. Procedures are in place to manage any potential conflicts of interest.

E5 Events after the reporting date

In February 2026, the Group completed the sale of 2,000ML of High security Murrumbidgee River water entitlements contracted in December 2025, with the remaining 2,000ML expected to settle by March 2026.

Information is to be provided to RFF unitholders to vote on increasing the J&F guarantee from \$132 million to \$200 million. Initially, the guarantee would increase from \$132 million to \$160 million to facilitate an increase in the J&F facility. The guarantee may then increase to \$200 million subject to asset sales and approval by RFF's financiers.

No other matter or circumstance has arisen since the end of the half year that has significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

E6 Contingent liabilities

In June 2023, a civil claim was filed in the Supreme Court of Queensland against Australian Executor Trustees Limited as custodian of the Rural Funds Group, RFM Farming Pty Ltd (RFMF) and an employee of RFMF relating to alleged spray drift from the Baamba Plains property in Queensland. RFM was added as a defendant in October 2024. RFM is defending this claim and based on the relevant facts and an indemnity provided by RFM Farming to the Rural Funds Group, there is no material exposure expected to the Group.

Other than what has been disclosed, there are no contingent liabilities as at 31 December 2025.

Rural Funds Group

Directors' Declaration

31 December 2025

In the Directors of the Responsible Entity's opinion:

- 1 The financial statements and notes of Rural Funds Group set out on pages 11 to 51 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half year ended on that date; and
- 2 There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of the Directors of Rural Funds Management Limited.



David Bryant
Director

20 February 2026



Independent auditor's review report to the stapled security holders of Rural Funds Group

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Rural Funds Trust (the Registered Scheme) and the entities it controlled during the half-year (together Rural Funds Group, or the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in net assets attributable to unitholders, consolidated statement of cash flows, for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Rural Funds Group does not comply with the *Corporations Act 2001* including:

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

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 (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year 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 Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the

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Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors of the Responsible Entity for the half-year financial report

The directors of the Responsible Entity are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year 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 half-year financial report is not in accordance 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 half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year 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.


PricewaterhouseCoopers


Marc Upcroft
Partner

Sydney
20 February 2026

Rural Funds Management Limited

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Rural Funds Group comprises:

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RF Active ARSN 168 740 805

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