

ASX release

1H26 financial results summary

20 February 2026

Rural Funds Management Limited (RFM), as responsible entity of Rural Funds Group (ASX: RFF, the Group) today released the Financial Statements for the half-year ended 31 December 2025 (1H26), as summarised below.

Financial results summary¹

- **Net property income increased** 6.8%, or \$3.1m to \$48.6m, primarily due to additional rental income earned on macadamia developments.
- **Net farming income increased** \$0.3m, to \$1.1m, and is forecast to increase in 2H26 as crops are harvested, consistent with skew in prior years.
- **Earnings increased** \$31.0m, to \$44.1m, mainly due to revaluation of interest rate swaps and gain on sale of assets.
- **Adjusted funds from operations (AFFO) and distributions in line with full-year forecasts**, representing 5.53 cents and 5.87 cents respectively.
- **Adjusted net asset value (NAV) increased** 0.6%, or \$0.02 to \$3.10 per unit (from 30 June 2025), primarily due to mark-to-market of interest rate swaps.
- **Full-year FY26 forecasts AFFO and distributions reaffirmed**, 11.7 and 11.73 cpu respectively.

Portfolio and strategy update

- **Divestments of \$60.7m assets at or above book values** were contracted or settled during period, consistent with RFM's strategy to fund capital expenditure with asset sales and reduce gearing over time.
 - **Pro forma gearing decreased** slightly from 39.3% to 39.1%, despite \$70.7m capex deployed during the period.²
 - **FY27 committed capex materially lower than prior years** as major developments are complete or well progressed.
- **Independent valuations continue to confirm book value of assets** which were conducted on 25% of the portfolio in line with valuation policy.
- **First-stage development of Kaiuroo complete**, including 5,400 ML water storage and 380 ha irrigated cropping area, and will contribute to 2H26 results. Second-stage developments have commenced, including water storage and 946 ha of irrigated cropping, targeting completion in 2027. Development of 690 ha unleased macadamia orchards on Rookwood Farms ongoing.

¹ Comparisons are to 1H25, unless otherwise stated.

² Pro forma includes \$34m water sales.

- **AFFO accretive proposals** to increase the J&F Guarantee will be provided to Unitholders in March.
- **Bank facilities remain well within key covenants and with sufficient headroom** for committed development expenditure 2H26 and FY27.

Portfolio highlights

- **Provides exposure to a defensive property sector (food production):** with inflationary hedge characteristics.
- **Quarterly distributions:** March, June, September and December record dates.
- **Majority of assets leased:** 83% of portfolio (by asset value).
- **Long WALE:** 13.2 years with leases predominantly triple-net structure.
- **Diversification:** 61 properties across five agricultural sectors and multiple climatic zones.
- **Quality lessees:** approximately 84% of FY26f income from corporate and institutional lessees.
- **Structural rental growth:** mix of lease indexation mechanisms and market rent reviews.
- **Development and leasing pipeline:** productivity improvements and conversion to higher and better use development opportunities.

Results webinar

A financial results webinar will be held today at 11:00AM AEDT. Those wishing to attend the webinar will need to register via the link: <https://edge.media-server.com/mmc/p/vwrt54s2>. A recording of the webinar will be made available on the RFM website.

For questions, please contact RFM Investor Services on 1800 026 665 or investorservices@ruralfunds.com.au.

Rural Funds Group (ASX: RFF)

Rural Funds Group is an agricultural Real Estate Investment Trust (REIT) listed on the ASX under the code RFF. RFF owns a diversified portfolio of Australian agricultural assets. RFF's strategy is to generate capital growth and income from developing and leasing agricultural assets. RFF targets distribution growth of 4% per annum. Distributions are paid quarterly. RFF is a stapled security, incorporating Rural Funds Trust (ARSN 112 951 578) and RF Active (ARSN 168 740 805).

Rural Funds Management Limited (RFM)

Rural Funds Management Limited is the responsible entity and manager of RFF. RFM is an agricultural fund and asset manager established in 1997. The management team includes specialist fund managers, finance professionals, horticulturists, agronomists and other agricultural managers. RFM's company culture is informed by its long-standing motto "Managing good assets with good people".

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