Appendix 4D

Interim Financial Report
For the period ended 30 June 2026

Name of entity

US Masters Residential Property Group, consisting of: **US Masters Residential Property Fund I (ARSN 150 256 151) and US Masters Residential Property Fund II (ARSN 676 798 468)**

Reporting period	Previous corresponding period
1 January 2026 to 30 June 2026	1 January 2025 to 30 June 2025

Results for announcement to the market

		For the 6 months ended 30 June 2026
		$'000
Total revenue ("revenue from ordinary activities – investment property income and interest income")	Down by 78% to	$3,043
Net operating loss for the period ("loss from ordinary activities after tax attributable to security holders")	Down by 368% to	($12,799)
Total comprehensive loss ("net loss for the period attributable to security holders")	Down by 3% to	($19,641)

Commentary on results

Refer to attached Interim Financial Report, including the Directors' Report to security holders. Additional Appendix 4D disclosure requirements can be found in the notes to the financial statements.

Distributions

Stapled Securities	**Amount per security**	**Franked amount**
Distribution (paid on 20 February 2026)	$0.10	-
Total distribution	$0.10	-

Distribution dates:

Ex-Distribution date:	Tuesday, February 10, 2026
Record date:	Wednesday, February 11, 2026
Payment date:	Friday, February 20, 2026

Stapled Securities	**Amount per security**	**Franked amount**
Distribution (paid on 29 May 2026)	$0.04	-
Total distribution	$0.04	-

Distribution dates:

Ex-Distribution date:	Tuesday, May 12, 2026
Record date:	Wednesday, May 13, 2026
Payment date:	Friday, May 29, 2026

Net tangible assets per stapled security	**30-Jun-26**	**30-Jun-25**
Pre-tax attributable to stapled securities	$0.176	$0.542
Post-tax attributable to stapled securities	$0.176	$0.541

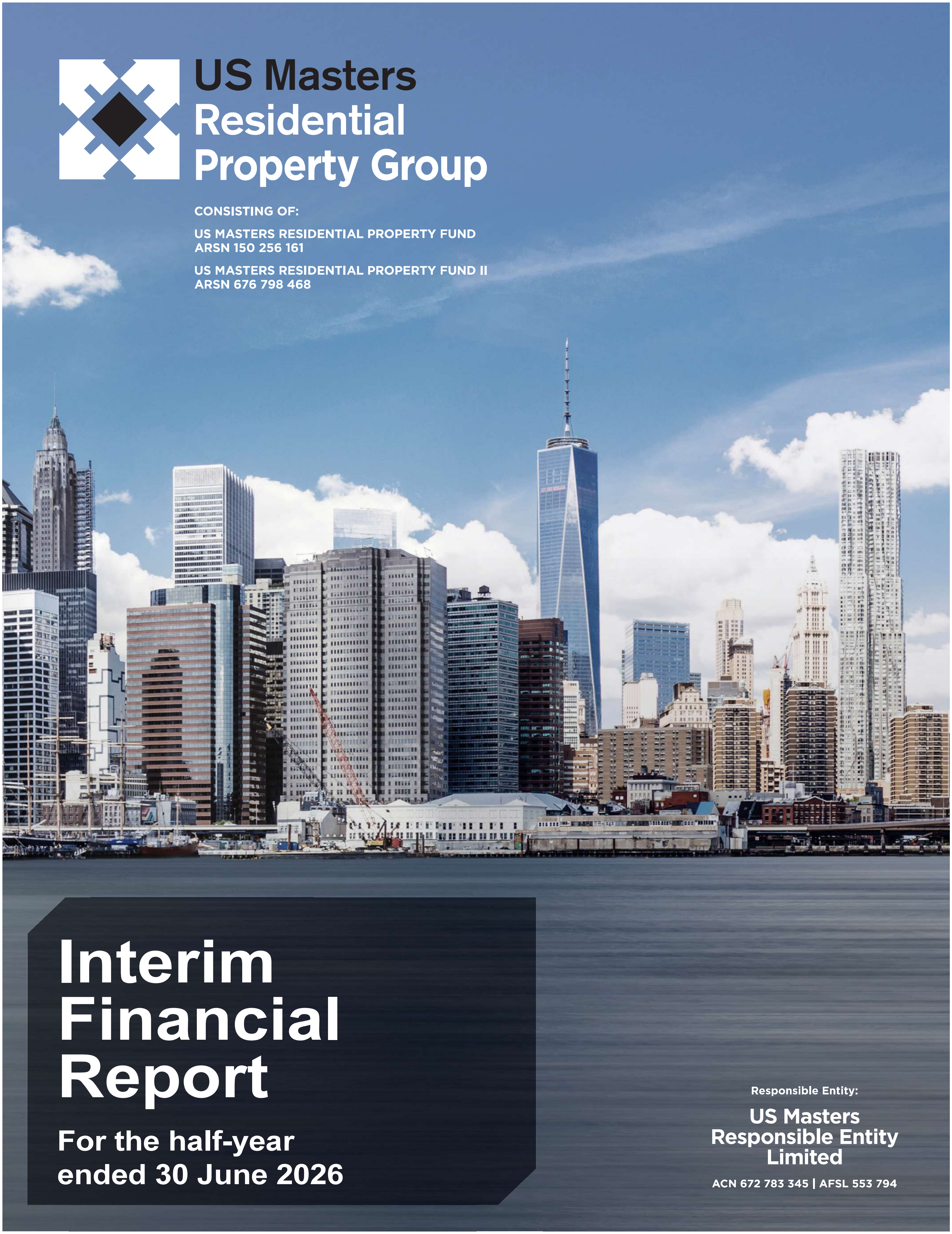
The net tangible assets per stapled security is calculated on a fully diluted basis.

Earnings per stapled security	**30-Jun-26**	**30-Jun-25**
Basic loss per stapled security	(1.9) cents	0.7 cents
Diluted loss per stapled security	(1.9) cents	0.7 cents

Basic and diluted loss per stapled security is calculated as loss for the period after tax divided by the weighted average number of stapled securities.

Interim Financial Report

This report is based on the 30 June 2026 Interim Financial Report and has been reviewed by Deloitte Touche Tohmatsu.



US Masters Residential Property Group

CONSISTING OF:

US MASTERS RESIDENTIAL PROPERTY FUND
ARSN 150 256 161

US MASTERS RESIDENTIAL PROPERTY FUND II
ARSN 676 798 468

Interim Financial Report

For the half-year ended 30 June 2026

Responsible Entity:

US Masters Responsible Entity Limited

ACN 672 783 345 | AFSL 553 794

US MASTERS RESIDENTIAL PROPERTY GROUP

FOR THE HALF-YEAR ENDED 30 JUNE 2026

CONTENTS

Chair's Letter	2
Directors' Report	4
Auditor's Independence Declaration	6
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	7
Condensed Consolidated Statement of Financial Position	8
Condensed Consolidated Statement of Changes in Equity	9
Condensed Consolidated Statement of Cash Flows	11
Notes to the Consolidated Financial Statements	12
Directors' Declaration	23
Independent Auditor's Review Report	24

US MASTERS RESIDENTIAL PROPERTY GROUP

CHAIR'S LETTER

FOR THE HALF-YEAR ENDED 30 JUNE 2026

Dear Security Holders,

I am pleased to provide you with the half-year report for both US Masters Residential Property Fund (**URF I**) and US Masters Residential Property Fund II, collectively referred to as the Stapled Group (**Group**), for the half year ended 30 June 2026.

As outlined in prior market releases, the Group entered 2026 with the stated target of selling all remaining properties in the Group's portfolio across the New York Premium, New Jersey Premium, and New Jersey Workforce segments by the end of the calendar year. While this goal represented a target (and not a forecast), the Group is pleased with the progress made during the first half of the year, which saw US$105.7 million in realised sales volume (compared to a total portfolio value of US$180.2 million entering the year). Subject to the commentary below, with nearly 60% of the total portfolio inventory by dollar value sold during 1H, the Group is well positioned to continue striving toward exiting the full portfolio by the end of the calendar year.

To that end, the remaining inventory within the Group's portfolio – and the current statuses of this inventory as of early August – is best summarised below:

- US$76.6 million of remaining portfolio gross value as of 30 June (net realisable value of US$70.5 million after estimated selling costs);
    - US$20.4 million of this inventory (19 properties) settled across July and early August (27%)
    - US$41.1 million of this inventory (41 properties) was under contract (54%)
    - US$8.9 million (11 properties) was listed for sale (11%)
    - US$6.2 million (3 properties) was in the pre-listing phase (8%)

Regarding this inventory, while the Group's sales contracts are likely (but not guaranteed) to settle, the Group feels relatively confident that all or substantially all of the US$41.1 million of inventory currently under contract will settle over the remaining months of 2H. While there is some level of counterparty-risk with each of the individual buyers, any delays or transaction terminations are more likely to stem from delays in local governmental bodies issuing pre-closing requirements (such as permit close outs). Although these municipal risks exist, the Group has successfully navigated these challenges over the entire duration of the sales programme and will be well positioned to continue to do so. Similarly, the Group remains confident that all or substantially all of the US$8.9 million of inventory currently listed for sale will be able to be successfully sold and closed during 2H. These 11 assets on the market (10 of which are New Jersey Workforce assets, with the last being a New York Premium home) recently underwent minor price adjustments and have seen a recent uptick in buyer activity following the reductions, although late-summer typically remains a period of below average market activity in the Group's markets.

The Group's expectation is that there will likely be a very small stub of assets remaining at the end of the calendar year, which will most likely be at least partly composed of the 3 assets in the pre-listing phase referenced above. These assets have all faced lengthy delays stemming from the New York and New Jersey Hudson County municipalities – including an eviction in a New York Premium townhome that was originally filed 14 months ago and has yet to see the tenant evicted due to continued delays with the housing court system. The Group continues to do everything in its power to progress these assets to market and is confident that issues will be resolved in due course. However, the Group acknowledges the possibility that if the issues at these three homes are not resolved in the coming months, then the prospect of getting these three assets listed on the market, under contract, and settled before year end becomes more challenging.

As a result of the progress of the sales pipeline, the realisable value exercise was less reliant on appraisals, and was largely driven by contracted prices and list prices. This market activity experienced by the Group has resulted in a reduction in realisable value (net of selling cost adjustments) of A$3.2 million or 1.28% across the Group's portfolio. This movement incorporates the recent price reductions made to the US$8.9 million of inventory remaining on the market, largely across the 10 remaining New Jersey Workforce assets.

US MASTERS RESIDENTIAL PROPERTY GROUP

CHAIR'S LETTER

FOR THE HALF-YEAR ENDED 30 JUNE 2026

Consistent with the previously released guidance, the Group has continued to execute its capital management strategy, with the target of continuing to return capital to security holders as quickly and efficiently as possible. Distributions totalling 14 cents per security were paid during the period, and post-balance date the Group announced an additional distribution of 4 cents per security. Also post-balance date, the Group announced that it had repaid its senior debt facility with Global Atlantic in full. As a result, subject to any additional buyback requirement, the Group will continue to distribute available net sales proceeds as quickly as possible, subject to maintaining appropriate reserves.

I would like to take this opportunity to thank the management team at Brooksville, as we work toward completing the sales programme and successful exit of the portfolio.

I look forward to finalising the execution of the business plan we embarked on in 2023 and providing investors with further updates in due course.

Regards,

Stuart Nisbett
Chair
US Masters Residential Property Group

US MASTERS RESIDENTIAL PROPERTY GROUP

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2026

The directors of US Masters Responsible Entity Limited, the Responsible Entity of both US Masters Residential Property Fund (**URF I, Parent**) and US Masters Residential Property Fund II (**URF II**) present their report together with the financial statements for the half-year ended 30 June 2026 of:

- the Stapled Group (**Group**), consisting of URF I and its controlled entities and URF II and its controlled entities, and;
- URF II and its controlled entities.

Significant changes in state of affairs

There were no significant changes in the state of affairs of the Group and URF II which occurred during the half-year ended 30 June 2026, with the Group continuing the sell down of its property portfolio.

Principal activities and significant changes in the nature of activities

The principal activity of the Group during the course of the financial period was the continued sell down of its property portfolio. There were no significant changes in the nature of the Group's activities during the period.

The principal activity of URF II is the provision of responsible entity services to URF I and URF II.

Financial performance and position

For the period ended 30 June 2026, the Group recorded a pre-tax loss of $12.8 million (30 June 2025: $35.0 million), a post-tax loss of $12.8 million (30 June 2025: profit of $4.8 million) and a total comprehensive loss of $19.6 million (30 June 2025: $19.1 million).

During the period, the Group's net assets have been reduced by $116.5 million reflecting the continued sale of its property portfolio and distributions to security holders.

For the 6-month period ended 30 June 2026, URF II recorded a post-tax loss of nil (30 June 2025: $7 thousand).

Distributions paid or recommended

A distribution of $0.10 per stapled security totalling $68.8 million was declared on 5 February 2026 and was paid to securityholders of the Group on 20 February 2026.

A distribution of $0.04 per stapled security totalling $27.5 million was declared on 7 May 2026 and was paid to securityholders of the Group on 29 May 2026.

After balance date events

Subsequent to balance date, a distribution of $0.04 per stapled security totalling $27.5 million was declared on 12 August 2026.

Subsequent to balance date, the Global Atlantic (**GA**) facility (US$21.7 million) was repaid in full from available cash flows and reserves on hand with GA.

Other than the matters discussed above, there has not arisen in the interval between the balance date and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of US Masters Responsible Entity Limited, to significantly affect the operations of the Group and URF II, the results of those operations, or the state of affairs of the Group and URF II, in future financial years.

US MASTERS RESIDENTIAL PROPERTY GROUP

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 30 JUNE 2026

Auditor's independence declaration

The auditor's independence declaration is set out on page 6 and forms part of the directors' report for the half-year ended 30 June 2026.

Signed in accordance with a resolution of the Directors:

Stuart Nisbett
Director
US Masters Residential Property Group

Dated this 26th day of August 2026

Deloitte Touche Tohmatsu
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Australia

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26 August 2026

The Board of Directors
US Masters Responsible Entity Limited
as Responsible Entity for:
US Masters Residential Property Fund and
US Masters Residential Property Fund II
Level 17, 1 Denison Street, North Sydney, NSW 2060

Dear Board Members

Auditor's Independence Declaration to US Masters Responsible Entity Limited as Responsible Entity for US Masters Residential Property Fund and US Masters Residential Property Fund II

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of the Responsible Entity of US Masters Residential Property Fund and US Masters Residential Property Fund II.

As lead audit partner for the review of the half-year financial report of US Masters Residential Property Fund and US Masters Residential Property Fund II for the financial half-year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Michael Kaplan
Partner
Chartered Accountants

US MASTERS RESIDENTIAL PROPERTY GROUP

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2026

		Stapled Group		URF II	
	Note	30 Jun 2026	30 Jun 2025	30 Jun 2026	30 Jun 2025
		$'000	$'000	$'000	$'000
Investment property rental income		2,346	12,182	-	-
Interest income		697	1,368	-	-
Insurance proceeds		394	-	-	-
Other income		410	242	35	59
Responsible entity fee income	*13*	-	-	885	1,003
Investment property write downs to net realisable value, including disposal cost adjustments	*4*	(3,196)	(30,122)	-	-
Investment property expenses		(3,211)	(6,431)	-	-
Net foreign currency loss		(299)	(20)	-	-
Public company costs		(54)	(85)	(1)	(30)
Professional fees		(953)	(1,096)	(279)	(292)
IT expenses		(35)	(79)	(15)	(18)
Management fees - external	*10*	(857)	(1,170)	-	-
Promote incentive	*10*	(2,038)	1,958	-	-
Recharged expenses	*10*	(2,049)	(2,076)	-	-
Administrative costs		(530)	(662)	(530)	(627)
Interest expense		(2,468)	(7,801)	-	-
Impairment loss on financial assets		(150)	(390)	-	-
Other insurance expense		(80)	(157)	(57)	(81)
State franchise tax		(90)	(386)	-	-
Other expenses		(626)	(232)	(38)	(14)
Loss before income tax		(12,789)	(34,957)	-	-
Income tax (expense)/benefit	*5*	(10)	39,735	-	(7)
(Loss)/profit for the period		(12,799)	4,778	-	(7)
(Loss)/profit for the period:					
Attributable to the Parent		(12,733)	5,169	-	-
Attributable to URF II		-	(7)	-	(7)
Attributable to non-controlling interests		(66)	(384)	-	-
		(12,799)	4,778	-	(7)
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Exchange difference on translation of foreign operation (nil tax)		(6,842)	(23,883)	-	-
Other comprehensive loss for the period, net of tax		(6,842)	(23,883)	-	-
Total comprehensive loss for the period		(19,641)	(19,105)	-	(7)
Total comprehensive loss for the period:					
Attributable to the Parent		(19,575)	(18,714)	-	-
Attributable to URF II		-	(7)	-	(7)
Attributable to non-controlling interests		(66)	(384)	-	-
		(19,641)	(19,105)	-	(7)
Earnings per stapled security					
Basic loss per stapled security (dollars) *		(0.02)	0.01	-	(0.00)
Diluted loss per stapled security (dollars) *		(0.02)	0.01	-	(0.00)

* Basic and diluted eamings/(loss) per stapled security is calculated as profit/(loss) for the period after tax divided by the weighted average number of units.

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with Notes to the Consolidated Financial Statements.

US MASTERS RESIDENTIAL PROPERTY GROUP

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	Stapled Group		URF II	
		30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
		$'000	$'000	$'000	$'000
Assets					
Cash and cash equivalents		47,234	92,311	3,370	3,335
Receivables		172	3,955	37	182
Prepayments		216	926	93	37
Other financial assets held for sale	2	-	-	-	-
Other assets	3	11,415	15,852	-	-
Net investment in sublease		-	183	-	-
Investment properties held for sale	4	102,702	198,125	-	-
Investment properties	4	-	51,166	-	-
Security deposits		5	5	5	5
Total assets		161,744	362,523	3,505	3,559
Liabilities					
Payables	6	5,675	5,968	151	205
Lease liabilities		-	189	-	-
Borrowings	8	31,483	117,333	-	-
Provisions	7	3,152	1,075	-	-
Deferred tax liabilities	5	-	-	-	-
Total liabilities		40,310	124,565	151	205
Net assets		121,434	237,958	3,354	3,354
Equity					
Unit capital attributable to the Parent	9	423,770	520,153	-	-
Unit capital attributable to URF II	9	3,361	3,361	3,361	3,361
Reserves		202,663	209,505	-	-
Accumulated losses		(507,284)	(494,551)	(7)	(7)
Equity attributable to security of the Stapled Group		122,510	238,468	3,354	3,354
Non-controlling interests		(1,076)	(510)	-	-
Total equity		121,434	237,958	3,354	3,354

The Condensed Consolidated Statement of Financial Position is to be read in conjunction with Notes to the Consolidated Financial Statements.

US MASTERS RESIDENTIAL PROPERTY GROUP

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2026

STAPLED GROUP

	Note	**Unit capital attributable to the Parent $'000**	**Unit capital attributable to URF II $'000**	**Foreign currency translation reserve $'000**	**Accumulated losses $'000**	**Attributable to security/unit holders $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Balance at 1 January 2025		**597,073**	**3,371**	**236,875**	**(437,962)**	**399,357**	**1,011**	**400,368**
Profit for the period		-	-	-	5,162	5,162	(384)	4,778
Other comprehensive income, net of income tax								
Foreign operation currency translation gain		-	-	(23,883)	-	(23,883)	-	(23,883)
Total other comprehensive loss		-	-	(23,883)	-	(23,883)	-	(23,883)
Total comprehensive loss for the period		**-**	**-**	**(23,883)**	**5,162**	**(18,721)**	**(384)**	**(19,105)**
Distributions paid to non-controlling interest		-	-	-	-	-	(423)	(423)
Transactions with owners in their capacity as owners								
Security buybacks		(1,045)	(9)	-	-	(1,054)	-	(1,054)
Distributions to security holders		(6,907)	-	-	-	(6,907)	-	(6,907)
Total transactions with owners		**(7,952)**	**(9)**	**-**	**-**	**(7,961)**	**-**	**(7,961)**
Balance at 30 June 2025		**589,121**	**3,362**	**212,992**	**(432,800)**	**372,675**	**204**	**372,879**
Balance at 1 January 2026		**520,153**	**3,361**	**209,505**	**(494,551)**	**238,468**	**(510)**	**237,958**
Loss for the period		-	-	-	(12,733)	(12,733)	(66)	(12,799)
Other comprehensive income, net of income tax								
Foreign operation currency translation loss		-	-	(6,842)	-	(6,842)	-	(6,842)
Total other comprehensive loss		-	-	(6,842)	-	(6,842)	-	(6,842)
Total comprehensive loss for the period		**-**	**-**	**(6,842)**	**(12,733)**	**(19,575)**	**(66)**	**(19,641)**
Distributions paid to non-controlling interest		-	-	-	-	-	(500)	(500)
Transactions with owners in their capacity as owners								
Security buybacks	*9*	-	-	-	-	-	-	-
Distributions to security holders	*9*	(96,383)	-	-	-	(96,383)	-	(96,383)
Total transactions with owners		**(96,383)**	**-**	**-**	**-**	**(96,383)**	**-**	**(96,383)**
Balance at 30 June 2026		**423,770**	**3,361**	**202,663**	**(507,284)**	**122,510**	**(1,076)**	**121,434**

The Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with Notes to the Consolidated Financial Statements.

US MASTERS RESIDENTIAL PROPERTY GROUP

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2026

URF II

	Note	Unit capital $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2025		**3,371**	**-**	**3,371**
Loss for the period		-	(7)	(7)
Total comprehensive loss for the period		**-**	**(7)**	**(7)**
Transactions with owners in their capacity as owners				
Security buybacks		(9)	-	(9)
Total transactions with owners		**(9)**	**-**	**(9)**
Balance at 30 June 2025		**3,362**	**(7)**	**3,355**
Balance at 1 January 2026		**3,361**	**(7)**	**3,354**
Loss for the period		-	-	-
Total comprehensive loss for the year		**-**	**-**	**-**
Transactions with owners in their capacity as owners				
Security buybacks	*9*	-	-	-
Total transactions with owners		**-**	**-**	**-**
Balance at 30 June 2026		**3,361**	**(7)**	**3,354**

The Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with Notes to the Consolidated Financial Statements.

US MASTERS RESIDENTIAL PROPERTY GROUP

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Stapled Group		URF II	
	30 Jun 2026 $'000	30 Jun 2025 $'000	30 Jun 2026 $'000	30 Jun 2025 $'000
Cash flows from operating activities				
Cash receipts from customers	2,741	12,134	-	-
Cash paid to suppliers	(6,353)	(10,666)	(1,018)	(1,151)
Responsible entity fees received	-	-	1,030	901
Insurance proceeds received	750	-	-	-
Interest received	780	1,309	-	-
Interest paid	(1,903)	(6,385)	-	-
Management fees (paid)/received	(873)	(1,210)	30	58
Taxes paid	-	-	(7)	-
Net cash (used in)/provided by operating activities	(4,858)	(4,818)	35	(192)
Cash flows from investing activities				
Payments for improvements to investment properties	(5,111)	(5,431)	-	-
Proceeds from sale of investment properties	153,799	185,664	-	-
Disposal costs on sale of investment properties	(12,199)	(14,914)	-	-
Net cash provided by investing activities	136,489	165,319	-	-
Cash flows from financing activities				
Security buybacks	-	(1,054)	-	-
Bank loan repayments	(78,110)	(113,966)	-	-
Refund of interest reserve and escrow accounts	1,343	2,428	-	-
Payment of interest reserve and escrow accounts	(1,544)	(2,343)	-	-
Distributions paid - security holders/ordinary unitholders	(96,383)	(6,907)	-	-
Distributions paid - non-controlling interest	(500)	(423)	-	-
Payment on redemption of Series A preferred units	-	(210)	-	-
Lease payments	(180)	(577)	-	-
Cash receipts from net investment in sublease	378	547	-	-
Net cash used in financing activities	(174,996)	(122,505)	-	-
Net (decrease)/increase in cash and cash equivalents	(43,365)	37,996	35	(192)
Cash and cash equivalents at beginning of period	92,311	83,372	3,335	3,563
Effect of exchange rate fluctuations on cash held	(1,712)	(4,747)	-	-
Cash and cash equivalents at end of period	47,234	116,621	3,370	3,371

The Condensed Consolidated Statement of Cash Flows is to be read in conjunction with Notes to the Consolidated Financial Statements.

1. Basis of preparation

As stated in the 2025 annual report, the Stapled Group's (**Group**) financial statements are now prepared on a non-going concern basis as a result of the directors intention to cease operations of the Group through the disposal of its remaining property portfolio and subsequent liquidation of all Group entities.

Units of URF I and units of URF II are stapled together to form the Stapled Group. Australian Accounting Standards require the identification of an acquirer and an in-substance acquisition to be recognised in respect of this stapling arrangement. In relation to the Stapled Group, URF I is identified as the acquirer of URF II. All amounts are presented in Australian dollars, which is also the functional currency of URF and URF II, unless otherwise noted.

The Group has applied *ASIC Corporations (Stapled Group Reports) Instrument 2015/838*. Accordingly, the condensed consolidated financial statements and accompanying notes of the Group are presented together with the condensed consolidated financial statements and accompanying notes of URF II and its controlled entities.

The Group has also applied *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*. Accordingly, amounts in the condensed consolidated financial statements and accompanying notes have been rounded to the nearest one thousand dollars unless otherwise indicated.

A) Statement of compliance

The consolidated financial statements are general purpose condensed financial statements which have been prepared in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board (**AASB**), including AASB 134: Interim Financial Reporting, and the *Corporations Act 2001*. Compliance with Australian Accounting Standards ensures that the consolidated financial statements comply with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board (**IASB**).

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group and URF II. The half-year financial statements do not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report, together with any public announcements made during the half-year.

These half-year financial statements were approved by the Board of Directors of US Masters Responsible Entity Limited on 26 August 2026.

Except as otherwise noted, the same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

B) Non-going concern basis

As a result of the adoption of a non-going concern basis, all the Group's assets, including investment properties, are recorded at their net realisable values. Liabilities, including any onerous contract amounts, are recorded at their contractual settlement amounts. In addition, all assets and liabilities have been classified in order of expected liquidity in the Condensed Consolidated Statement of Financial Position. All assets and liabilities are expected to be realised/extinguished within 12 months of balance date. This timing expectation is subject to factors that may ultimately extend this expected timeline.

C) Use of estimates and judgements

Accounting policies which are subject to significant accounting estimates and judgements at the reporting date and which have a significant risk of causing material adjustments to the financial statements in the next annual reporting period include:

1. Basis of preparation (*continued*)

i) Net realisable value of investment property assets

The Group estimates the net realisable value of investment properties primarily based on contracted values for properties under contract for sale, listed prices for properties on the market for sale, and comparable sales value for properties being prepared for sale as of balance date, net of estimated disposal costs. The Group engages external licensed property valuers and agents to assist in this assessment – refer to note 4.

Amendments to Accounting Standards and new Interpretations that are mandatory effective from the current reporting period

The Group and URF II have adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current reporting period. None of these Standards and Interpretations had any material impact.

2. Other financial assets held for sale

Other financial assets held for sale relate to equity investments held in the following investees:

				Ownership Interest	
Investee	**Country of Incorporation**	**Principal activity**	**Principal place of business**	**30 Jun 2026 %**	**31 Dec 2025 %**
515 West 168th Venture LLC (i) *	USA	Property investment	Washington Heights, NY	63.7%	63.7%
523 West 135th Street Venture LLC (ii) *	USA	Property investment	Hamilton Heights, NY	64.7%	64.7%

(i) During the period, the investment property owned by 515 West 168th Venture LLC was sold. At the time of sale, the investee had borrowings which were non-recourse to the Group which exceeded the sales proceeds. No proceeds were received by the Group in connection with this sale.

(ii) At balance date, the investment property owned by 523 West 135th Street Venture LLC was on the market for sale. Based on market feedback to date (including non-binding offers), the fair value of the property is estimated to be less than the borrowings which are non-recourse to the Group, and accordingly the carrying fair value of the investment reflecting its net realisable value has been recorded at nil.

* The Group does not have existing rights that give it the current ability to direct the relevant activities of the Investee and therefore does not exercise control of the Investee. Similarly, the Group does not have significant influence over the Investee. Accordingly, the investment has been designated as a financial asset at fair value through profit or loss.

3. Other assets

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	$'000	$'000	$'000	$'000
Other assets (escrow deposits (i))	1,387	2,166	-	-
Other assets (ii)	3,804	7,499	-	-
Borrowing facility reserve accounts (iii)	6,224	6,187	-	-
	11,415	15,852	-	-

(i) Property sales can include escrow holdbacks to cover settlement adjustments such as utility bills and minor repairs. Amounts held in escrow are returned to the Group once the escrow conditions have been satisfied.

(ii) Under the terms of the Global Atlantic (**GA**) facility, an Exempt Property asset reserve was held in respect of nominated properties excluded from covenant calculations. This reserve was applied against the outstanding principal balance as part of the Group's repayment of the loan facility in full subsequent to balance date (refer to note 14).

(iii) At balance date, the Group had the following balances on reserve with GA as required under the terms of the facility (refer to note 8):

- An interest reserve totalling US$1.3 million ($2.0 million).
- A property tax reserve totalling US$1.7 million ($2.5 million).
- An insurance reserve totalling US$0.2 million ($0.3 million).
- A capital expenditure reserve totalling US$0.5 million ($0.7 million).
- An insurance loss funds reserve totalling US$0.5 million ($0.7 million).

The reserve balances noted above were applied against the outstanding principal balance as part of the Group's repayment of the loan facility in full subsequent to balance date (refer to note 14).

4. Investment properties

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	$'000	$'000	$'000	$'000
Disclosed in the Consolidated Statement of Financial Position as:				
Investment properties held for sale (i)	102,702	198,125	-	-
Investment properties (ii)	-	51,166	-	-
	102,702	249,291	-	-

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
At net realisable value	$'000	$'000	$'000	
Balance at beginning of period	249,291	710,860	-	-
Improvements to investment properties	4,575	11,330	-	-
Investment property write downs to net realisable value, including disposal cost adjustments	(3,196)	(87,944)	-	-
Disposals	(136,842)	(349,058)	-	-
Exchange rate differences on translation	(11,126)	(35,897)	-	-
Balance at end of period	102,702	249,291	-	-

(i) 'Investment properties held for sale' represent those properties under contract for sale, on the market for sale, or in the process of being prepared for sale at balance date.

(ii) In the prior year, 'Investment properties' represented residual properties not classified as 'held for sale' at balance date but were nonetheless targeted for sale within calendar year 2026.

Valuation basis

Investment properties are recorded at net realisable value, representing the asset's fair value less estimated costs of disposal.

At balance date, the Group had 74 properties in its portfolio. Of these properties, 59 were under contract for sale and their net realisable values reflect contracted sales prices less estimated selling costs. A further 12 properties were on the market for sale, and their net realisable values have been determined with reference to current list prices less estimated selling costs. The net realisable values of the remaining 3 properties have been determined with reference to comparable selling prices less estimated selling costs.

5. Deferred tax liabilities

At balance date, the Group had the following temporary timing differences:

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	$'000	$'000	$'000	$'000
Temporary timing differences - investment properties	9,070	22,102	-	-
Temporary timing differences - equity investments	(495)	(2,510)	-	-
Temporary timing differences - other	(1,559)	(1,130)	-	-
Recognition of deferred tax asset - tax losses *	(7,016)	(18,462)	-	-
Net deferred tax liability	-	-	-	-

* The Group has additional tax losses of $251.9 million (tax benefit of $73.4 million) which have not been recognised as there is unlikely to be sufficient future taxable income to utilise these losses.

Income tax expense/(benefit) is comprised of:

	Stapled Group		URF II	
	30 Jun 2026	30 Jun 2025	30 Jun 2026	30 Jun 2025
	$'000	$'000	$'000	$'000
Reversal of previous withholding tax no longer payable	-	(40,248)	-	-
Deferred tax charged to profit or loss	-	500	-	-
Income tax charged to profit or loss	-	7	-	-
State taxes payable	10	6	-	-
Income tax expense/(benefit) (i)	10	(39,735)	-	-

(i) The income tax benefit of $39.735 million recognised in the comparative period relates substantially to the reversal of the deferred tax liability existing at the 31 December 2024 balance date as a result of the corporate tax restructure undertaken in the comparative period.

6. Payables

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	$'000	$'000	$'000	$'000
Trade payables	28	98	-	-
Interest payable	153	555	-	-
Other payables and accruals	5,494	5,315	151	205
	5,675	5,968	151	205

The average credit period on trade payables is 30 days. No interest is charged on trade payables from the date of invoice. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time frame.

7. Provisions

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
Provision for promote interest	$'000	$'000	$'000	$'000
Balance at beginning of period	1,075	4,769	-	-
Interest expense	67	426	-	-
Promote charged/(reversed) during the period	2,038	(3,786)	-	-
Exchange rate differences on translation	(28)	(334)	-	-
Balance at end of period	3,152	1,075	-	-

Under the terms of the Limited Liability Company agreement, Brooksville Company LLC (**Brooksville**) is entitled to a promote on returns delivered in excess of an 8% compound annual return, calculated with reference to the equity value contributed to the venture. Returns in excess of the 8% hurdle rate are distributed 25% to Brooksville and 75% to the members according to their equity interest percentage. The promote will be settled as and when it is realised.

The Group has estimated the value of the promote interest at balance date using a discounted cash flow model. In making its estimation, the Group has exercised judgement to form reasonable valuation inputs in respect of the length of the sell down period, future selling prices, disposal costs (historical average), discount rate and repayment of borrowings. These judgements will be revisited each reporting period and revised where necessary.

8. Borrowings

	Stapled Group		URF II	
	30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
	$'000	$'000	$'000	$'000
Secured bank loan — at amortised cost	31,483	117,333	-	-
	31,483	117,333	-	-

The outstanding principal balance on the Global Atlantic facility at balance date was US$21.7 million (A$31.5 million).

Subsequent to balance date, the loan was repaid in full utilising net property sales proceeds and the application against the outstanding principal balance of escrow balances on reserve with GA (refer to note 3). Under the terms of the amended loan agreement, the maturity date of the loan was 31 December 2026.

During the period, the loan bore interest at a rate of 6% per annum (2025: 4% per annum). The facility was secured by the following:

- A charge over the following subsidiaries of URF I in which collateralised property assets are held:
  - Collingwood URF LLC
  - Carlton URF LLC
  - St Kilda LLC
  - Melbourne LLC
  - Geelong LLC
  - NJ Penelope LLC
  - NRL URF LLC
  - NY Oakland LLC
  - Brisbane URF LLC
  - Essendon LLC
  - Fremantle LLC

- A guarantee given by Jett URF Holdings LLC and Kenny URF Holdings LLC, as Equity Owners of the borrowing entities listed above.
- A guarantee given by US Masters Residential Property (USA) Fund.
- US$4.2 million (A$6.2 million) placed in interest, taxes, insurance and capex reserves. Refer to note 3.
- A Deposit Account Control Agreement in respect of the Rent Deposit Account, an account into which all tenant rent was received and which was swept daily by the loan servicer to cover interest and replenishment of required reserves.

8. Borrowings (*continued*)

The facility was subject to the covenants listed below. Failure to satisfy these covenants did not constitute an Event of Default but would have resulted in a Cash Trap scenario wherein excess funds swept from the Rent Deposit Account would have been retained by GA rather than returned to the Group.

- Required Debt Yield Percentage of 4.75% (tested quarterly)
- Required Debt Service Cover Ratio of 1.15 (tested quarterly)
- Required Loan to Value Ratio of 79% (tested annually)
- Threshold Amount requirements where the outstanding principal amount was required to be reduced to at least US$85 million on or before 30 June 2026, and US$50 million on or before 30 September 2026.

As at 30 June 2026 balance date, all above covenant requirements were satisfied.

The Group was also required to maintain a Tangible Net Worth of at least US$50 million, a Liquid Asset covenant of at least US$10 million, and avoid any Event of Bankruptcy. A breach of any of these covenants would have constituted an Event of Default and would have allowed the lender to demand immediate repayment of all unpaid principal and interest amounts. All of these conditions were satisfied as of 30 June 2026.

9. Capital and reserves

The units in URF I and URF II are stapled on a one for one basis forming the stapled group. The units of URF I and URF II cannot be traded separately and can only be traded as stapled securities under the Australian Securities Exchange ticker symbol URF (**URF Stapled Securities**).

Holders of URF Stapled Securities are entitled to receive distributions as declared. On a show of hands every holder present at a meeting in person, or by proxy, is entitled to one vote, and upon a poll each security holder is entitled to one vote per security owned.

The proportionate allocation of unit capital between URF I and URF II can be seen in the table below.

	Stapled Group		URF II	
	30 Jun 2026 $'000	31 Dec 2025 $'000	30 Jun 2026 $'000	31 Dec 2025 $'000
688,451,287 stapled securities	427,131	523,514	3,361	3,361
(a) Issued stapled securities				
Balance at beginning of the period	523,514	600,444	3,361	3,371
Security buybacks	-	(1,144)	-	(10)
Distribution to security holders	(96,383)	(75,786)	-	-
Balance at end of the period	427,131	523,514	3,361	3,361
Attributable to the Parent	423,770	520,153	-	-
Attributable to URF II	3,361	3,361	3,361	3,361
	427,131	523,514	3,361	3,361

		Stapled Group		URF II	
(b) Movements in stapled securities/ordinary units		30 Jun 2026	31 Dec 2025	30 Jun 2026	31 Dec 2025
Date	**Details**	**No.**	**No.**	**No.**	**No.**
1 January	Balance at beginning of the period	688,451,287	691,636,927	688,451,287	691,636,927
2025	Security buybacks	-	(3,185,640)	-	(3,185,640)
	Balance at end of the period	688,451,287	688,451,287	688,451,287	688,451,287

10. Management fees, promote incentive and recharged expenses

Management fees

	Stapled Group		URF II	
	30 Jun 2026 $'000	30 Jun 2025 $'000	30 Jun 2026 $'000	30 Jun 2025 $'000
Asset management fee (i)	791	847	-	-
Property management fee (ii)	66	323	-	-
	857	1,170	-	-

(i) Pursuant to an Asset Management Agreement, Brooksville is entitled to an Asset Management Fee of US$1 million per year, subject to annual CPI adjustments.

(ii) Pursuant to a Property Management Agreement, Twin Pines Management LLC (**Twin Pines**, prior period: Pinnacle City Living) is entitled to a Property Management Fee of 2.85% of gross receipts collected.

Promote incentive

	Stapled Group		URF II	
	30 Jun 2026 $'000	30 Jun 2025 $'000	30 Jun 2026 $'000	30 Jun 2025 $'000
Promote incentive movement recognised in profit or loss (refer to note 7)	2,038	(1,958)	-	-
	2,038	(1,958)	-	-

Recharged expenses

Figures in the commentary below have not been rounded.

Under the terms of the respective agreements, Brooksville and Twin Pines are entitled to recover direct expenses incurred in the management of the portfolio. Recharged expenses primarily relate to payroll costs in respect of property management services, construction management services, office administration costs, and compliance costs. During the period, the total amount recharged to the Group was $2,102,869 (30 June 2025: $2,128,907). Of this amount, construction management services totalling $54,434 (30 June 2025: $53,105) were capitalised to the relevant investment properties.

11. Capital commitments

The Group and URF II had no material capital commitments at balance date (31 December 2025: nil).

12. Contingent liabilities

The Group is from time to time involved in litigation claims relating to its operations, including tenancy matters and construction activities undertaken by or on its behalf. Where a legal opinion is provided to the Group which supports a likely outflow relating to a claim, including an estimate of such outflow amount, the Group records a liability in respect of such settlement estimate including associated costs. No liability is recognised where legal opinion supports that a settlement is unlikely, or that a likely settlement amount cannot be reliably estimated.

As of balance date, the Group is not aware of any legal matters in respect of which a material unrecorded settlement outflow is likely. However, certain claims are still proceeding through the legal system and associated liabilities that the Group may ultimately incur are uncertain pending the outcome of these legal proceedings and could potentially be material.

13. Related parties

Key management personnel

Mr. Stuart Nisbett, Mr. Peter Shear, Mr. Jack Lowenstein and Mr. Sean Banchik are directors of US Masters Responsible Entity Limited and are deemed key management personnel of the Group and URF II.

At balance date, Mr. Stuart Nisbett owned 18,462 URF Stapled Securities. No other Director owned URF Stapled Securities.

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

Responsible Entity fee

Figures in the commentary below have not been rounded.

US Masters Responsible Entity Limited is entitled to charge a cost recovery-based management fee payable from the assets of the Group. For the half-year ended 30 June 2026, expenses totalling $885,359 (30 June 2025: $1,002,821) were incurred and recharged by US Masters Responsible Entity Limited to either URF I or URF II on a proportionate net asset value basis. An amount of $35,649 (30 June 2025: $58,172) was recharged by URF II to URF I.

14. Subsequent events

Subsequent to balance date, a distribution of $0.04 per stapled security totalling $27.5 million was declared on 12 August 2026.

Subsequent to balance date, the GA facility (US$21.7 million) was repaid in full from available cash flows and reserves on hand with GA.

Other than the matters discussed above, there has not arisen in the interval between the balance date and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Responsible Entity, to significantly affect the operations of the Group and URF II, the results of those operations, or the state of affairs of the Group and URF II, in future financial years.

15. Operating segments

The Group operates solely in the real estate sector in the New York metropolitan area in the United States of America. Revenue, profit, net assets and other financial information reported to and monitored by the Chief Operating Decision Maker (**CODM**) for the single identified operating segment are the amounts reflected in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows.

The Responsible Entity, which is the CODM for the purposes of assessing performance and determining the allocation of resources, operates and is domiciled in Australia.

US MASTERS RESIDENTIAL PROPERTY GROUP

DIRECTORS' DECLARATION

FOR THE HALF-YEAR ENDED 30 JUNE 2026

The directors of the Responsible Entity for US Masters Residential Property Group (the Group and URF II) declare that:

a) The attached condensed consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:

   i) giving a true and fair view of the Group's and URF II's financial position as at 30 June 2026 and their performance for the half-year ended on that date; and

   ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

b) As a result of the directors intention to cease operations of the Group through the disposal of its remaining property portfolio, the financial statements have been prepared on a non-going concern basis.

   Through operating cash flows generated during the wind down period and the disposal proceeds from the sales of its property portfolio, the directors consider that there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors of the Responsible Entity made pursuant to Section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Mr. Stuart Nisbett
Director
US Masters Residential Property Group

Dated this 26th day of August 2026

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Independent Auditor's Review Report to the Stapled Security Holders of US Masters Residential Property Fund and US Masters Residential Property Fund II

Conclusion

We have reviewed the half-year financial report of US Masters Residential Property Fund and US Masters Residential Property Fund II (the 'Funds') and their subsidiaries (the 'Stapled Group'), which comprises the condensed consolidated statements of financial position as at 30 June 2026, and the condensed consolidated statements of profit or loss and other comprehensive income, the condensed consolidated statements of cash flows and the condensed consolidated statements of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, 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 the Stapled Group does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Stapled Group's financial position as at 30 June 2026 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a *Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Stapled Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional and Ethical Standards Board ("the Code") that are relevant to our audit of the annual financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Responsible Entity of the Funds, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

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

Deloitte.

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 Stapled Group's financial position as at 30 June 2026 and 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Michael Kaplan
Partner
Chartered Accountants
Sydney, 26 August 2026