ARK CAPITAL

Fact Sheet: May 2025

BEDROCK MORTGAGE FUND

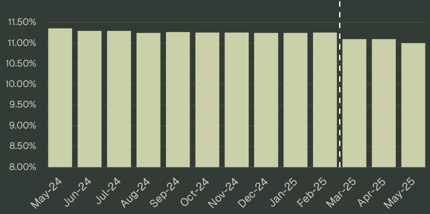
May Return for May 2025

11.00% p.a.

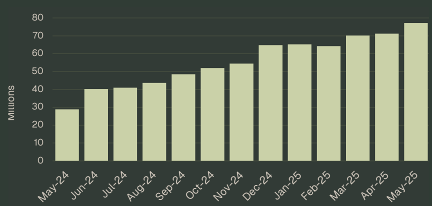
Net of fees and costs, distributions paid monthly.

Weighted average loan-to-value	Average cash deployment through month
63.7%	89.8%

Reliable Distributions



Fund Size (FUM $m)



Fund Details

FUND COMMENCED	December 2023
TARGET RETURN	RBA cash rate + 5%
MINIMUM SUBSCRIPTION	$50,000
MINIMUM INVESTMENT TERM	6 months
DISTRIBUTIONS	Paid Monthly
DISTRIBUTION REINVESTMENT AVAILABLE	Yes
REDEMPTION	Quarterly
APPLICATION & REDEMPTION FEE	NIL
PERFORMANCE FEE	NIL
PLATFORMS	Mason Stevens Netwealth Hub24 BT Panorama
TRUSTEE	Ark Capital Funds Ltd ACN 604 775 573 AFSL 476209
FUND MANAGER	Ark Capital Funds Management Pty Ltd ACN 649 243 881

Key Metrics

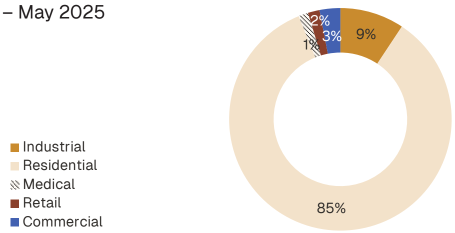
Fund Performance (Net of Fees)	Period	P.A.
1 Mth	0.93%	11.00%
3 Mths	2.79%	11.07%
6 Mths	5.56%	11.16%
Fin YTD	10.29%	11.21%
Since Inception	N/A	11.20%

Fees (Comprised of)	1.00%
Fund Management Fee	0.75%
Direct Cost Recovery	0.25%

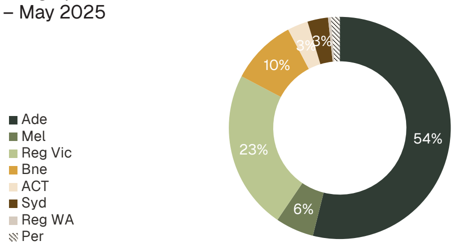
Fund Details	Mar25	Apr25	May25
FUM	$70.5m	$71.2m	$77.2m
Number of Unitholders	197	208	218
Number of Borrowers	18	18	20
Number of Loans	24	23	26
Average Loan Size	$2.8m	$2.9m	$2.9m
Average Loan Maturity	7.5mths	6.8mths	8.3mths
Loans in Arrears	nil	nil	nil
Loans with Prepaid interest	100%	100%	100%

Portfolio Diversity

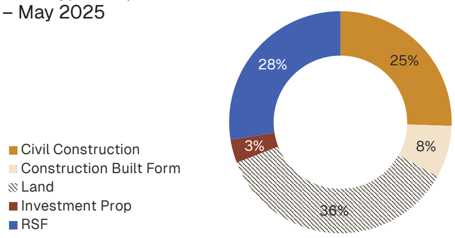
Investment Sector Mix – May 2025



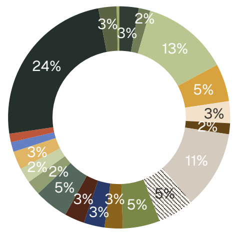
Geographic Mix – May 2025



Loan Type/Purpose – May 2025

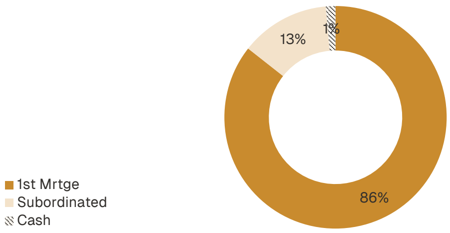


Borrower Mix – May 2025

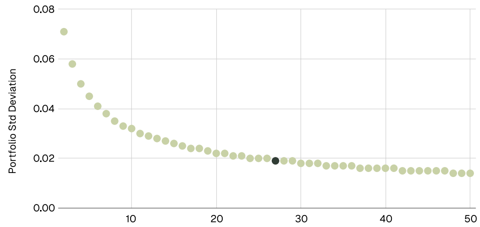


Borrowers: 20

Portfolio Investment Mix – May 2025



Portfolio Standard Deviation – May 2025



Commentary

- The full effects of the February 0.25% RBA rate cut have now flowed through to fund performance, with the fund delivering an annualised return of 11.00% in May. The May rate cut is expected to impact returns over the next 2–3 months, as it affects several existing Bedrock investments and the expected rates for new loans. Pleasingly, returns remain at market-leading levels, comfortably exceeding the target return of RBA + 5%.
- The fund commenced May with approximately $5 million cash, received $6 million in new unit subscriptions and saw $14 million in loan repayments. This $25 million was primarily deployed into three new investments, including a significant $21 million investment in a 72-room serviced apartment and six-penthouse complex in the final stages (90%+) of construction. With only the final fit-out elements remaining, this is essentially a "finished stock" facility. This unique investment is expected to be repaid within 12 months through the sale of the penthouses and refinancing of the apartment complex at completion and commencement of trading.
- The investment quantum allowed the fund to deploy un-utilised cash reserves, and it is intended that this investment be progressively sold down and the portfolio rebalanced over the next three months.
- Despite the loan repayments, the portfolio remains well-diversified, comprising 26 loans to 20 different borrowers as at the end of May. Approximately 65% of the portfolio is invested in land, property and civil construction loans, and 27.5% in the near-complete apartment loan previously mentioned.
- As we approach the financial year end our Origination team has observed a moderate slowdown in borrower activity. It is however seeing growing confidence in the developer market, likely reflecting the recent RBA rate cuts, and is forecasting significant activity throughout July, August and September.

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BEDROCK MORTGAGE FUND

Investor Contacts

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ABOUT THE FUND MANAGER

Ark Capital is a boutique property fund manager established in 2015, specialising in private real estate debt and equity, and led by owners and executives with long experience through numerous credit and property development cycles.

Ark's primary business is its Ark Wholesale Mortgage Fund, a contributory fund originating mid-market syndicated loans, primarily to property developers and development land investors. Throughout its near 10 year history Ark Capital has transacted over 100 real estate loan and equity deals valued at over $1 billion.

Ark's executive team has long experience in the important disciplines, including property development and project assessment, loan due-diligence, loan origination and settlement, comprehensive loan management through the loan term, loan default management and debt recovery, and funds management and governance.

At Ark we put the preservation of our investors' capital at the forefront of our risk analysis process. Ark's executive team constantly reassesses the development landscape and Ark's investment settings, in order to avoid the riskiest segments and regions in the market. Coupled with our due diligence capability, these are our key strengths.

We rigorously, meticulously assess every aspect of a borrower's proposed project, the borrower's background, the markets they develop in and sell into, their contractors, their financial position and performance, and the security they are providing. We typically reject approximately 80% of loan opportunities we assess.

Ark Capital has a growing family of loyal mortgage fund investors encompassing high net wealth investors, family offices, independent financial advisors and wealth management firms who recommend our investments to their clients. We are open and transparent with our investors, and value the faith they show in us

ABOUT THE BEDROCK FUND

Bedrock was created to offer a "pooled" version of Ark's Wholesale Mortgage Fund to our investors, to provide an investment diversity option for our investors seeking to avoid concentration risk.

Bedrock invests exclusively in Ark Wholesale Mortgage Fund loans, in syndicate alongside other contributing investors. Bedrock takes positions in multiple loans in order to deliver an ever-reducing concentration risk as measured by the portfolio standard deviation, and essentially making it a proxy for the greater Ark Capital investment universe.

Bedrock's diversity targets include increasing the number of loans, limiting single borrower exposure, and spreading investments across multiple regions and development sectors. The portfolio is constantly calibrated to deliver its returns with as much diversity as is practicable.

Bedrock's investments include a minimum 85% 1st mortgage loans with up to 15% able to be invested in subordinated loan positions. The Fund Manager's judicious use of subordinated loan positions has added approximately 70 basis points to Bedrock's YTD annualised returns.

Bedrock's returns are determined by reference to the interest rate paid by borrowers on the loans, plus a 1% rebate from the Fund Manager of its line fee on the loans, less the Fund Manager's 0.75% fee and direct costs capped at 0.25%.