2024/25

Annual Report
Business in Review

ARK CAPITAL™

Built in the Know
A Year of Disciplined Growth

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Who we are *A Firm—Built in The Know*

Ark Capital is a specialist investment manager focused exclusively on Australian real estate. Founded in 2015, we offer institutional-quality access to private real estate credit, and equity opportunities, through funds designed to preserve capital while delivering strong risk-adjusted returns.

We are not generalists. We are deeply embedded in the real estate development ecosystem, with decades of collective experience across residential, industrial, civil, and mixed-use projects. That real-world insight shapes how we originate, structure and steward investments, always with clarity, care and conviction. At Ark, scale is not the goal. Performance is. And that begins with knowing when to say yes, and when to walk away.

Our Strategic Advantage

- **Built Environment Expertise**

  Deeply experienced across land use, planning, development, and delivery.

- **Active Risk Management**

  Capital-first discipline with rigorous investment settings and stress testing.

- **Flexible Structures**

  Senior and mezzanine debt, preferred and straight equity—designed to match risk with return.

- **Selective Origination**

  Proprietary pipeline sourced through long-term developer and broker relationships.

- **Investor Alignment**

  Strong co-investment, performance-based fees and best-in-class governance.

We are proudly independent and privately owned. Every dollar we deploy is managed as if it were our own, because often, it is. Built in the know. Backed by experience. Trusted to deliver.

Shane Wakelin,
Executive Director, Distribution
& Investor Relations

"Trust is something we build every day, through transparency, consistency and showing investors exactly how we manage their capital."

From the Board
A Year of Clarity, Strength and Discipline

Welcome to the 2025 Annual Report of Ark Capital Funds, a year that affirmed our strategic resilience and underscored the power of insight-led investing.

Since our founding in 2015, Ark has been more than a capital partner. We've been a selective force in Australian real estate, combining deep development experience with institutional-calibre risk discipline to deliver results that matter. This year, that approach was tested and proven once again.

A Complex Market, A Clear Strategy

In FY2025, Australia's real estate landscape faced sustained macroeconomic pressure. Persistent inflation, supply chain aftershocks and elevated construction costs reshaped the operating environment. Yet, Ark's strategy remained steadfast.

By focusing on residential and industrial land, alongside selective exposure to civil construction, we avoided the risks that challenged the broader construction sector: cost blowouts, contractor failures and delivery delays. Our geographic diversification, spanning capital cities and key regional hubs, provided both balance and opportunity in an uneven market and allowed us to maintain our track record of delivering superior risk-adjusted returns.

Built in the Know is more than our operating philosophy, it's a commitment to experience-led investing, strategic discipline and staying one step ahead, even when the market shifts.

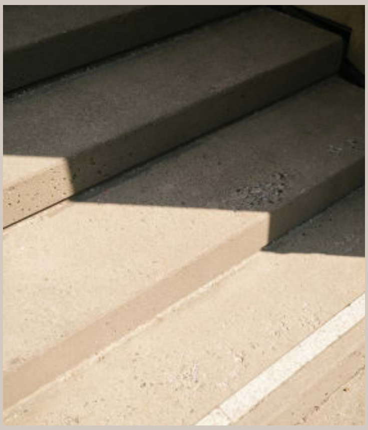
Delivering at Scale Without Compromise

We ended the financial year with more than $400 million in funds under management and over $1.08 billion deployed since inception. That scale has not come at the expense of quality.

Our multi-fund structure, including the Ark Wholesale Mortgage Fund, Bedrock Mortgage Fund and Summit Real Estate Equity Fund, provides diverse capital pathways for investors. It ensures alignment with our expertise in land, credit, and development-led opportunity.

Governance That Elevates Performance

We continued to embed best-practice governance across the business. The appointment of an independent credit committee member and Perpetual Trustees as external custodian reflects our belief that strong governance isn't just about compliance. It's about delivering better decisions and greater protection for investors.



Forward with Confidence

As we look to FY2026, the Board remains confident in Ark Capital's strategic direction and market position. We are well capitalised, deeply experienced and increasingly recognised for our ability to generate sustainable, risk-adjusted returns in a changing market.

We thank our investors, partners, and stakeholders for their continued trust. Ark's future is built, as always, in the know.

02

CEO Message
Navigating Complexity with Conviction

Peri Macdonald Chief Executive Officer

FY2025 tested the resolve of investors and capital allocators alike. For Ark Capital, it was a year that affirmed the power of experience, discipline and deep market knowledge.

We navigated uncertainty not by reacting to volatility but by relying on the fundamentals that define us: capital protection, strategic patience and an unwavering commitment to investor outcomes. In a market flooded with noise, we stayed focused and delivered.

Strategic Clarity in Challenging Markets

The year was marked by macroeconomic stress. Rising defaults, cost pressures, and uneven confidence across states shaped market conditions. In Victoria, we saw deteriorating feasibility and policy complexity. Rather than chase marginal returns, we made the deliberate call to reduce exposure. That decision, guided by our investment settings framework, reflected our core belief: protecting capital comes first. As a result, our allocation to Victoria decreased materially, from 50% at the beginning of the year to 37% by 30 June.

At the same time, we leaned into strength. South-East Queensland and Adelaide offered robust fundamentals, including population growth, residential undersupply, and policy tailwinds. Our deep development expertise enabled us to act confidently. We identified pockets of opportunity in medium-density housing and small-format industrial.

Managing Risk With Precision

We are not immune to market pressures. But our minimal exposure to high-risk construction and our bias toward land, civil and structured equity insulated us from many of the sector's sharpest impacts. Our two current workout situations in Melbourne are being handled with rigour and focus. One unwavering principle guides us: capital protection.

Milestones That Matter —FY2025

$1.08B	In total capital deployed since inception
$300M	In new investments settled across 40 facilities
255	New wholesale investors, growing our base by 44%
$128M	Growth in FUM, a 45% year-on-year uplift
3	New equity joint ventures with proven development partners

Bedrock Fund accepted onto four investment platforms, now exceeding $80 million in FUM

Bedrock Fund earns second investment grade rating from SQM Research

These numbers are important not just because of their scale but because of what they represent: consistency, trust and disciplined execution.

Partnerships and Platforms for the Future

In 2024, we formalised our partnership with Urbis, Australia's pre-eminent real estate advisory firm. This is more than a data collaboration. It's a meeting of analytical strength and practical investment insight. The Ark Urbis Market Outlook series shapes both how we see the market and how we communicate our thinking to investors.

Operationally, we continued to strengthen our foundation. From new team members in Marketing, Distribution and Finance to the opening of our Melbourne HQ, Ark has never been more aligned, better resourced or more confident in our ability to scale with care.

A Strategic Horizon

Looking to FY2026, we remain focused on our core three-fund strategy. Our Brisbane office, opened 1 July 2025, signals our commitment to Southeast Queensland, a region where we continue to see outsized opportunity. New leadership in that market will allow us to deepen relationships, originate smarter and expand with precision.

We see strong momentum in medium-density housing, infill industrial and select childcare assets. With the credit market evolving and investor expectations rising, the value of experience, real-world, deeply earned experience, has never been more critical.

Investing in Our Future

Excellence at Ark is not an outcome, it's a discipline. This year, we continued to invest in the foundations that power long-term performance: capability, culture and environment.

We welcomed five new team members across Marketing, Distribution and Finance, each selected for their ability to contribute meaningfully to our high-performing, insight-led culture. In October, we opened the doors to our new Melbourne head office. More than just a space, it reflects the way we work: collaborative, focused and built for growth.

Governance That Protects

We view governance as more than a safeguard; it's a strategic enabler. Our frameworks are designed not just to meet obligations but to support confident decision-making and protect investor capital at every stage.

In FY2024–2025, we welcomed Matt Cleary, Urbis Regional Director (Victoria) and National Head of Valuations, as an independent member of both our Credit and Equity Investment Committees. His appointment brings an additional layer of market expertise and independent rigour to our investment decisions.

We also expanded the Ark Compliance Committee to include oversight across all business risk. Led by an independent Chair and comprised of a majority of independent members, it replaces our prior structure with a model that elevates oversight and resilience. To further strengthen fund governance, Perpetual Trustees Limited was appointed Custodian for all Ark Funds, reinforcing our commitment to institutional-grade protection and best-practice structures.

To Our Investors

Thank you for the confidence you continue to place in Ark Capital.
We do not take it for granted. Everything we do, every decision, every deal, every relationship, is built on a single idea.

When you combine expertise, discipline and market insight, you don't just invest. You build in the know.

03

Our Strategy & Pillars

Our strategy is clear: protect capital, identify opportunity and deliver performance through discipline and insight. At Ark, our five strategic pillars aren't just internal frameworks, they shape every investment, every relationship and every decision.

01 Capital Protection Through Expert Risk Management

Capital protection is the lens through which all decisions are made. In late 2024, as major Melbourne projects declined in value and defaults emerged, our minimal exposure to high-risk construction and our average 63.42% LVR reflected disciplined positioning. Ten years of zero first mortgage capital loss speaks to the depth of our expertise and our proactive risk management culture.

02 Market Intelligence

We invest where the fundamentals support performance and avoid markets where they don't. Through our partnership with Urbis, we blend macroeconomic insight with real-time market intelligence. In FY2025, this meant reducing Victorian exposure and maintaining strong confidence in south-east Queensland and Adelaide, where population growth and residential undersupply persist.

03 Diversified Capital Solutions Across the Stack

Our three-fund structure enables targeted investment across debt and equity. Bedrock surpassed $80 million and earned its second 'investment grade' rating from SQM Research. The Wholesale Fund grew to ~$380 million in FUM. Across our strategies, we continue to back residential and industrial land, selective civil construction and emerging demand in medium-density housing.

04 Operational Excellence Through Scalable Growth

Sustainable growth requires infrastructure and oversight. FY2025 saw key enhancements: Perpetual Trustees appointed as Fund Custodian, new governance committees led by independent experts and the opening of our Brisbane office, a strategic step aligned with our market conviction.

05 Investor-First Partnership Philosophy

Everything we do is designed to deliver value for our investors. In 2025, our investor community grew 44%, reflecting strong demand for our transparent, high-performance approach. We serve wealth advisers, HNWIs and family offices with insight, clarity and trust through our careful stewardship.

These pillars reflect who we are: a firm built on expertise, driven by performance, and committed to the investors we serve.

Brett MacGillivray,
Head of Legal & Compliance

“Governance is our strongest lever for performance. It’s the architecture behind our resilience, our risk discipline and our compass through every cycle.”

Governance, Risk & Operational Frameworks

Governance is not a back-office function, it’s central to how we protect investor capital, maintain performance and make confident decisions through changing markets.

We operate a multi-stage investment approval process built on layered oversight and deep expertise. Four independent committees govern our approach across debt, equity, credit and investment management, ensuring every opportunity is rigorously assessed before capital is deployed.

Our Investment Committees (Debt and Equity) assess opportunities through a specialised lens, supported by dedicated members with domain-specific experience. The Credit Committee brings added scrutiny to risk assessment and deal structure, while our Investment Management Committee maintains senior oversight throughout the investment lifecycle, from deployment through to exit or enforcement, if required.

In 2025, we strengthened this framework with the appointment of Matt Cleary, Urbis Partner and Regional Director.
As an independent member across both the Equity and Credit Committees. His 30+ years of property and valuation expertise bring an impartial, institutional-grade layer to our investment review process.

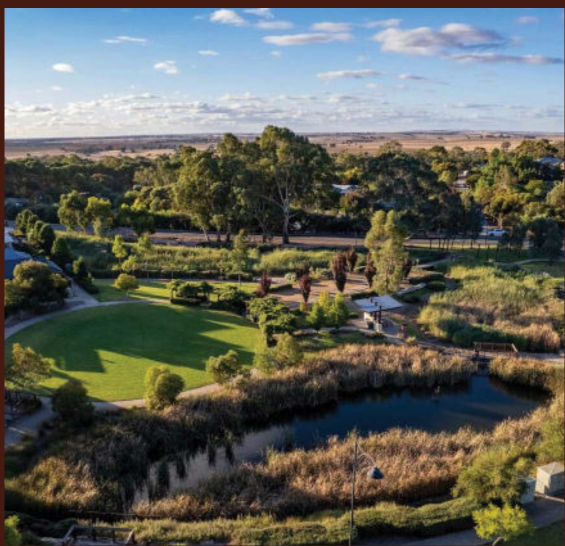
This structure reflects our belief that discipline and diversity of perspective produce better decisions. Every investment must pass through multiple levels of due diligence, with clear separation of roles and an emphasis on independent evaluation. It’s a model that ensures risks are identified early, opportunities are weighed with rigour and our investment standards remain uncompromised.

Complementing this is our strategic research partnership with Urbis, established in 2024. This collaboration sharpens our investment settings by aligning market insight with our ground-up knowledge. Together, we developed the Ark Property Clock, a forward-looking framework that helps us assess each market’s cyclical momentum, not just current conditions. This enables us to anticipate inflection points and time capital deployment with confidence.

From governance to research, we embed discipline at every stage. Our operational model is built for resilience, our risk systems are built to protect and our frameworks are designed to support performance through all parts of the cycle.

04

Our Funds *Performance and Growth*

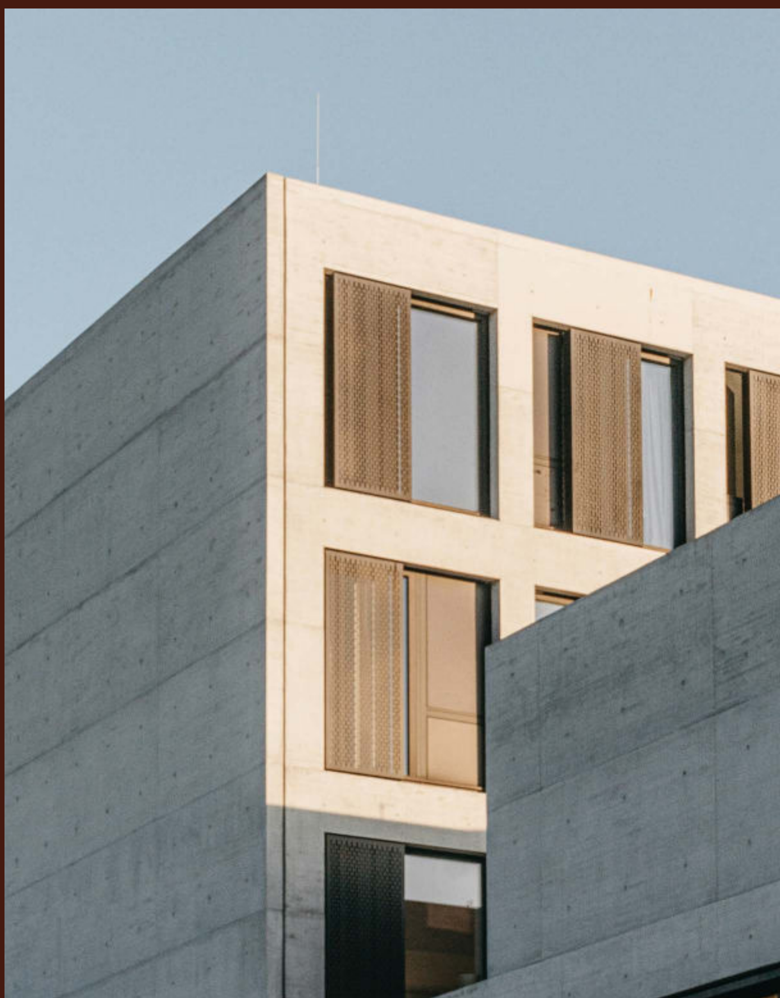


Springwood Gawler East — Gawler East, SA

FY2025 marked a significant step forward in Ark's evolution. Our total Funds Under Management (FUM) surpassed $400 million, supported by strong inflows across all strategies. From pooled mortgages to equity co-investments, our ability to manage risk while pursuing opportunity remains core to how we deliver value.

Ark Bedrock Mortgage Fund

Diversification
delivered at scale.



Launched in December 2023, the Ark Bedrock Mortgage Fund has rapidly become a flagship offering for sophisticated investors seeking stable, diversified exposure to the private mortgage market. As at 30 June, the Fund reached $80 million in FUM and delivered a 11.18% annualised return with monthly consistency.

This year, the Fund:

- Achieved its second investment grade rating from SQM Research
- Was listed on four major platforms: Netwealth, BT Panorama, Mason Stevens and HUB24
- Delivered monthly distributions with RBA + 7% p.a. equivalent returns

Built as a pooled counterpart to our contributory structure, the Fund provides broad exposure across borrowers, geographies and sectors, reinforcing our core principle: protect capital through intelligent diversification.

David Charles,
Bedrock Fund Manager

"Diversification is more than a theory, it delivers measurable risk reduction. With 23 loans to 20 borrowers across 8 regions, Bedrock continues to deliver stable performance, even as interest rates shift."

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

Ark Bedrock Mortgage Fund

Fact Sheet June 2025

Return for June 2025

10.98% p.a.

Net of fees and costs, distributions paid monthly.

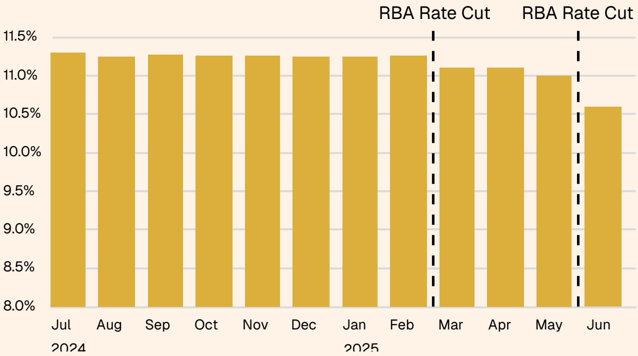
Weighted average loan-to-value

64.4%

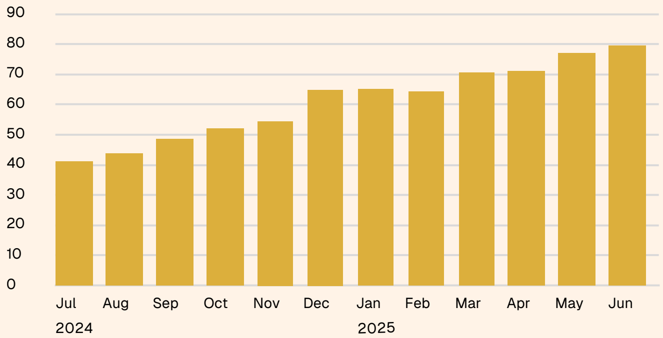
Average cash deployment through month

98.4%

Reliable Distributions



Fund Size (FUM $M)



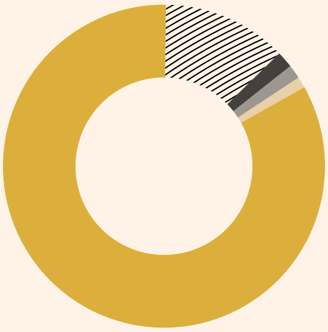
Key Metrics

Fund Performance (Net of Fees)	Period	Per Annum
Fin Year to Date (YTD)	11.19%	11.19%
Since Inception	N/A	11.18%

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

Fund Details	Jun 2025
FUM	$79.9m
Number of Unitholders	221
Number of Borrowers	20
Number of Loans	23
Average Loan Size	$3.5m
Average Loan Maturity	7.3mths
Loans in Arrears	nil
Loans with Prepaid interest	100%

Investment Sector Mix

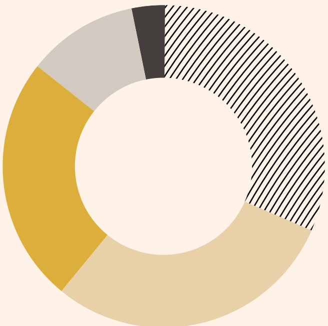


Residential	83%
Industrial	13%
Medical	1%
Retail	2%
Commercial	1%

Geographic Mix — June 2025

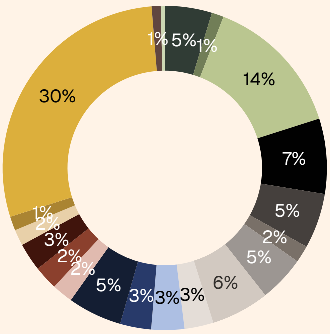
ADE	51%
MEL	9%
Reg VIC	22%
BNE	10%
ACT	3%
SYD	3%
Reg WA	0%
PER	1%

Loan Type/Purpose

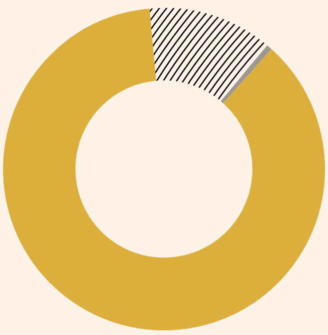


Civil Construction	25%
Built Form	11%
Land	32%
Property	3%
RSF	30%

Borrower Mix
20 Borrowers



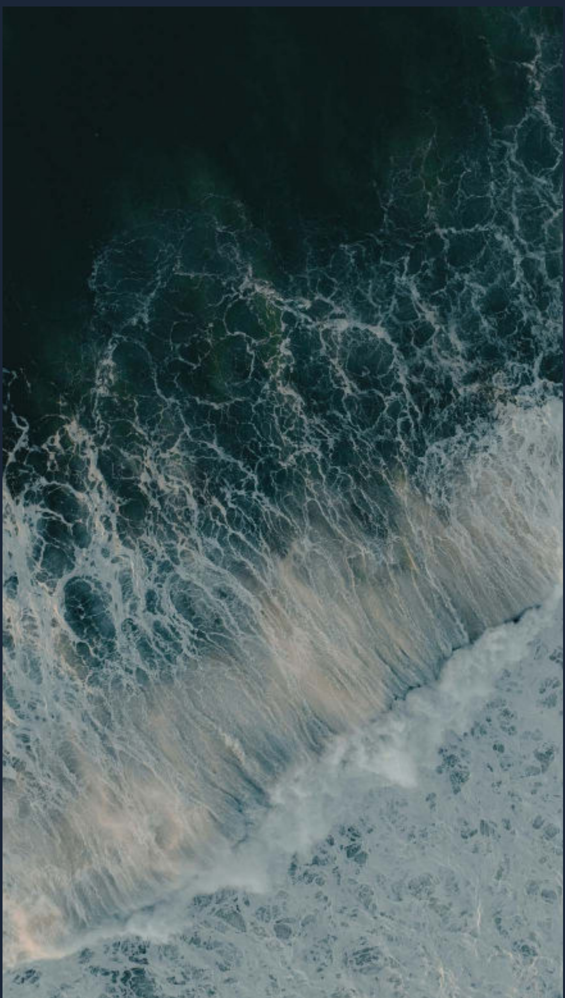
Portfolio Investment Mix — June 2025



First Mortgage	87%
Mezz (2nd or T2)	13%
Cash	0%

Ark Wholesale Mortgage Fund

Precision and transparency
through contributory investment.



Our contributory mortgage model gives investors direct access to individual loan opportunities, backed by Ark's institutional grade due diligence and active management. In FY2025, we closed 35 new facilities, maintaining zero first mortgage capital losses and strong performance across all loans.

Highlights:

- FUM reached ~$380 million
- Loans spanned residential and industrial assets across major metro and growth corridors
- All loans secured against registered mortgages, with transparent reporting at each stage

This structure continues to appeal to investors who value control, clarity and alignment with their specific return and risk preferences.

Fund Details

Minimum Subscription	$50,000
Distributions	Paid Monthly
Distribution Reinvestment Available	No
Redemption	On syndicate maturity
Application & Redemption Fee	NIL
Performance Fee	NIL
Trustee	Ark Capital Funds Ltd ACN 604 775 573 AFSL 476209
Fund Manager	Ark Capital Funds Management Pty Ltd ACN 649 243 881

Ark Wholesale Mortgage Fund Fact Sheet June 2025

Return for June 2025

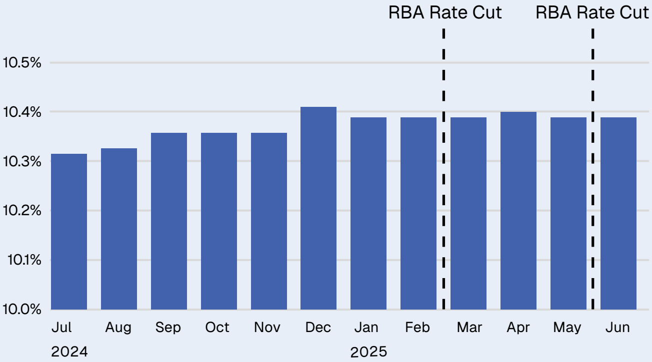
10.39% p.a.

Net of fees and costs, distributions paid monthly.

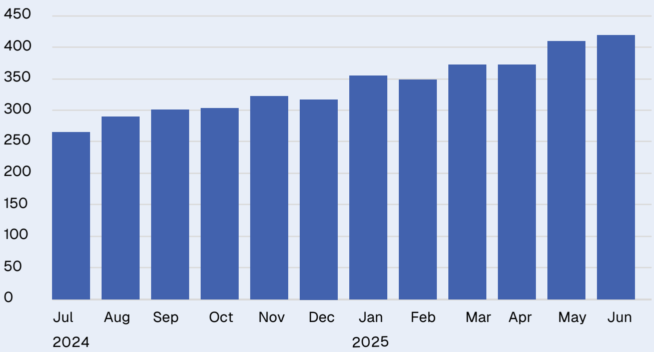
Weighted average loan-to-value

63.4%

Weighted Average Investor Rate



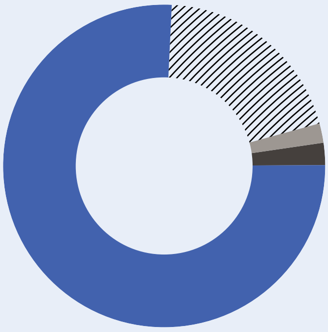
Fund Size (FUM $M)



Key Metrics

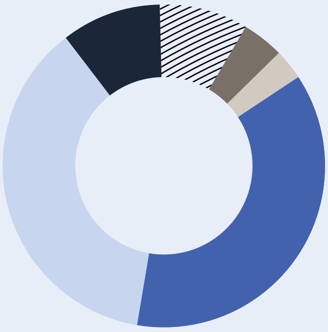
Metric	Current	Since Incep
Weighted Avg Loan-to-Value (LVR)	63.4%	61.3%
Weighted Avg Investor Return (by Loan Size)	10.39%	9.99%
Average Loan Term	14 Months	12.7 Months
Number of Deals (excl Equity)	43	124
Average Loan Size (excl. Equity)	$9.15m	$8.53m
Loan Book Size – Debt	$393,312,119	$1,058,267,764

Investment Sector Mix



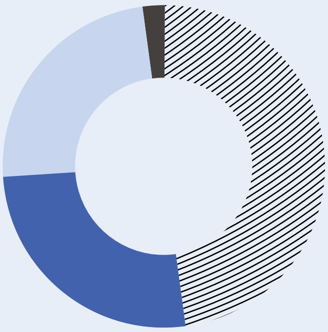
Residential	76%
Industrial	20%
Medical	2%
Retail	2%

Geographic Mix — June 2025



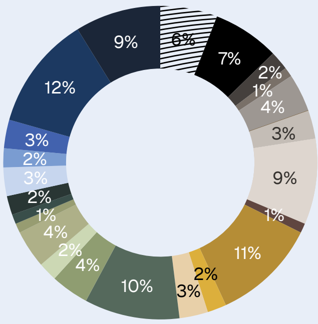
VIC	37%
SA	37%
NSW	9%
QLD	10%
ACT	3%
WA	4%

Loan Type/Purpose

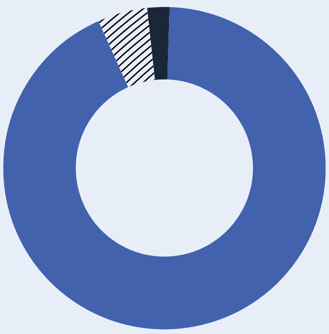


Land	26%
Civil Construction	48%
Built Form	24%
RSF	2%

Borrower Mix
24 Borrowers



Portfolio Investment Mix — June 2025



First Mortgage	93%
2nd Mrtge	2%
B Note	5%

Ark Summit Real Estate Equity Fund & SPV Equity Funds

Selective equity partnerships,
built on conviction.

Our equity investments target internal rate of returns exceeding 20%, with structured joint ventures delivering alignment and upside. In FY2025, we executed three new equity deals across the medium-density residential and infill industrial sectors.

Highlights:

- All investments structured with preferred return and profit-sharing mechanisms.
- Partners selected for proven execution and deep sector expertise.
- Settled investments were all in Victoria as we identified opportunities in our preferred sectors.

Through rigorous feasibility, partner vetting and capital structuring, our equity platform continues to deliver performance in line with our high-conviction investment approach.

Equity Investments
—FY2025 Snapshots

Project	Description	
Irving Domain	Box Hill residential apartment project	
Echuca Land	Residential land subdivision in Echuca	
Narre Warren Industrial	Industrial unit development in Narre Warren	
Wheelers Hill Residential	Town house development in Wheelers Hill	
Mentone Industrial	Industrial unit development in Mentone	

Performance data and detailed fund statistics follow in the accompanying tables. Past performance is not indicative of future results. All investments carry risk and returns are not guaranteed.

Investment Type	Settlement Date	Investment Amount	Forecast Net Internal Rate of Returns	Forecast Net Cash Multiple	Forecast Term
Pref Equity	10/04/2024	$5,100,000	31.26%	1.51x	18 mnth
Pref Equity	1/03/2024	$6,720,000	28.30%	1.74x	36 mnth
Equity	25/02/2025	$2,325,000	29.96%	1.43x	36 mnth
Equity	2/06/2025	$7,650,000	24.97%	1.41x	28 mnth
Equity	4/07/2025	$8,770,000	28.62%	1.68x	36 mnth

Deception Bay, QLD

Zak Fennell,
Head of Origination
& Execution

"Our strength is in knowing where the risks are and structuring capital around them. That's what has made Ark a trusted partner to quality sponsors and a consistent performer for investors."

Aspire on Anderson

Morayfield, QLD

05

Market Insights & Thought Leadership

Understanding the shifts. Leading with insight.

The 2025 financial year was defined by accelerating change in Australia's private credit landscape and increased scrutiny from regulators, the media and investors. At Ark, we've remained actively engaged in these conversations, offering insight, context and clarity to a market evolving in real time.

Private Credit on the Rise

Private commercial real estate debt now comprises ~16% of Australia's $450 billion CRE market, up from 10% in 2020. With projections pointing to further doubling over the next 4–5 years, this is not a trend, it's a structural evolution. Much of this growth is underpinned by regulatory capital rules (Basel III), which incentivise banks to favour residential mortgages over commercial loans. As banks retreat, sophisticated private lenders are stepping in.

This shift creates space for managers with clear strategies, disciplined risk frameworks and transparency in execution, all qualities that continue to define Ark's approach.

Regulation with Clarity

In June, ASIC released its major review of public and private markets. It confirmed what Ark and many market participants have long known: private credit is diverse, not monolithic and deserves nuanced regulatory treatment. Over 50 submissions backed this view, including support from institutional investors and professional associations.

ASIC Chair Joe Longo's statement—"public and private markets must complement, not cannibalise, each other"—reflects the role private credit plays in bridging funding gaps left by traditional lenders. Ark supports regulation that enhances investor protection, not inhibits well-governed structures.

Transparency as Strategy

Ark's focus on registered, mortgage-secured lending continues to offer transparency and legal certainty rarely found elsewhere in private markets. All loans are backed by real property, independently valued, and subject to tested enforcement rights. Investors benefit from consistent income and real asset security, with little of the volatility or opacity typically associated with less structured private investments.

Governance as a Competitive Edge

Our multi-layered governance framework is designed for disciplined, defensible investment decisions:

- Four investment committees, each focused on a specific asset class or oversight function.
- Independent members, including Matt Cleary, providing external perspective and rigour.
- Monthly Investment Management Committee reviews to monitor performance and manage risk dynamically.

Combined, these structures allow Ark to operate with institutional-grade governance and agility, positioning us as a credible partner for long-term capital.

Division 296: Changing the Wealth Landscape

The Federal Government's proposed Division 296 tax reforms will introduce a 30% rate on super balances above $3 million, including unrealised capital gains. For many high-net-worth investors, this has shifted the focus to cash-yielding, tax-efficient strategies.

Private credit stands out. Unlike equities or growth assets that generate paper gains, our investments deliver real, consistent distributions, helping investors meet tax obligations without forced asset sales. The appeal of steady, risk-adjusted income is rising and our Bedrock and Wholesale Funds are well positioned to meet that demand.

Shifting Demographics, Enduring Demand

Australia's 65+ population is forecast to grow by over 40% in the next 15 years, reinforcing the structural demand for income-generating assets. Our portfolio with its focus on residential land, civil infrastructure and shorter-term exposures aligns with this demographic shift.

Our Ark Bedrock Mortgage Fund continues to perform strongly, with net annualised returns of 11.18%, an average LVR of 62.7% and a growing, diversified portfolio. It reflects the core of our strategy: disciplined exposure to quality borrowers, in resilient sectors, backed by hard assets.

Outlook: Clarity in Complexity

The convergence of regulation, superannuation reform, market cycles and demographic change is reshaping investor behaviour. But these aren't headwinds, they're tailwinds for managers with the insight, governance and strategy to navigate what comes next.

At Ark, we'll continue to lead with research, maintain our investment discipline and focus on delivering consistent income and capital protection. In a world asking more of private markets, we remain built to perform.

06

People & Culture

Our people are the driving force behind Ark's success. In a year marked by growth and momentum, we've continued to invest in building a high-performing team that reflects our values—Investor First, Growth, One Team, Authentic, and High Performance. These values are not just cultural markers; they underpin how we show up every day, how we deliver for our investors, and how we support one another as we scale.

Anita Young,
Chief Financial Officer

"We've built a culture where high performance and personal growth go hand in hand. It's not just what we invest in, it's how we grow our people, support their well-being and stay focused on what's right for our investors."

Growing with Intention

We welcomed five new team members across Marketing, Finance, Investor Relations, and Distribution—each aligned to Ark's next phase of growth. Among them was a milestone appointment: Lynette Dalby as our first Marketing lead, establishing a dedicated marketing function for the first time in our history.

Lynette's appointment has been transformational. Under her leadership, we've launched a full rebrand, strengthened how we tell our story, and sharpened our communication with investors and stakeholders. In Distribution, Pat Caminiti's arrival brought crucial depth to the team alongside Shane Wakelin, reinforcing our ability to deliver exceptional service as our investor base continues to grow.

These appointments reflect more than headcount growth, they show our commitment to building capability around our strategy and delivering with clarity and consistency.

Recognising and Retaining Talent

We proudly recognised internal leadership this year through three well-deserved promotions:

- Charlie Kiel to Associate, Investment.
- Sam Beer to Senior Analyst, Investment.
- Stephan De Silva to Strategic Client Manager.

Each of these individuals has consistently demonstrated the values we hold highest, delivering outcomes with integrity, commitment and a clear investor-first mindset. Their advancement is a signal of our belief in growing from within and backing our people to step into new challenges.

A Culture of Inclusion and Progress

We continue to build a workplace where diverse perspectives are valued and ambition is matched with opportunity. While we don't set formal diversity targets, we're proud that **40% of our team are women** and we remain focused on fostering a culture where everyone has the chance to lead and grow.

This year, Heather Fitzgerald was accepted into the Property Council of Australia's 500 Women in Property program, recognising her leadership potential and supporting her continued development, a great example of Ark's belief that growth is not just about what we invest in but who.

Community in Action

Our values extend beyond the business. This year, Ark supported two community organisations aligned with our purpose:

- Melbourne East Disability Advocacy (MEDA), who protect the rights of people with intellectual disabilities.
- Bridge It, who are tackling youth homelessness with a scalable housing model.

Our support of Bridge It helped bring the Cocoon project to life, a safe home for vulnerable young women in St Kilda. Beyond funding, we also provided pro bono support to help them establish a sustainable structure to replicate the model nationally. It's just one way we live out our commitment to being a team that delivers impact, on and off the balance sheet.

At Ark, we're not just building a business; we're cultivating a community of excellence where our people can grow, our values can flourish, and our impact can reach into the communities we serve.

Image: Bridge It,
The Cocoon:
St Kilda, Melbourne

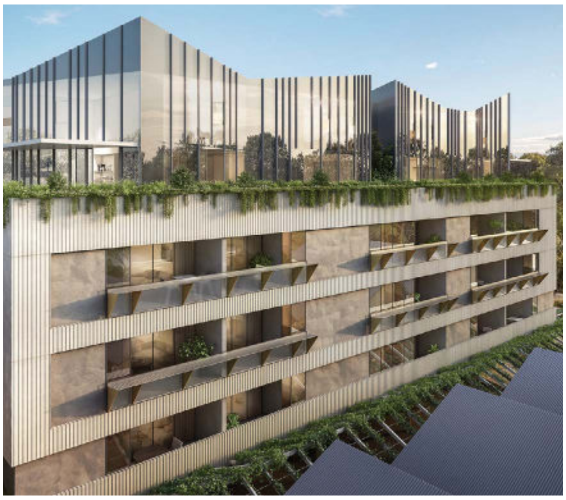
Case Studies

Spindrift Margaret River, WA

Strategic Construction Finance

The Botaniq

Hackney, SA



Ark structured a two-tranche facility to complete "The Botaniq", a premium mixed-use project in Adelaide. With 90% of construction already completed and a verified ~$5 million cost-to-complete, the facility refinanced senior debt and funded final delivery.

Key strengths included a strong sponsor with proven delivery, strategic location fundamentals, and layered security through an additional $11.1 million land asset in West Lakes. The hotel component, operated by a global brand supported robust underwriting and multiple repayment pathways.

This transaction illustrates Ark's ability to unlock value late in the project cycle with sophisticated structuring and high-conviction underwriting, preserving Sponsor control while safeguarding investor capital.

Borrower	Colangelo Group
Facility	$40.49 million First Mortgage Construction Facility
Asset	Luxury Apartments & Serviced Hotel, Hackney, SA
LVR	65% senior / 70% junior
Term	12 months

Landmark Land Subdivision

Aspire on Anderson

Morayfield, QLD

Ark financed the first stage of a 151-lot community north of Brisbane, backed by 32 presales (~$9.6m) and tier-one civil delivery. This marked Ark's fourth transaction with Sunvista and the milestone of surpassing $1 billion in capital deployed.

Facility structuring included hard sales milestones, reduced senior risk (63% projected post-stage settlements), and full security over land and civil contracts. Strong market fundamentals and consistent borrower execution supported Ark's position.

This deal reflects Ark's core strengths —repeat borrower alignment, structured drawdowns, and high-growth corridor intelligence —while cementing our track record in land subdivision finance.

Borrower	Sunvista Homes
Facility	$21.92 million First Mortgage Construction Facility
Asset	70-lot Subdivision (Stage 1), Morayfield, QLD
LVR	67% senior / 75% junior
Term	12 months

Residual Stock Facility

Spindrift

Margaret River, WA

Ark provided a post-construction facility to refinance residual lots within Stage 1 of the 423-lot "Spindrift" project. With 28 presales in place and all lots titled, the transaction offered income without construction risk in one of WA's strongest-performing lifestyle markets.

The borrower, Goldfields, a developer with a $3.2 billion pipeline, offered strong sponsorship, while Ark's due diligence confirmed security coverage, enforceability and conservative LVR buffers.

This facility demonstrates Ark's ability to identify low-risk, high-quality residual stock opportunities in premium markets, generating reliable income while helping Sponsors recycle capital efficiently.

Borrower	Goldfields Margaret River Pty Ltd
Facility	$6.94 million First Mortgage Residual Stock Facility
Asset	54 Titled Lots, Margaret River, WA
LVR	65% "As Is" market value
Term	6 months

Outlook for FY26/27

Ark Capital enters FY2026 with a clear mandate, to deepen our position as a leading provider of private real estate capital in Australia.

FY26/27 Themes

The themes that will define the year ahead are:

- Continued focus on high-conviction sectors and partners, supported by robust governance and data-led investment settings.
- Accelerating inflows into Ark Bedrock Mortgage Fund via investment platforms, reflecting the fund's strong track record and investor demand for pooled credit exposure.
- Operationalisation of our Brisbane office and deeper coverage in Southeast Queensland and WA to capture growth in key markets.
- Scaling equity investment strategies, with Ark Summit Real Estate Equity Fund and SPV structures expected to grow in line with overall FUM.
- Enhancing internal systems, marketing automation and investor communication frameworks to improve engagement, insight and scalability.

Areas of Growth, Improvement and Innovation

Fund Growth and Capital Deployment

Our growth priorities remain anchored in the performance of our core funds. We anticipate continued expansion of Ark Bedrock Mortgage Fund, supported by its multi-platform presence and strong return profile. Equity investments will form 10-15% of our total capital base, with selective joint ventures targeting >20% internal rate of returns. The Ark Wholesale Mortgage Fund remains a key pillar, enabling customised investor mandates and tailored private credit exposure.

Investment Settings and Market Opportunity

We expect sustained opportunity across our core sectors:

Residential Land and Medium-Density: Strategic focus on Sydney, SE Queensland, Adelaide, and WA (including Perth and the southwest corridor), underpinned by population growth and undersupply.

Industrial: Smaller-scale infill industrial assets in Sydney and Melbourne remain attractive on a risk-adjusted basis.

Social Infrastructure: Childcare remains a preferred asset class in most states, with heightened scrutiny in QLD.

Select Regional Markets: Continued conviction in Newcastle (NSW) and Geelong (VIC), driven by urbanisation trends and infrastructure-led growth.

Melbourne will remain under active watch. While we remain cautious in the short term, we view the market as offering long-term ‘value’ for well-timed capital, particularly as macro indicators show early signs of stabilisation.

Geographic and Organisational Expansion

The opening of our Brisbane office from 1 July 2025 represents a critical step in Ark's national growth strategy. Led by Justin Reidy, our new Queensland office enhances our local market insight, origination capacity, and execution strength in a state that remains central to our near and medium-term capital deployment strategy.

Operational Improvements

FY2026 will see investment in platforms that enable scale. We are actively improving our CRM and marketing automation, strengthening analytics and building digital touchpoints that improve investor experience. These enhancements will support scalable growth, optimise lead conversion and refine engagement across investor types.

Innovation in Governance and Data Use

Our approach to governance continues to evolve, with a focus on deeper integration of market research, risk frameworks and cycle-informed decision-making. Enhanced use of the Ark Property Clock and macro-sector overlays from our Urbis partnership ensures we remain grounded in market intelligence at every investment stage.

Looking Forward

As we enter FY2026, Ark Capital is well-positioned to grow funds under management, strengthen platform partnerships, and extend our reach into new markets. We remain grounded in our values of high performance, investor-first thinking, authenticity, one team culture and continuous growth.

With a national footprint, trusted borrower network and a growing suite of fund offerings, we are focused on disciplined execution-ensuring that every decision continues to build enduring value for our investors and partners.

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