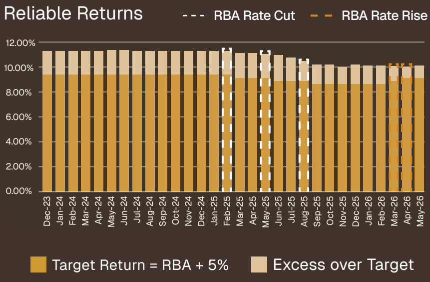
ARK CAPITAL

Fact Sheet: May 2026

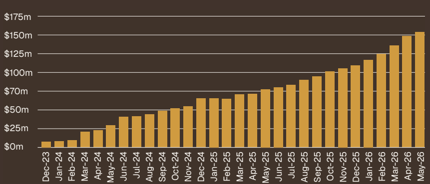
BEDROCK MORTGAGE FUND

May Annualised Return	Outperformance vs RBA + 5% Target
10.07%	+10.7%
Avg. Loan-To-Value Ratio	**Avg. Cash Deployment**
64.3%	98.4%

Reliable Returns



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

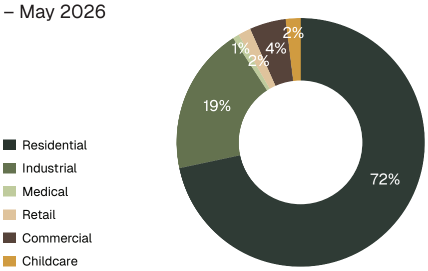
Key Metrics

Fund Performance (Net of Fees)	Period	P.A.
1 Mth	0.86%	10.07%
3 Mths	2.54%	10.07%
6 Mths	5.03%	10.09%
Fin YTD	9.37%	10.21%
Since Inception	N/A	10.85%
Fees (Comprised of)		**1.00%**
Fund Management Fee		0.75%
Direct Cost Recovery		0.25%

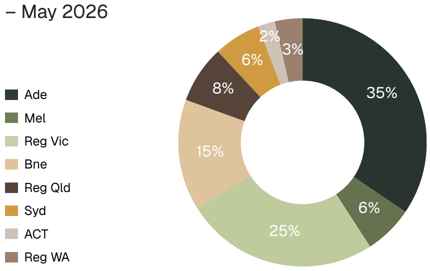
Fund Details	Mar26	Apr26	May26
FUM	$135.3m	$148.1m	$153.5m
Number of Unitholders	266	271	272
Number of Borrowers	31	33	34
Number of Loans	45	48	52
Average Loan Size	$3.0m	$3.1m	$2.9m
Average Loan Maturity	7.8mths	7.2mths	7.2mths
Loans in Arrears	2	2	2
Loans with Prepaid Interest	95.2%	95.6%	96.0%

Portfolio Diversity

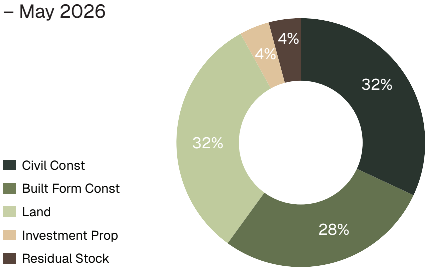
Investment Sector Mix – May 2026



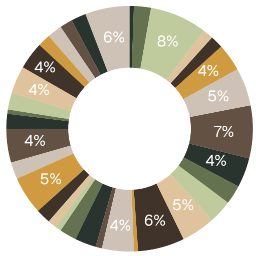
Geographic Mix – May 2026



Loan Type/Purpose – May 2026

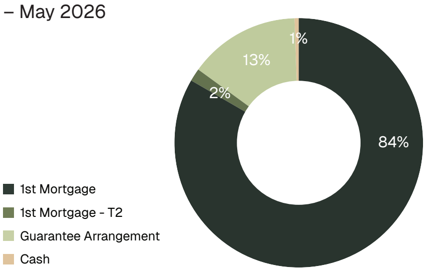


Borrower Mix – May 2026

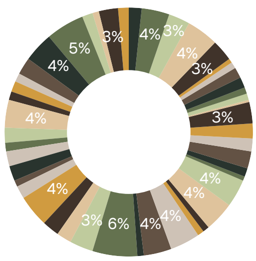


Borrowers: 34

1st Mortgage / Subordinated Mix – May 2026



Loan Mix – May 2026



Loans: 52

Commentary

- **May Fund Performance:** The Fund delivered a monthly annualised return of 10.07% p.a. (RBA + 5.97%), continuing the fund's long run of consistent, predictable annualised monthly returns. Portfolio LVR remained stable (slight reduction) at 64.3%.
- **Competitive environment:** Our investment team continues to experience a tightening lending market, due in part to the re-engagement of banks in the construction sector, and, notably to the growing volume of institutional capital now backing some lenders in our segment. In our view institutional capital typically demands rapid deployment which squeezes spreads and pressures LVR's. Recognising this, we are very conscious of maintaining lending standards, necessarily meeting the market on price but holding firm on LVR.
- **The Fund's diversification metrics:** In a competitive market, we focus on the factors we can control, including maintaining a highly diversified portfolio and enhancing the quality and resilience of the Fund's earnings. In May the fund pushed through $150m in FUM, the benefit of which is that the Manager is increasingly able to reduce portfolio concentration. Bedrock now holds 52 individual loan exposures (+2 for the month) across 34 borrowers (+1), with an average exposure of $2.9m. Investments span eight distinct geographies, and the largest individual loan and borrower exposures are 5.7% and 7.5% respectively - both reduced from last month.
- **Subordinated tranche investment diversity:** The Fund continues to selectively invest in subordinated (T2) loan tranches (up to 15% of the fund), recognising the approximate 75bp (annualised) return-enhancement from higher-yielding T2's. To limit the loss-risk from subordinated interest investment, the Manager actively maximises diversity within the T2's, with Bedrock holding 36 separate T2 interests at the end of May.

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BEDROCK MORTGAGE FUND

Investor Contacts

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Commentary Continued

- **Residential built-form re-emergence but land + civil construction still dominant components of portfolio:** Restating what we've reported previously, Ark has identified that residential built-form lending in several preferred markets is again attractive and has recently financed several small scale infill projects in Adelaide and Brisbane. Bedrock has an exposure of ~12% to these loans, however remains predominantly exposed to development land, civil construction and completed-housing stock loans.
- **Loans in arrears:** As previously noted, two investments remain in interest arrears, located in Newport (NSW) and Box Hill (Melbourne). The Newport exposure is progressing toward third-party refinancing, and whilst taking longer than anticipated, is expected to complete at end of July, with full recovery including penalty interest. The Box Hill exposure continues to progress under a mortgagee-led strategy, with full repayment expected within the coming months.
- **Legacy second mortgage investment and guarantee:** Following the Manager's decision to cease second-mortgage lending behind third-party mortgagees, a guarantee-style arrangement has been implemented for Bedrock's sole remaining second-mortgage investment in Morwell, Victoria. Under this arrangement (effective November 2025), the Fund receives monthly cash interest at 8% p.a., with the balance of the higher contracted rate deferred following the loan's restructure until the revised maturity date of approximately December 2026.

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 10+ year history Ark Capital has transacted over 200 real estate loan and equity deals valued at over $1.5 billion.

Ark's executive team has long experience in the important disciplines, including property development, project and loan due-diligence, loan execution, investment management, default management and recovery, and funds management.

Preservation of investor capital is the key principle around which our risk analysis process is built, and around which our approval committee's decision making is centred. Informed by external research and market analyses developed and delivered bi-annually by Urbis, we continually recalibrate Ark's investment settings to avoid the riskiest segments and regions in the market. This laser focus on risk is behind Ark's 99.6% recovery of investor's capital over our 10+ year history.

Due Diligence: To protect investor capital we rigorously, meticulously assess every aspect of a borrower's proposed project, the borrower's background, their contractors, advisors and consultants, their financial position and performance, the markets they develop in and sell into, and the security they are providing. Our screening process sees us typically reject approximately 75% of loan opportunities we assess.

Ark Capital has a growing family of loyal investors encompassing family offices, high net wealth investors, and increasingly, financial advice firms and wealth management firm clients attracted by our performance, transparency and a growing suite of investment products designed to meet their needs.

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 income on the loans, less the Fund Manager's 0.75% fee and direct costs capped at 0.25%.

AVAILABLE ON THESE PLATFORMS

BT Panorama | netwealth | HUB24 | MASON STEVENS