

The Monark Prime Credit Fund invests only in senior debt facilities provided by Monark Property Partners. These facilities are secured by first-ranking registered mortgages over Australian property.

Our overriding priority is to safeguard capital and then to maximise returns.

Key Information

Fund size	\$295M
Unit price	\$1.00
Number of facilities	28
Fund LVR	65%
Average Portfolio Deployment	99%

Current Performance

Current Yield* 8.85%

* Last three months annualised.

Historical Performance

1 month	0.74%
3 months	2.16%
12 months	8.92%
12 months (DRP)**	9.32%

** Performance where monthly distributions are reinvested under the Fund's Distribution Reinvestment Program.



Superior



The Monark Prime Credit Fund has been awarded a Superior 4-star rating by independent research house SQM. This rating qualifies as a High Investment Grade

NO PAIN, NO GAIN

We are pleased to provide you with the Monark Prime Credit Fund's (the Fund) investor update for the month ended 30 April 2026.

The Fund delivered a return of 0.74% for the month and now provides investors with a current cash yield, calculated by annualising the returns of the last three months, of 8.85% per annum.

There is perhaps no economic policy more universally unpopular than higher interest rates. Borrowers feel the pressure immediately. Mortgage repayments rise, business lending becomes more expensive, asset prices soften, and highly leveraged economies like Australia inevitably slow.

But discomfort alone does not make a policy wrong.

In fact, higher interest rates perform an essential economic function that modern markets have spent too long trying to avoid. They force discipline back into the system. They expose weak business models, poorly allocated capital, and speculative excesses that can survive only when money is artificially cheap.

For more than a decade, developed economies operated in an environment of near-zero interest rates. Capital was abundant, leverage was rewarded, and financial markets became conditioned to believe that every slowdown would be met with another injection of cheap money. The result was predictable: inflated asset prices, excessive debt, declining productivity, and the survival of businesses that, under normal economic conditions, would not endure.

Capitalism and free markets cannot function properly without consequences. Strong economies are not built by protecting every participant from failure. They are built by rewarding efficiency, innovation, prudence, and productive allocation of capital.

This is why economic cleansing cycles, while uncomfortable, are necessary.

The modern central bank mandate of simultaneously pursuing low inflation and full employment has increasingly become an exercise in contradiction. In practice, attempts to suppress unemployment at all costs often create larger problems elsewhere. Protecting every job regardless of productivity, while allowing inflation to become entrenched, ultimately harms society far more broadly. Inflation is not abstract. It erodes purchasing power, punishes savers, distorts investment decisions, and disproportionately impacts those least able to absorb rising costs.

A temporary rise in unemployment is not always economic failure. Often, it reflects economic transition. Labour shifts from weaker, less productive sectors toward stronger and more sustainable opportunities. Skills and capital are reallocated to areas where they can generate greater long-term value. That process may be difficult in the short term, but economies that resist this adjustment ultimately become weaker, less competitive, and less dynamic.

Importantly, higher interest rates also restore value to capital itself.

For investors, particularly those positioned in high-quality credit strategies, the current environment presents opportunities that have been absent for many years. Investors are once again being properly compensated for risk. Strong lending standards, disciplined credit selection, and defensive structuring matter again.

This is where quality private credit managers can differentiate themselves.

The Monark Prime Credit Fund is designed precisely for this kind of environment. Higher rates allow well-structured debt investments to generate attractive income streams while maintaining strong security protections and conservative underwriting standards.

Periods of economic adjustment are rarely comfortable. But they are often necessary. Economies cannot strengthen without discipline, markets cannot function without pricing tension, and sustainable prosperity cannot be built on permanently cheap money.

Fund note: Prime Credit will remain closed to new investment with sufficient capital to meet the Fund's forecast commitments. We will keep you informed as we continue to reassess the situation.

Three Year Historical Performance (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ANNUALISED RETURN
2023	0.74	0.66	0.73	0.73	0.75	0.73	0.78	0.80	0.76	0.78	0.75	0.77	8.98%
2024	0.77	0.71	0.76	0.77	0.80	0.79	0.83	0.82	0.79	0.82	0.78	0.81	9.47%
2025	0.81	0.71	0.79	0.80	0.79	0.76	0.78	0.78	0.75	0.78	0.73	0.72	9.17%
2026	0.69	0.63	0.79	0.74									8.67%

An opportunity to co-invest alongside one of Australia's largest family offices, Monark is recognised by both the character of its people and the calibre of its investments.



Culture of partnership

We see our investors as partners. A relationship defined by trust, closeness, fairness, and a commitment to transparency. We invest your money alongside ours, ensuring an alignment of interests and a pursuit of mutual success.



Benefit of focus

We focus on the Australian middle property market, a sector underpinned by significant demand and price stability. This means robust loan security, lower risks and stronger investment fundamentals.



Power of expertise

We are an experienced, multidisciplinary team with property development, construction, credit risk and financial structuring expertise. Above all, we are property specialists who provide entrepreneurial capital, not simply a source of finance.



Discipline of patience

We recognise that superior investment opportunities are rare. Our opportunity-led strategy means we pursue quality, exercise patience, and only invest when we see value.

Monark Property Partners Pty Ltd

Melbourne Office

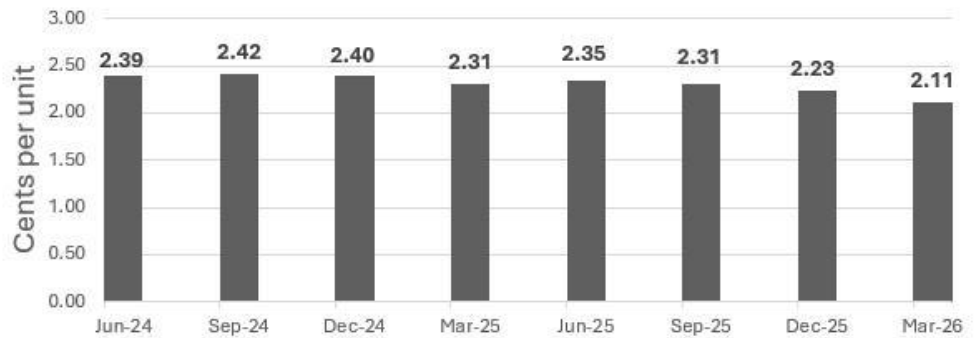
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AFSL No.519884

Total distributions paid each quarter (over last two years / cents per unit)



Portfolio details as at 30 April 2026

	Fund Weighting	Loan to Value Ratio (LVR)	Expected Return
Top Five Facilities			
Land Subdivision Bacchus Marsh (VIC)	13%	65%	10.9%
Land Acquisition Greenvale (VIC)	11%	67%	10.8%
Land Acquisition Brighton (VIC)	7%	69%	11.0%
Residential Construction Manly (NSW)	6%	63%	9.4%
Land Acquisition Camberwell (VIC)	5%	69%	9.3%
Other Facilities	58%	64%	10.0%
Cash	0%	N/A	3.6%

Information contained in this investor update

This investor update relates to the Monark Prime Credit Fund (Fund). Monark Securities Pty Ltd ACN 635 529 412 AFSL no. 519884 is the trustee of, and issuer of units in, the Fund. Monark Secured Debt Management Pty Ltd ACN 620 206 911 is the investment manager of the Fund and an authorised representative of Monark Securities Pty Ltd. This investor update contains general financial product advice only. The information contained in this investor update, whether express or implied, are published or made by Monark Securities Pty Ltd and Monark Secured Debt Management Pty Ltd, and by its officers and employees (collectively Monark) in good faith in relation to the facts known to it at the time of preparation. Monark has prepared this investor update without consideration of the investment objectives, financial situation, or particular needs of any individual investor, and you should not rely on the opinions, advice, recommendations and other information contained in this investor update alone. This investor update does not constitute an offer for the issue of units in the Fund. Investors should read the information memorandum for the Fund before applying for units in the Fund.

Who this investor update is provided to

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