MONARK

WHOLESALE INVESTOR REPORT

Monark Prime Credit Fund

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	**$308M**
Unit price	**$1.00**
Number of facilities	**29**
Fund LVR	**64%**
Average Portfolio Deployment	**100%**
Weighted Average Portfolio Term	**7 Months**

CURRENT PERFORMANCE*

Current Yield	**8.81%**

HISTORICAL PERFORMANCE*

1 month	**0.74%**
3 months	**2.22%**
12 months	**8.83%**
12 months (DRP)	**9.20%**

* Past performance is not a reliable indicator of future performance.

Superior

SQM RESEARCH

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.

Our perspectives on diversification

We are pleased to provide you with the Monark Prime Credit Fund (the Fund) investor update for the month ended 31 July 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 8.81% per annum.

Welcome to a new financial year, and welcome to a new look, fuller update for your investment in the Monark Prime Credit Fund.

Our new format provides greater insight into the Fund's portfolio, including diversification by facility type, geographic spread and borrower.

With this enhanced focus, we would like to share our perspective on diversification - and challenge some commonly held beliefs on the topic.

Diversification is generally considered "good". Financial planning 101 says so. In fact, so does the Bible, where we are guided to: *"Invest in seven ventures, yes, in eight; you do not know what disaster may come upon the land."*

But the virtues of diversification have their detractors.

Take Warren Buffett. When questioned on the topic, he expressed the following view: *"Diversification is protection against ignorance. It makes little sense if you know what you are doing."*

Mark Twain famously wrote: *"Put all your eggs in the one basket and - watch that basket!"*

Both Buffett and Twain shared a simple insight: diversification is not an end in itself. If you have the time and skill to thoroughly understand an investment, spreading capital across assets you know less well can dilute the benefit of your highest-conviction opportunities.

The same logic applies to financing development projects.

For us, diversification is therefore important - but so is selectivity. There are a limited number of opportunities that meet our investment criteria, and we would rather maintain a concentrated portfolio of high-quality facilities that we know well than add exposure simply to increase the number of assets.

When it comes to the number of assets in a portfolio, quality of underwriting matters more than quantity. In 2023, Buffett's conviction in Apple was so strong that, for a period, it represented more than 50% of Berkshire Hathaway's portfolio, while its five largest holdings accounted for around 80%.

It's doubtful that we'll ever have anything close to this level of conviction in a development project. And, in any event, Prime Credit's mandate won't allow it.

This philosophy is particularly relevant to geographic diversification. Many believe that a portfolio spread across Australia is preferable. We don't necessarily agree.

There are two important reasons. First, as a Melbourne-based manager, we have an established network of local developers and a deep familiarity with proposed development sites. Second, we prefer to be close to, and carefully monitor, each construction project we fund.

For these reasons, we have always been overweight Victoria - and expect this to continue.

Common wisdom is often right. But we believe an independent perspective, grounded in experience and on-the-ground knowledge, can provide a meaningful competitive advantage.

Fund note: The Fund remains temporarily closed to new subscriptions but continues to operate as an open-ended fund. Based on current forecasts, the Fund has sufficient liquidity to meet its portfolio commitments and anticipated redemptions. We will continue to monitor the position closely and keep investors informed of any material changes.

Historical Performance

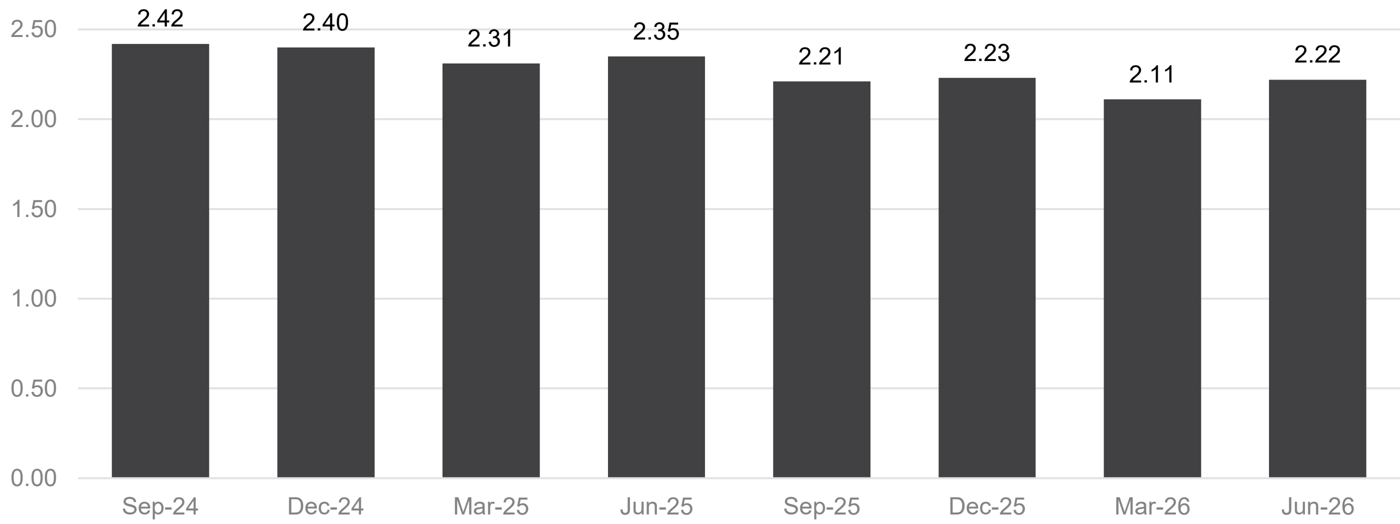
Monthly Returns (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	ANNUALISED RETURN
2021									0.54	0.59	0.59	0.62	**7.31%**
2022	0.64	0.57	0.64	0.59	0.61	0.60	0.66	0.65	0.64	0.70	0.68	0.71	**7.77%**
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	0.76	0.72	0.74						**8.73%**

Total Distributions Paid Each Quarter

Cents per unit

Paid each quarter over the last two years

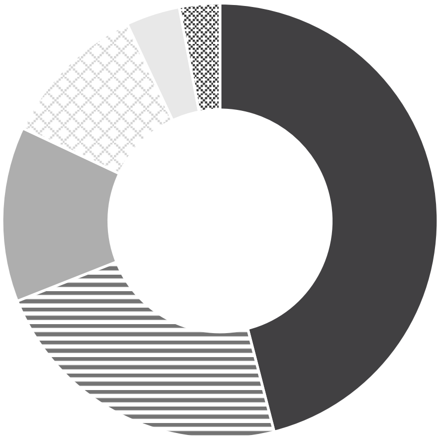


Past performance is not a reliable indicator of future performance, and the quantum of any future distribution is not guaranteed

Portfolio Details as at 31 July 2026

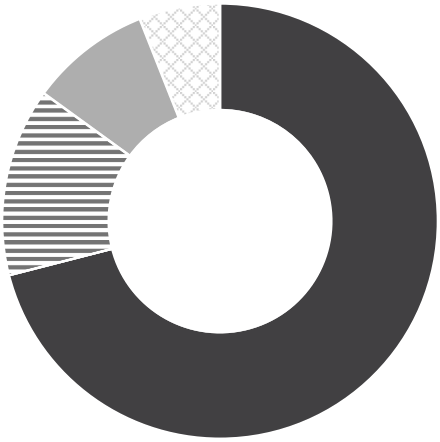
	FUND WEIGHTING	FACILITY LVR	EXPECTED RETURN
Top Five Facilities			
Land Subdivision, Bacchus Marsh (VIC)	**13%**	**65%**	**10.9%**
Land Acquisition, Greenvale (VIC)	**11%**	**67%**	**10.8%**
Commercial Construction, Victoria Park (WA)	**9%**	**64%**	**9.9%**
Residential Construction, Manly (NSW)	**6%**	**63%**	**9.4%**
Residential Construction, Kangaroo Point (QLD)	**6%**	**70%**	**9.6%**
Other Facilities	**55%**	**63%**	**9.9%**
Cash	**0%**	**N/A**	**3.8%**

Facility Type



Land Acquisition	**46%**
Residential Construction	**23%**
Land Subdivision	**13%**
Commercial Construction	**11%**
Residual Stock	**4%**
Term Debt Commercial	**3%**

Geographic Spread

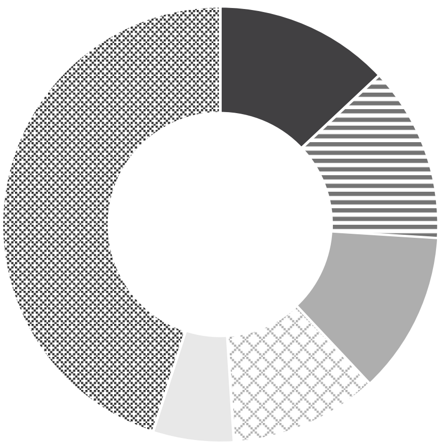


VIC	**71%**
NSW	**14%**
WA	**9%**
QLD	**6%**

Monark Property Partners competes in markets where we believe we have a clear competitive advantage. This includes working with an established network of talented and experienced developers, deep familiarity with proposed development sites, the ability to remain close to and carefully monitor construction projects, and a hands-on appreciation of neighbourhood demand for product and pricing.

We believe this tight focus allows us to create opportunities with limited downside and an asymmetrical risk-return profile. As a Melbourne-based non-bank lender, this means that the majority of our transactions will take place in the greater Melbourne area.

Borrower Exposure



Developer 1	**13%**
Developer 2	**13%**
Developer 3	**12%**
Developer 4	**11%**
Developer 5	**6%**
Others	**45%**

Key Terms

Facility LVR
The current amount outstanding under a facility agreement, together with all interest forecast to accrue over the remaining term together with any other amounts outstanding, divided by the latest adopted value of the relevant security asset. For land facilities, the Security Asset is valued on an "as-is" basis; for development facilities, it is valued on an "as-if-complete" basis.

Fund LVR
The aggregate amount outstanding under all facility agreements, together with all interest forecast to accrue over their remaining terms together with all other amounts outstanding, divided by the aggregate latest adopted values of the relevant security assets, using the applicable "as-is" or "as-if-complete" valuation basis for each facility.

Average Portfolio Deployment
The amount of cash held in the Fund, divided by the value of the entire Fund (cash and facilities), calculated on a daily basis and averaged for the number of days in the month.

Weighted Average Portfolio Term
The average term to expiry for each facility in the Fund's portfolio weighted according to the drawn principal of each facility.

Current Yield
The preferred measure of Fund performance calculated by annualising the Fund returns of the last three months.

12 months (DRP)
The Fund's 12-month performance where monthly distributions are reinvested under the Fund's Distribution Reinvestment Program.

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 (authorised representative no. 001257978). This investor update contains general financial product advice only. The information contained in this investor update, whether express or implied, is published or made by Monark Securities Pty Ltd and Monark Secured Debt Management Pty Ltd, and by their 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
This investor update is only made available to persons who are wholesale clients within the meaning of section 761G of the Corporations Act 2001 (Cth). This investor update is supplied on the condition that it is not passed on to any person who is a retail client within the meaning of section 761G of the Corporations Act 2001 (Cth).

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