Ardea Diversified Bond Fund

ARSN 622 519 117 APIR Code HOW8543AU

Monthly Performance Report July 2026

Performance (% p.a.)	1 month	3 months	FYTD	1 year	2 years	3 years	5 years	Since Inception[1]
Portfolio (net)[2]	0.00	1.89	0.00	0.79	2.56	2.39	-0.59	2.17
Bloomberg AusBond Composite Bond 0+ Year Index	-0.43	2.15	-0.43	1.12	3.15	3.65	-0.07	1.33
Active return (net)[3]	0.43	-0.26	0.43	-0.33	-0.59	-1.27	-0.53	0.85

[1] Portfolio inception 13 February 2019.
[2] net returns include impact of ongoing management fees. No allowance is made for tax.
[3] Numbers may not add due to rounding.
Source: Fidante Partners Limited, 31 July 2026.

Portfolio Value

Funds under management $92m.

Market Commentary

Please see the Ardea website for our latest thoughts on markets and investment themes.

Portfolio Commentary

Fund performance

The portfolio delivered a return of +0.43% relative to the benchmark index for the month.

Rolling 3-month performance remains within the range of expected performance variability.

As usual, performance drivers were diversified across small gains / losses generated by many modestly sized trades, with no unusually concentrated performance drivers.

Curve RV strategies contributed positive performance. (+0.41%)

Bond RV strategies contributed positive performance. (+0.02%)

Option exposures contributed positive performance. (+0.05%)

Explanatory Notes

- Referencing expected performance variability, the portfolio's downside volatility tolerance is derived from its volatility / TE target (2.0% p.a.). On that basis, rolling 3-month excess returns should be no worse than -0.75% most of the time, and rarely worse than -1.5%.
- Curve RV strategies seek to profit from RV pricing anomalies in the shapes of interest rate curves.
- Bond RV strategies seek to profit from RV pricing anomalies in specific government bonds.
- Option exposures stem from RV trades that involve buying interest rate options. These exposures are biased to outperform in periods of market stress and are used to balance risk vs other types of RV trades that may temporarily underperform at such times.

Understanding Performance

The Fund's highly differentiated investment approach generates returns exclusively from capturing RV mispricing opportunities across global interest rate markets. This approach is intentionally independent of the level of bond yields, the direction of interest rates and broader bond market themes. The Fund's portfolio construction process intentionally diversifies risk across many different types of independent and modestly sized RV trades. Performance is the cumulative result of interactions between hundreds of trades entered, exited, and held over the preceding months.

For these reasons, the Fund's performance is not ordinarily driven by a few key trades, nor can it be mapped to broader market fluctuations or macro themes. This lack of correlation with broader themes is why the Fund can offer compelling diversification benefits when combined with conventional investments. Please note that monthly performance attribution can be heavily influenced by short-term 'noise and ordinarily offers little genuine information value.

Contact

For further information, please contact:

Fidante Partners Investor Services
P: 1300 737 760
E: info@fidante.com.au
W: www.fidante.com

For Financial planner enquiries, please contact:

Your local **Business Development Manager** or
E: bdm@fidante.com.au

For institutional enquiries, please contact:

Christopher Bauer
Senior Institutional Business Development Manager
Fidante | Ardea Investment Management
E: Christopher.Bauer@ardea.com.au

www.ardea.com.au

This material has been prepared by Ardea Investment Management Pty Ltd (ABN 50 132 902 722, AFSL 329 828) Ardea, the investment manager of the Ardea Australian Inflation Linked Bond Fund. Fidante Partners Limited ABN 94 002 835 592 AFSL 234668 (Fidante) is a member of the Challenger Limited group of companies (Challenger Group) and is the responsible entity of the Fund. Other than information which is identified as sourced from Fidante in relation to the Fund, Fidante is not responsible for the information in this material, including any statements of opinion. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable to your circumstances. The Fund's Target Market Determination and Product Disclosure Statement (PDS) available at www.fidante.com should be considered before making a decision about whether to buy or hold units in the Fund. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not a reliable indicator of future performance. Ardea and Fidante have entered into arrangements in connection with the distribution and administration of financial products to which this material relates. In connection with those arrangements, Ardea and Fidante may receive remuneration or other benefits in respect of financial services provided by the parties. Investments in the Fund are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group.