ARIZONA COMMERCE AUTHORITY

Arizona Competes Fund

Quarterly Report

April 1, 2026, through June 30, 2026

ARIZONA COMPETES FUND

Quarterly Report July 15, 2026

I. Overview

Pursuant to A.R.S. § 41-1545 et seq., the Arizona Commerce Authority (the "Authority") administers the Arizona Competes Fund (the "ACF"). In accordance with A.R.S. § 41-1545.02, grants from the ACF may be used for (i) attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)); and (ii) supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development (A.R.S. § 41-1545.02(A)(2)).

This document constitutes the Authority's quarterly report regarding ACF activity for the fourth quarter (April 1, 2026, through June 30, 2026 ("Q4")) of fiscal year 2026 (July 1, 2025, through June 30, 2026 ("FY2026")).

II. Grants attracting, expanding, or retaining Arizona basic enterprises – A.R.S. § 41-1545.02(A)(1)

During Q4 of FY2026, the Authority awarded no grants in accordance with A.R.S. § 41-1545.02(A)(1).

III. Grants supporting and advancing programs and projects for microenterprises, rural businesses, small businesses, and business development that enhance economic development – A.R.S. § 41-1545.02(A)(2)

During Q4 of FY2026, the Authority awarded no grants in accordance with A.R.S. § 41-1545.02(A)(2).

IV. Fund Status

Since the inception of the ACF, the ACA has awarded 247 grants through various programs and projects resulting in gross ACF commitments to date totaling $138,329,528. Under A.R.S. § 41-1545.02(A)(1), 60 grants have been awarded in the cumulative amount of $101,800,000. Through the other programs and projects under A.R.S. § 41-1545.02(A)(2), 187 grants have been awarded in the cumulative amount of $36,529,528.

In respect to the 60 grants originally awarded pursuant to A.R.S. § 41-1545.02(A)(1); (i) (7) grants in an aggregate amount of $7,450,000 were relinquished by grantees without any payments to the respective grantees, and (ii) the performance period of fifteen (15) other grants expired with aggregate remaining payment commitments of $10,734854, two (2) of which resulted in repayments by the grantee to the ACA of $102,491.

In respect to the funding of the programs and projects under A.R.S. § 41-1545.02(A)(2), (i) three (3) grants in an aggregate amount of $650,000 were canceled without any payment to the awardee, (ii) the performance period of 12 grants expired with aggregate remaining payment commitments of $413,458, and (iii) one (1) completed grant was repaid to the ACA per the terms of the grant agreement in the amount of $150,000.

Taking into consideration the adjustments described in the two (2) preceding paragraphs, the net ACF commitments as of the date hereof total $118,931,216 ($138,329,528 in the original gross commitments minus aggregate adjustments of $19,398,312).

V. Reporting Schedule – FY2026

Report Name	Reporting Period	Date Published
First Quarter ("Q1")	7/1/25 through 9/30/25	10/15/25
Second Quarter ("Q2")	10/1/25 through 12/31/25	1/15/26
Third Quarter ("Q3")	1/1/26 through 3/31/26	4/15/26
Fourth Quarter ("Q4")	4/1/26 through 6/30/26	7/15/26
Comprehensive Annual Report	7/1/25 through 6/30/26	10/31/26

VI. Reporting Schedule – FY2027

Report Name	Reporting Period	Date Published
First Quarter ("Q1")	7/1/26 through 9/30/26	10/15/26
Second Quarter ("Q2")	10/1/26 through 12/31/26	1/15/27
Third Quarter ("Q3")	1/1/27 through 3/31/27	4/15/27
Fourth Quarter ("Q4")	4/1/27 through 6/30/27	7/15/27
Comprehensive Annual Report	7/1/26 through 6/30/27	10/30/27