ASX Announcement

03 August 2026

ARC Funds Establishes $5 Million Capital Placement Facility

Highlights

- ARC Funds Limited has entered into a **$5 million Capital Placement Facility** with Securities Vault Pty Ltd.
- The facility provides the Company with flexible access to standby equity capital over an initial 12-month term.
- An initial tranche of **10,000,000 fully paid ordinary shares** has been issued into the facility pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and/or 7.1A.
- The Company has **not received any funds** in respect of the Securities Vault facility as at the date of this announcement.
- ARC retains complete discretion over whether, when and how much capital is raised under the facility.
- Following completion of the transaction, ARC has **90,254,707 fully paid ordinary shares on issue.**

ARC Funds Limited (ASX: ARC) ("ARC" or the "Company") is pleased to announce that it has entered into a Capital Placement Facility Agreement with Securities Vault Pty Ltd ("Securities Vault"), providing the Company with access to up to **$5 million** of standby equity capital over an initial 12-month period.

The facility has been established to provide ARC with additional funding flexibility to support the Company's capital management strategy, strategic investments, acquisitions, working capital requirements and other general corporate purposes.

The Board considers the facility to be a prudent capital management initiative that enhances the Company's financial flexibility without requiring an immediate capital raising.

A key benefit of the facility is that ARC retains complete control over the timing of any capital raising. The Company determines whether to utilise the facility, the size of each drawdown, the minimum sale price of shares and the timing of any drawdown, enabling capital to be raised only when considered appropriate by the Board.

Unlike a conventional placement, the facility provides standby access to capital without requiring the Company to undertake an immediate equity raising. Importantly, no attaching options, performance securities or other equity-linked securities are issued as part of the facility, with any future funding comprising ordinary shares only. The Board believes this provides a simpler and more transparent capital management solution while helping to minimise unnecessary shareholder dilution.

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Securities Vault Capital Placement Facility

Following execution of the Facility Agreement, ARC has issued **10,000,000 fully paid ordinary shares** to Securities Vault pursuant to its available placement capacity under ASX Listing Rules 7.1 and/or 7.1A.

These shares form the initial tranche available under the facility and may only be sold by Securities Vault following receipt of a drawdown notice from the Company specifying, among other matters, the number of shares to be sold and the applicable minimum sale price.

The Company has **not received any proceeds** from the facility as at the date of this announcement.

Funds will only be received progressively as Securities Vault sells shares in accordance with drawdown notices issued by the Company. Net proceeds, after deduction of the agreed facility fee, will be remitted to ARC in accordance with the Facility Agreement.

The Company is under no obligation to utilise the balance of the facility and may determine, at its sole discretion, whether any future drawdowns are undertaken.

Capital Management Approach

The Board intends to utilise the Capital Placement Facility prudently and only where it considers the issue price appropriately reflects shareholder value. The Board does not intend to utilise the facility on a continuous basis and will assess each potential drawdown having regard to market conditions, the Company's funding requirements and the interests of existing shareholders.

The facility is intended to complement, rather than replace, the Company's broader capital management initiatives and provides an additional source of funding flexibility to support the Company's growth strategy.

Chairman's Comment

Chairman Michael Walker said:

"The establishment of this facility strengthens ARC's financial flexibility and provides the Company with an additional source of capital to support the execution of its strategic objectives.

Importantly, the Board retains complete control over whether, when and at what price the facility is utilised. Together with the strategic placement completed today, ARC has further strengthened its capital position while maintaining flexibility to pursue future growth opportunities and deliver long-term shareholder value."

Key Terms

Item	Detail
Facility Amount	Up to $5,000,000
Initial Term	12 months (extendable by mutual agreement)
Initial Shares Issued into Facility	10.000,000 ordinary shares
Initial Cash Received	Nil
Future Funding	At ARC's discretion via drawdown notices
Minimum Sale Price	Determined by ARC for each drawdown
Sale Method	Best endeavours sale by Securities Vault in accordance with ARC's drawdown instructions
Success Fee	6% of gross sale proceeds
Establishment Fee	$25,000 plus GST

Capital Structure

Following completion of the issue of **10,000,000 shares** into the Securities Vault Capital Placement Facility, the Company has **90,254,707 fully paid ordinary shares on issue**.

Lodge Partners has acted as Corporate Adviser to ARC Funds Limited in relation to the establishment of the Capital Placement Facility. Lodge Partners is an Australian institutional stockbroking and corporate advisory firm with extensive experience advising ASX-listed companies on equity capital markets, strategic transactions, mergers and acquisitions, and capital raising initiatives. Their appointment reflects ARC's commitment to working with highly experienced capital markets advisers to support the Company's long-term growth strategy, capital management objectives and execution of strategic opportunities.

About ARC Funds Limited
ARC Funds Limited is an ASX-listed diversified financial services and investment company focused on building long-term shareholder value through strategic investments, funds management, wealth management and complementary financial services businesses.

This announcement has been authorised for release by the Board of ARC Funds Limited.
For further information regarding this release please contact:

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