



ASX Announcement

11th June 2025

Intention to Make Scrip Offer for Remaining Shares in The Term Deposit Shop Pty Ltd

Key Highlights

- ARC Funds Limited (ASX:ARC) (**ARC** or the **Company**) to make an offer for all of the remaining shares in The Term Deposit Shop Pty Ltd (**TTDS**) it does not already own, being 36.51% of the total issued share capital of TTDS (**Target Shares**)
- The consideration for the Target Shares will be in the form of new ARC shares based on a valuation of 11.5c per ARC share
- Successful acquisition of the Target Shares will enable ARC to capture the full benefits of our strategy to accelerate its growth and increase Funds under Management (**FUM**) from the current base of over \$530m

Following the recent acquisition of 63.49% of the issued share capital of TTDS which completed on 3 May 2025 (**Initial Acquisition**), ARC is pleased to announce that it intends to make an offer for the remaining 36.51% (being 548,128 shares) of the total issued share capital of TTDS owned by various investors (**TTDS Minority Shareholders**).

The purchase price for each Target Share will be equal to the price for each TTDS share acquired under the Initial Transaction and will be in the form of ARC fully paid ordinary shares valued at 11.5 cents per ARC share, being equal to the price per ARC share issued under the recent placement conducted by ARC and announced on 12 May 2025.

As such, each TTDS Minority Shareholder will be entitled to receive 21.72 ARC shares for every 1 Target Share held by that TTDS Minority Shareholder.

The issue of ARC shares under this offer will be conditional upon shareholder approval at an upcoming Extraordinary General Meeting to be held in early August 2025.

TTDS has grown FUM over the last six years at a Compound Annual Growth Rate of 42.8% per annum, despite minimal investment. ARC Funds views the complete acquisition of TTDS as the first step in building out its multi-affiliate platform strategy, leveraging TTDS's existing FUM, distribution capabilities and client base, as well as utilising ARC's partnership with Ausbiz Capital.

ARC Managing Director Scott Beeton commented:

"This move is consistent with our objective to own 100% of TTDS. We believe this business has significant growth opportunities and will benefit from further investment in marketing and distribution to grow funds and also provide a pathway for the distribution of additional income products over time. We are pleased to offer the other shareholders of TTDS the ability to swap into ARC shares and to potentially benefit from any future value created as the business grows. TTDS represents the start of our growth journey and we look forward to providing shareholders with updates on our progress."

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About TTDS

- Over \$530m of FUM on platform.
- TTDS manages all the administrative tasks to facilitate transactions.
- All deposits up to \$250K are protected by the Australian Government's Financial Claims Scheme guarantee.
- Provides access to competitive deposit rates from various banks, Building Societies, and Credit Unions in one convenient location.
- Automated onboarding process for clients.

Upon the maturity of a term deposit, clients can seamlessly transition from one bank to another without additional paperwork to capture the best rate available or the term of deposit required.

-ENDS -

This announcement has been authorised by the board of ARC Funds Limited.

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