



ASX Announcement

5 November 2025

ARC FUNDS LIMITED STRATEGIC INVESTMENT OF AUSBIZ TV PTY LTD CONVERTIBLE NOTES

- **ARC to acquire \$2.15 million ausbiz TV Convertible Notes**
- **Attractive acquisition terms - Purchase price \$430k**
- **Consideration 100% ARC shares issued at 10.5 cents per share**

ARC Funds Limited (ASX:ARC) (ARC or “the **Company**”) is pleased to announce it has made a strategic purchase of convertible notes in the entity AUSBIZ TV PTY LTD ACN 634 751 303 (“**ausbiz**”) from existing convertible note holders (“**Convertible Notes**”).

The Convertible Notes have a face value of \$2.15 million in consideration for the assignment of the Convertible Notes. The Company is acquiring the notes for 20% of the face value and has agreed to issue each vendor of the Convertible Notes with new ARC shares at \$0.105 per share. This equates to a value of \$430K of new shares to be issued. In total, the Company has agreed to issue the vendors of the Convertible Notes 4,095,237 ARC shares (“**Consideration Shares**”) in consideration for the Convertible Note.

ARC has also agreed to issue a further 372,167 ARC shares (“**Consideration Shares**”) at \$0.105 per shares in consideration for \$78,155 of interest due on some of the notes. This equates to \$39,078 or 50% of the interest amount. 100% of the interest amount has been converted into a new loan agreement between ausbiz Group & ARC.

The issue of the Consideration Shares will be undertaken by the company utilising its placement capacity under Listing Rule 7.1 to issue the Consideration Shares to the vendors of the Convertible Notes. The Total number of new shares to be issued will total 4,467,404.

About ausbiz Group

Founded in 2020, ausbiz Group was established to support self-directed investors by providing access to high-quality information, insights, and investment opportunities.

Its core business, **ausbiz TV**, delivers over five hours of live financial news and market analysis each day, streamed via its app, web browser, Samsung TV, 7Plus, and Flash. The platform has a growing community of more than **130,000 subscribers** and hosts an extensive library of educational and investment content, with over 100 video interviews and shows published each week.

ARC Funds Limited (ASX:ARC)

www.arcfunds.com.au

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Strategic Rationale

This investment in ausbiz aligns with ARC's strategic objective of providing clients with a diverse range of investment opportunities across multiple asset classes. It also aligns with our growth objective to grow our overall business where this investment is projected to provide ARC \$215k a year of additional income.

Our journey to date has seen us build a portfolio that includes Ausbiz Capital (26.35%), Merewether Capital (72%), The Term Deposit Shop (63.49%), and ARC Funds Operations (100%). The addition of ausbiz Group represents a natural extension of this strategy; investing in innovative, growth-focused businesses which enhance our investment platform and broaden opportunities for our investors.

Looking ahead, both businesses will collaborate closely on new growth initiatives. This includes integrating ausbiz Group's content, education, and financial products into our Term Deposit Investor Platform, as well as exploring other opportunities to drive efficiency, reduce costs & drive profitability.

Key terms of the convertible notes:

- Face value \$2.15 million
- Interest Rate 10% per annum, payable quarterly in arrears
- Maturity date 31 October 2028.
- The convertible notes give ARC the option to convert into shares in AUSBIZ GROUP PTY LTD (ACN 676 703 941) (the ausbiz TV and Ausbiz Capital holding company), at the election of ARC at any time up to maturity.
- The conversion price will be determined by an independent valuation of the Group at the time of conversion.
- If the convertible notes are not converted into shares prior to the maturity date, then they will be redeemable in cash for the face value.
- The Company has entered a general security deed with AUSBIZ GROUP PTY LTD to secure AUSBIZ TV PTY LTD's and AUSBIZ GROUP PTY LTD's obligations under Convertible Notes.

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Key terms of the Loan Agreement:

- Loan Amount \$78,155
- Interest Rate 10% per annum, payable quarterly in arrears
- Maturity date 31 October 2026.
- The Company has entered a general security deed with AUSBIZ GROUP PTY LTD to secure AUSBIZ TV PTY LTD's and AUSBIZ GROUP PTY LTD's obligations under the Loan Agreement.

-ENDS-

By order of the Board of Directors.

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