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ASX Market Announcements Office
ASX Limited
Exchange Centre
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Sydney NSW 2000

Regal Partners Announces Partnership with Ark Capital Partners; Acquisition of a Premium Hotel Asset for A\$75m to Seed a New Hotel Strategy

Regal Partners Limited (ASX:RPL) ("**Regal**") is pleased to announce the acquisition of 50% of the issued share capital of Ark Capital Partners Pty Limited ("**Ark**" or "**Ark Capital**"), a specialist real estate investment and advisory platform focused on sourcing, securing and repositioning quality hotel accommodation assets in the ANZ region.

Established in 2021 by industry leaders Rahul Parrab and Mark Bullock, Ark has successfully deployed over A\$350m in strategic acquisitions and value-enhancing initiatives across the premium hotel accommodation sector since inception, leveraging the significant experience and deep sectoral expertise of Ark's investment and deal origination team. Brendan O'Connor and Adrian Redlich will join the Ark board alongside existing directors Rahul Parrab, Mark Bullock and Sarah Townson. Ed Faraguna (a hotel industry finance specialist) will complete the senior leadership team as Chief Financial Officer of Ark.

The partnership with Ark represents a notable expansion of Regal's existing alternative investment platform to include a direct alternative real estate investment capability focused on value-add equity investments in the hotel accommodation sector. The strategy is highly complementary to the Group's existing commercial real estate debt capabilities within Merricks Capital and further broadens Regal's existing alternative investment offerings across long/short equities, private markets, real assets, credit and royalties.

In support of this strategy, and in addition to the acquisition of 50% of Ark, Regal Partners is pleased to also announce the acquisition of a premium, 170-suite freehold hotel located at 45 King William Street, Adelaide (the "**Mayfair Hotel**") for A\$75m. The Mayfair Hotel is a five-star luxury hotel located in the heart of Adelaide's central business district and will represent the seed asset for Ark and the Regal Partners Australian Hotel Opportunities strategy.

Regal Partners Chief Executive Officer ("**CEO**") Brendan O'Connor said: "The partnership with Ark represents a highly attractive opportunity for Regal Partners to further extend our existing investment capabilities across the real estate investment sector, supported by an attractive seed asset purchased at a significant discount to prior valuations that we anticipate will have the ability to generate strong risk-adjusted returns for our clients. We believe it is the right time in the investment cycle to be looking to expand into equity real estate."

Ark Capital Co-Founder and CEO Rahul Parrab said "The Ark team is delighted to be partnering with Regal Partners to further grow and expand our existing pipeline of attractive acquisition opportunities across the ANZ hotel accommodation sector. Following a period of significant price dislocation in the wake of the COVID-19 pandemic and broader economic slowdown, we believe the Australian hotel sector now offers investors the unique opportunity to benefit from compelling economic tailwinds and attractive supply-demand dynamics at a time when valuations remain highly attractive."

Further details of the transactions are set out below.

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TRANSACTION OVERVIEW

A. PARTNERSHIP WITH ARK CAPITAL

Regal Partners has acquired 50% of the issued capital of Ark Capital, a specialist hotel investment and advisory platform in Australia and New Zealand, founded by Rahul Parrab and Mark Bullock in 2021 and headquartered in Sydney.

Regal Partners paid \$3 million in cash in two components:

1. \$1.8 million to acquire the Ark Capital shares held by BT Hotels 1 Pty Ltd in its capacity as trustee for BT Hotels 1 Unit Trust, a third party investor not associated with Ark Capital's founders or staff; and
2. \$1.2 million to subscribe for newly issued ordinary shares in Ark Capital. The proceeds of this subscription will be used by Ark to contribute to Regal's acquisition of the Mayfair Hotel (as set out in more detail below).

The cash paid in respect of Ark Capital was funded from Regal's existing cash and investments on balance sheet.

No Ark Capital founders or staff sold any shares in Ark Capital in connection with the transaction.

B. ACQUISITION OF MAYFAIR HOTEL

Entities controlled by Regal will acquire the Mayfair Hotel, a five-star luxury hotel in Adelaide's central business district, for a purchase price of \$75 million.

The purchase price and transaction costs will be paid in cash by 45 King William Street OpCo Pty Limited and Regal Funds Management Pty Limited in its capacity as trustee for the 45 King William Street PropCo Trust, and are expected to be funded as follows:

1. up to \$45 million in debt from a leading Big Four Australian bank, secured by a first ranking mortgage over the Mayfair Hotel real estate; and
2. \$35 million to be raised from a syndicate of external investors prior to completion. The syndicate may include a contribution from Regal using existing cash, investments on balance sheet and Regal's existing lending facility.

The acquisition of the Mayfair Hotel is expected to complete in August 2025.

Subject to certain covenants being met, the Mayfair debt facility will allow up to an additional \$23 million to be drawn to fund refurbishment works and/or for equity release purposes.

AUTHORISED FOR RELEASE BY THE BOARD OF DIRECTORS OF REGAL PARTNERS LIMITED.

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ABOUT REGAL PARTNERS LIMITED

Regal Partners Limited is an ASX-listed, specialist alternative investment manager with approximately \$16.5 billion¹ in funds under management as at 31 March 2025.

With a track record dating back more than 20 years, the group manages a broad range of investment strategies covering long/short equities, private markets, real & natural assets and credit & royalties on behalf of institutions, family offices, charitable groups and private investors.

Housing eight dedicated alternative investment management brands – Regal Funds Management, PM Capital, Merricks Capital, Taurus Funds Management, Attunga Capital, Kilter Rural, Argyle Group and VGI Partners – the group employs approximately 180 staff, including over 80 investment professionals, in offices across Australia and offshore.²

Combining deep industry experience, extensive networks and multi-award-winning performance track records, Regal Partners aims to be recognised as a leading provider of alternative investment strategies.

ABOUT ARK CAPITAL PARTNERS

Ark Capital Partners is a specialist hotel investment and asset management firm focused on delivering superior risk-adjusted returns through the transformation of underperforming real estate into high-quality, design-led hospitality assets. Based in Sydney, Ark collaborates with institutional and private investors to acquire, reposition, and actively manage hotel assets across the Asia Pacific region. Its investment strategy is anchored in its active asset management, institutional-grade governance, and demonstrated ability to unlock value in supply-constrained, high-barrier-to-entry markets. Ark draws on deep sector expertise, strategic brand partnerships, and disciplined capital deployment to create long-term value and drive sustainable growth.

For more information, visit www.arkcp.com.

¹ Management estimate of funds under management (FUM) for 31 March 2025. FUM (including 100% of Taurus Funds Management, Attunga Capital, Kilter Rural and Argyle Group) is rounded, unaudited and includes non-fee-earning FUM but excludes non-fee-earning commitments.

² Includes full-time and part-time staff in all RPL group entities except Argyle Group (where RPL's stake is a minority interest). Headcount includes active, permanent and fixed term employees only (i.e. excludes employees on parental leave, extended leave, casuals, contractors and consultants). Prior to 29 May 2025, staff numbers included all staff, contractors and consultants.