



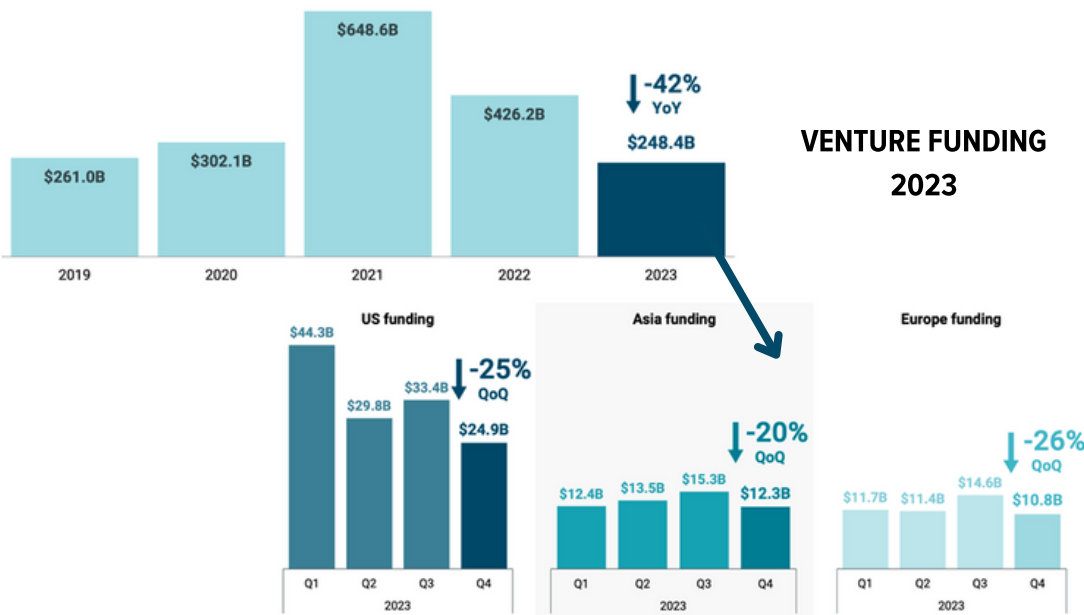
Investment Report

QUARTERLY NEWS AND EXCLUSIVE UPDATES
FOR ARK ANGEL FUND INVESTORS

2023 YE

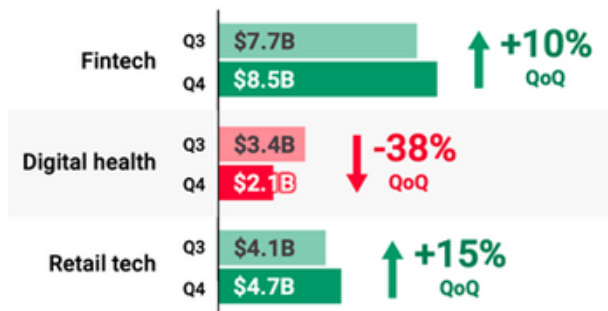
STATE OF VENTURE CAPITAL IN 2023

Several significant trends stand out in the state of venture capital as of 2023 for the Ark Angel Fund. The venture capital industry has seen a notable decline, decreasing by 42% year over year and hitting a six-year low. In spite of this, 10% of venture capital funding remains unchanged, via angel investing, demonstrating its resilience. Deal flow has reached a 10-year low in the US, following a concerning pattern and indicating a difficult funding atmosphere for entrepreneurs. Additionally, venture capital-backed IPOs have reached their lowest point since 2013, suggesting an absence of exit market for these businesses. Deals in the latter stages have experienced a sharp decrease, falling by over 50% since 2021. Amidst these difficulties, it is notable that **businesses focused on sustainability and artificial intelligence are able to remain strong**. These startups demonstrate perseverance and constant fascination in these fields, in spite of the general challenges encountered by the venture capital ecosystem.



FINTECH AND RETAIL TECH FUNDING GROWTH

State of Venture: 2023 recap
Source: CBINSIGHTS



AAF Portfolio Highlights

Although a very rough 2023 for the VC world, the AAF portfolio companies continue to sustain acceptable performance levels.

Goodhood

Rebranding from FixMyCar to GoodHood has proven successful without any negative impact on financials, maintaining a solid \$1M ARR.



Despite encountering growing pains and supply chain constraints, Vade Nutrition maintained its position in the top 500 of Inc. Magazine's 2023 fastest-growing companies.

Brand XR

BrandXR is set to open a Middle East office in 2024, projecting \$2.5M in potential sales, with Augmented Reality murals and professional services driving significant growth.



AptumBuild secured the #1 supplier position for FEMA's recovery effort in Maui and anticipates a potential large order in 2024.

socialive

Socialive partnered with Brightcove, a leading streaming technology company, to enhance its livestreaming creation solution.



XRHealth entered into a partnership with Bytedance, offering VR Therapy benefits to its 150,000 employees; Bytedance, valued at \$400B, is the parent company of TikTok.

H O L O FOOTWEAR

HOLO signed a 3-year deal with NBA player Isaac Okoro of the Cleveland Cavaliers and achieved revenue exceeding \$11M in 2023.

AAF is focused on continued involvement with each company's performance as 2024 will remain challenging for fundraising. Look for direct investment opportunities from AAF.