



Press Release

14 April 2021

Candy Club raises A\$20.54 million via private placement and debt funding facility

Melbourne, Australia – Candy Club Holdings Limited (ASX: CLB) ("**Candy Club**" or "**the Company**") has successfully completed a A\$10.7 million institutional placement, issuing 48.6 million of fully paid ordinary shares at \$0.22 per share.

The total placement includes participation from Candy Club directors Mr James Baillieu and Mr Kan Tang of A\$3 million collectively to be issued subject to shareholder approval.

Candy Club received strong demand from a large group of new and existing institutional and sophisticated investors.

The issue price of \$0.22 per share represents a 4.3 per cent discount to the previous closing price (23 cents) on 1 April 2021 and an 8.3% discount to the 15-day Volume Weighted Average Price ("VWAP") of 24 cents.

The issue of 35 million shares to non-related party participants under the placement is expected to occur on or around 16 April 2021.

In addition, the Company also secured US\$7.5 million (A\$9.84¹ million) in debt funding from Venture Lending & Leasing IX Inc, which is a part of a leading Silicon Valley equity/debt venture firm, Western Technology Investment (WTI).

"By bundling the WTI debt deal with the placement, we substantially reduced the amount of shareholder dilution to reach our new capital target, as well as successfully raising from institutions and sophisticated investors a large amount of equity at only a small discount to market price," said Chairman James Baillieu.

The debt funding will allow Candy Club to accelerate its growth further by allowing for the investing in hiring of additional staff, marketing campaigns, the acquisition of inventory and the increase in its working capital facilities.

With the placement and debt funding, Candy Club will secure approximately A\$20.54¹ million before costs and repayment of the Crossroads facility, providing the working capital required to considerably scale the business' annual revenue run-rate. The amount that will be available for working capital and intended use of proceeds towards business activities after such payments will be up to approximately A\$17.6 million.

"WTI has a strong reputation in the market for providing founder friendly debt capital and has done US\$6 billion worth of deals over 40 years, The Candy Club Board is thrilled that WTI has decided to partner with us in our next stage of growth in the US market," said Founder and CEO Keith Cohn.

The full announcement can be accessed [here](#).

¹ Assuming USD/AUD = \$1.31

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About Candy Club

Candy Club Holdings Limited (Candy Club) is a leading specialty market confectionery company which operates a business-to-business (B2B) and business-to-customer (B2C) segment in the United States of America. Broadly, confectionery encompasses sugar confectionery, chocolates and gum.

Founded in 2015 by serial entrepreneur Keith Cohn, Candy Club executes an omnichannel strategy with a vision to become the world's leading specialty market confectionery company.

Candy Club is headquartered in Los Angeles, California, United States.