



# CANDY CLUB<sup>®</sup>

INVESTOR DECK OCTOBER 2019



🔍 TABLE OF CONTENTS

# Candy Club

03	Introduction
06	Industry Overview
07	Market Opportunity
11	Our Solution
14	The End Consumer
15	Our Current Business
19	Our Future
23	Investor Value Creation
25	Executive Board

🔍 INTRODUCTION

# Who We Are

Since 2015, Candy Club has scoured the world for premium confectionery products and made them accessible through a direct-to-consumer subscription model and a fast-growing wholesale business.



INTRODUCTION

Our Vision: To become the **world's leading** specialty market confectionery company.



OUR BRAND PROMISE

To evoke a sense  
of joy, nostalgia,  
surprise and delight.



🔍 INDUSTRY OVERVIEW

# Candy is **big** business.

**\$40B**

For wholesale  
in the US

**97%**

US household  
penetration

**17.5**

Average times  
a customer purchases  
each year

🔍 MARKET OPPORTUNITY

# White space lies in untapped-retail.

## 3 Million+

U.S. retail locations eager for additional revenue-generating opportunities with great products.



🔍 MARKET OPPORTUNITY

# Current product landscape.

The mass market product available now is a poor fit for the specialty market space we're attacking.





🔍 MARKET OPPORTUNITY

# Candy Club is the solution.

Premium. Unique. Great Value.



🔍 MARKET OPPORTUNITY

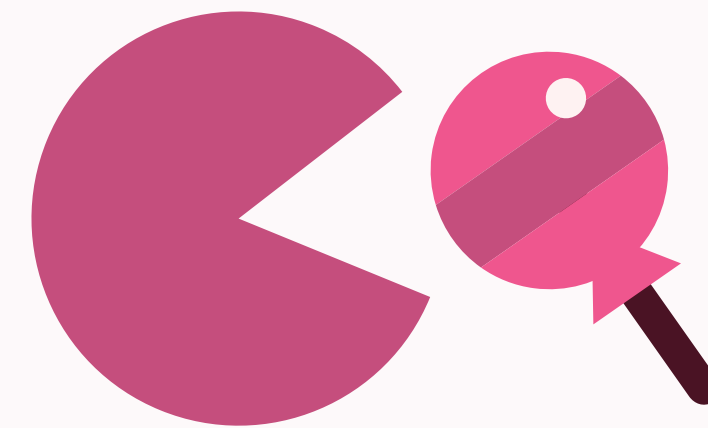
# Key benefits to retailers.



High Margin



High Turn



Non-Cannibalistic to Existing Business



Long Shelf Life

OUR SOLUTION

# The candy.

We offer the best of the best across all major confectionery segments to bring to market.



Chocolate



Sours



Classics



Gummies

OUR SOLUTION

# Retail displays.



Counter Displays



Open Stock



Floor Displays

OUR SOLUTION

# Private label.

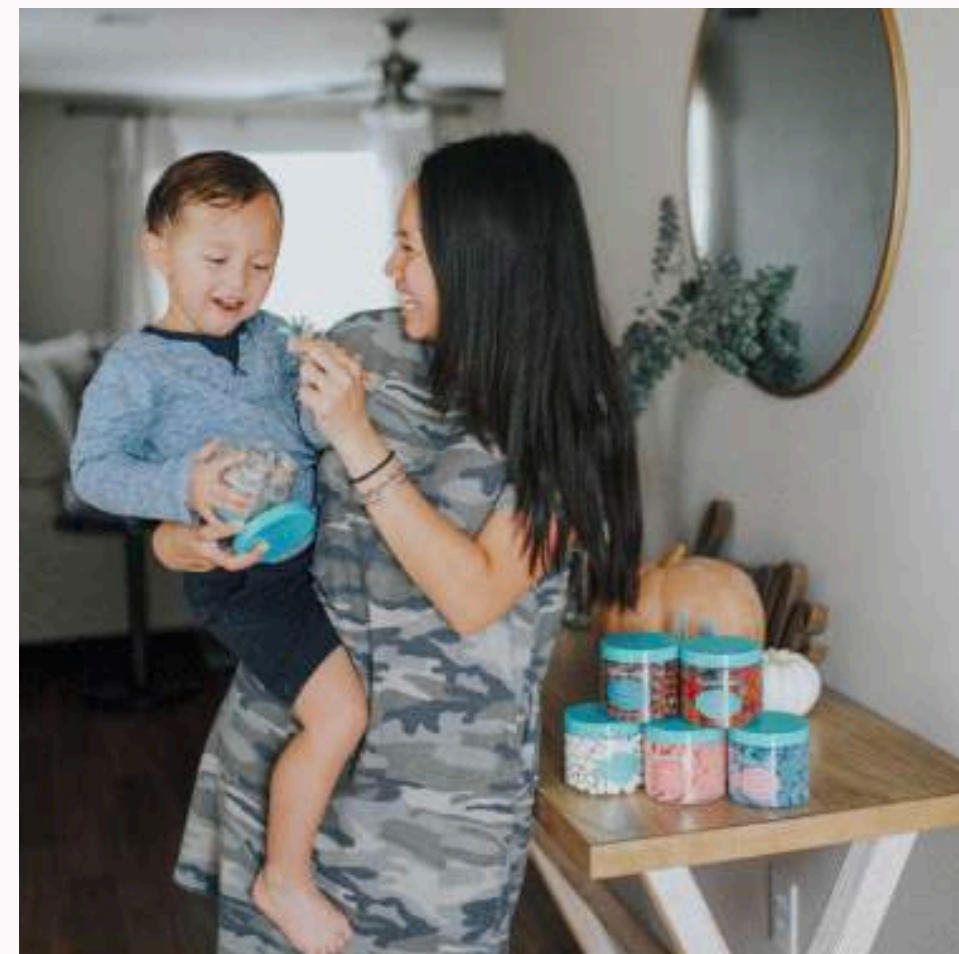
- Campaigns
- Events
- Trade shows



THE END CONSUMER

# Our demographics.

- Impulse Shoppers
- High Socioeconomic
- Family Oriented
- 50/50 Gender Split
- All Ages, From Cradle to Grave



OUR CURRENT BUSINESS

# In the last 4 years...

Our direct to consumer business has provided us with:

## Brand Awareness

1+ million followers across all social channels.

## Economies of Scale

Great pricing on high-quality, hard to find, in-demand product with improving margins.

## Robust Supply Chain

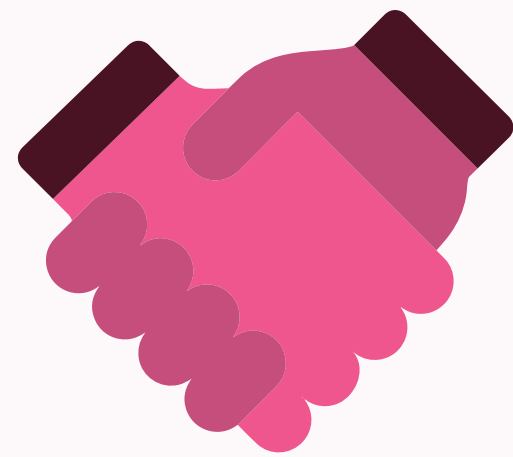
Highly efficient and scalable 3PL partner.

## Invaluable Customer Data

Regional preferences and demographic insights for the entire US.

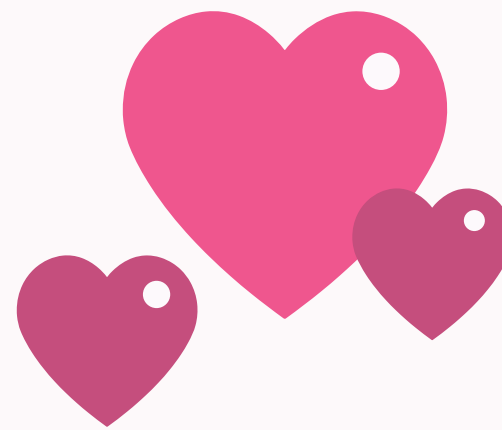
OUR CURRENT BUSINESS

# Supply chain.



## Sourcing

We've established deep relationships with premium confectionery partners in Europe and the US.



## Fulfillment

Our 3PL partner has proprietary manufacturing equipment.



## Distribution

Highly efficient and scalable 3PL partner currently based out of two strategically located US centers.

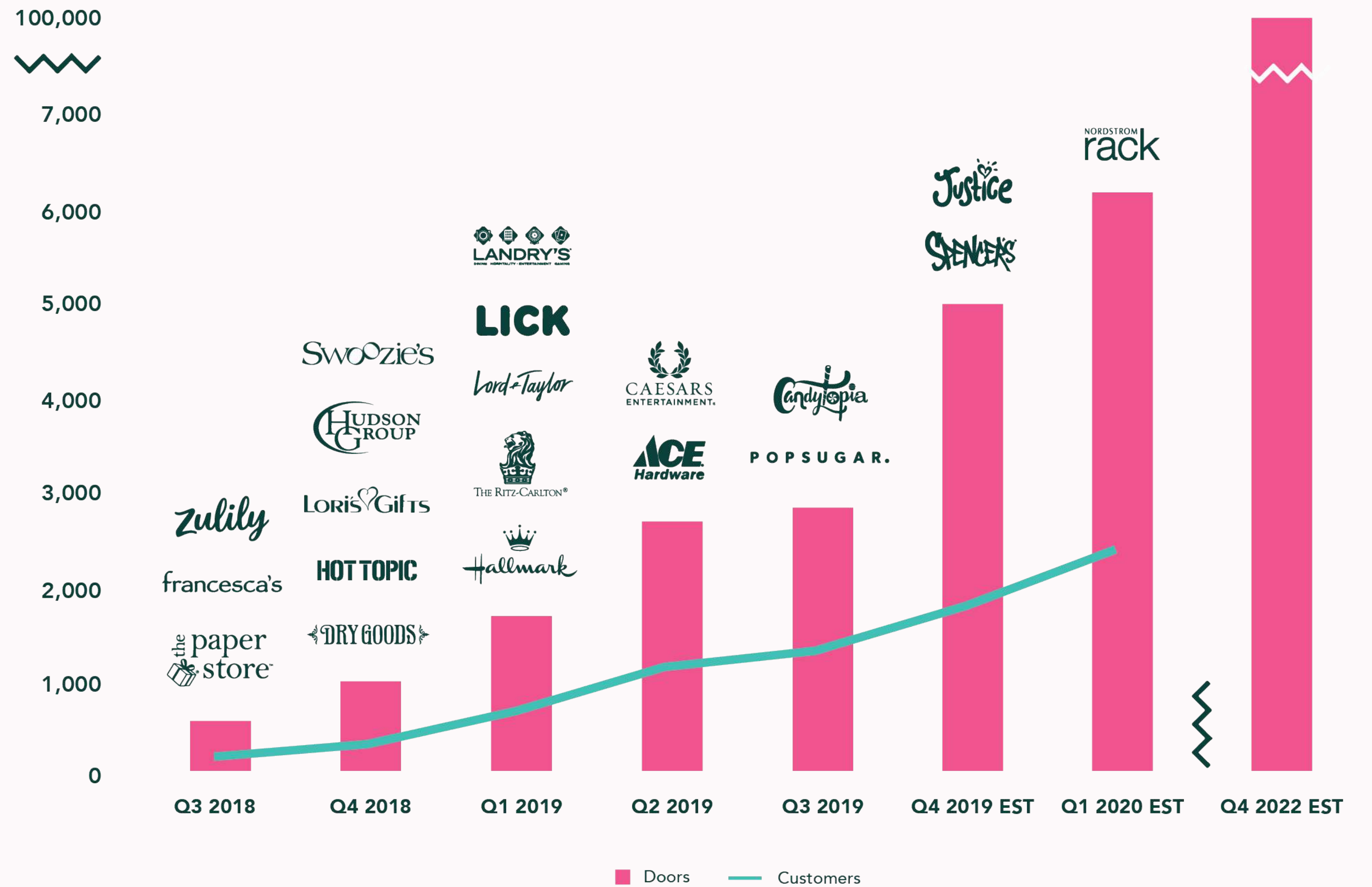


OUR CURRENT BUSINESS

# In our first year...

We have acquired nearly 1,500 customers representing 3,000 locations, securing distribution from independent boutiques to prominent national retailers... we believe we can ultimately be carried in 100,000+ locations in the coming years.

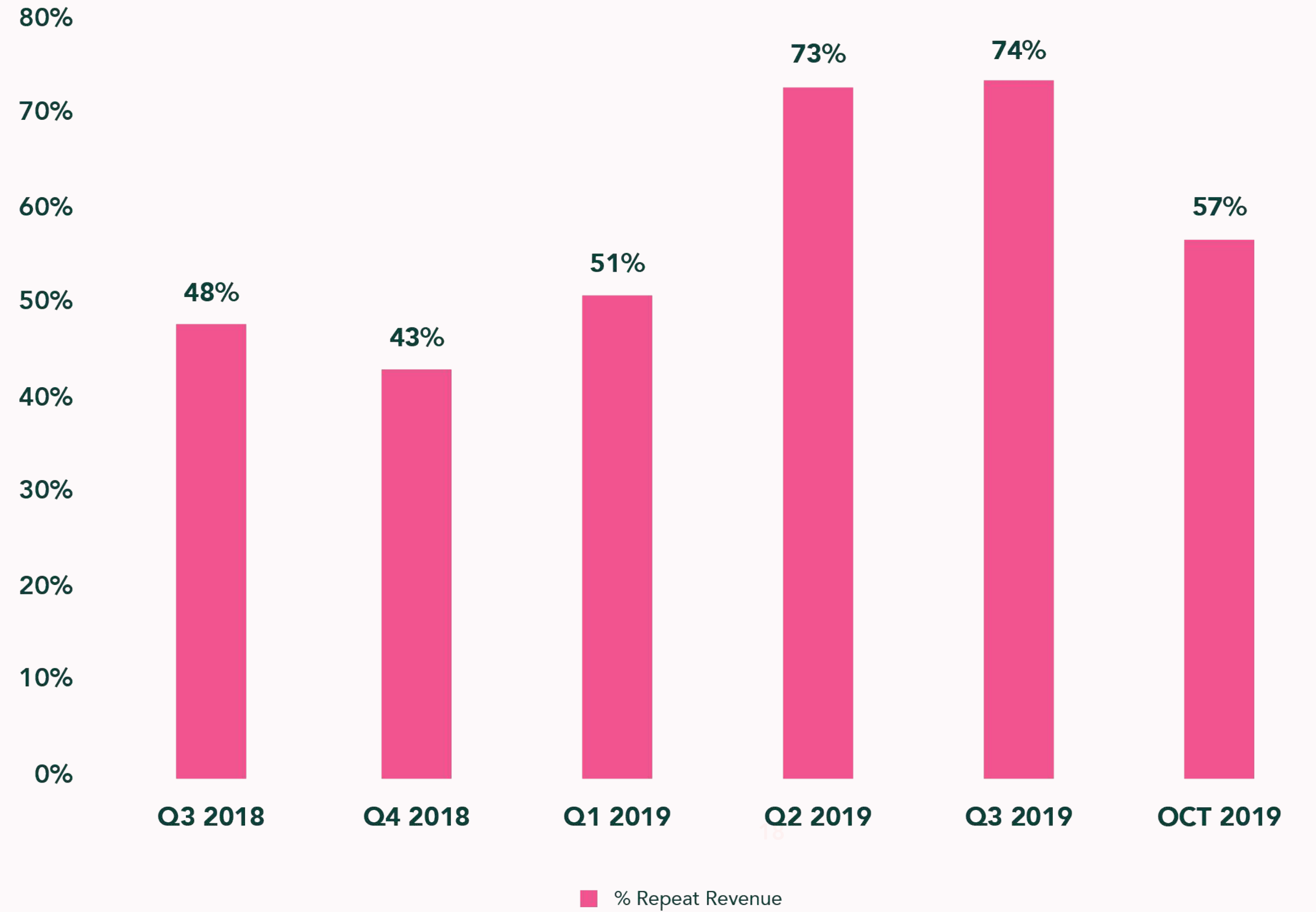
CUSTOMER AND TOTAL DOOR GROWTH  
with Key Wins



OUR CURRENT BUSINESS

**Customer reorder rates remain extremely high due to strong product sell-through at retail.**

**STRONG REORDER RATES**  
Due To Strong Retail Sell Through



OUR FUTURE

# Growth initiatives.

Vertical  
Expansion

Supply  
Chain

Product Line  
Expansion

OUR FUTURE

# Vertical Expansion.

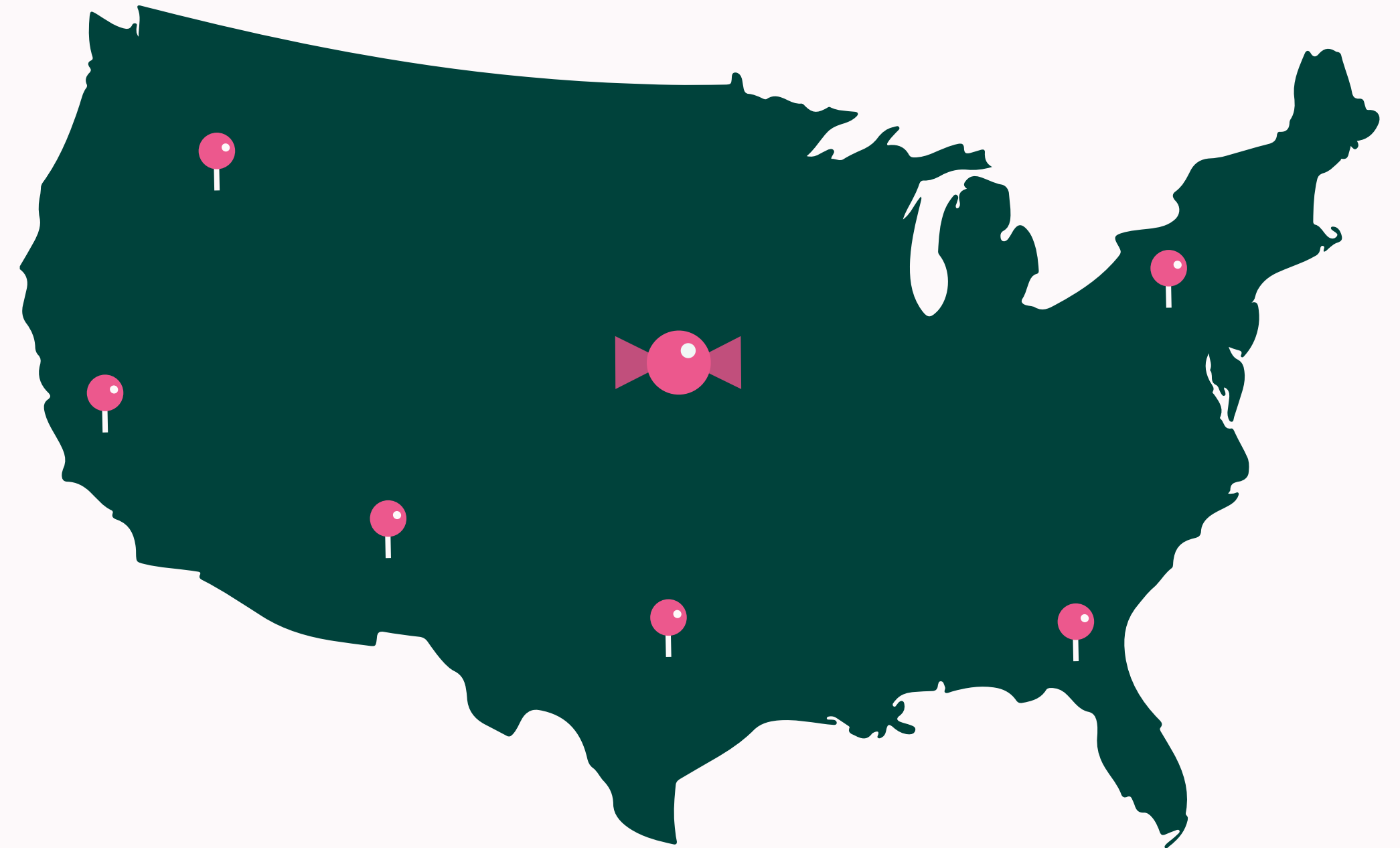
Endless...we envision growing to  
100,000+ locations in the next 36 months.

- Hospitality
- Gifting
- Confectionary
- Retail
- Home Goods
- Resorts
- Museums
- Pop-Ups
- E-Commerce
- Travel
- Sundry
- Casinos
- Toy
- Hospital

OUR FUTURE

# A fully integrated supply chain.

An investment into our supply chain will allow us to rely on a single centrally located assembly hub and “spoke” distribution centers enabling us to ship anywhere in the country within one day.



OUR FUTURE

# Product line expansion.

Tiered product, packaging and pricing strategy to expand across multiple sales channels.

Mainstream  
Retailers

Mid-Tiered  
Retailers

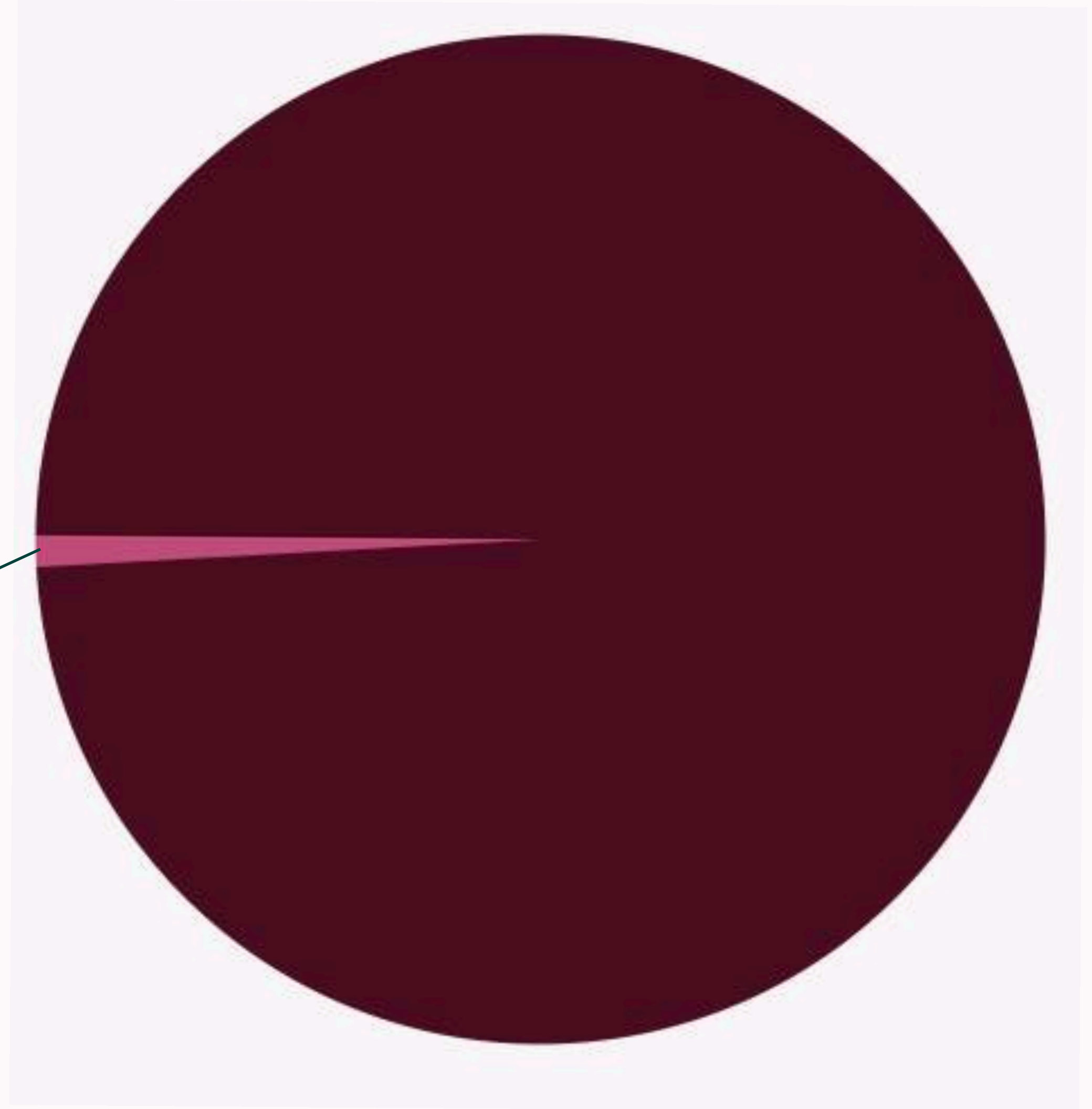
Luxury  
Retailers

🔍 INVESTOR VALUE CREATION

# The upside.

**\$400 Million**

Revenue from 1% of the \$40B market.



🔍 INVESTOR VALUE CREATION

# Valuation comps of consumable specialty brands.



## Justin's

- Founded in 2004.
- Packaged food category – Confectionery and Nut Butter.
- Acquired by Hormel in 2016 for \$421mm AUD (4x revenue multiple).



## Krave Jerky

- Founded in 2009.
- Leading producer of culinary-style meat and poultry snacks.
- Acquired by Hershey in 2015 for up to \$440mm AUD (8x revenue multiple).



## Tate's Bake Shop

- Founded in 2000.
- Cookies and baked goods.
- Acquired by Mondelez in 2018 for \$725mm AUD (up to 10x revenue multiple).



EXECUTIVE BOARD

# Keith Cohn.

Founder, CEO & Executive Director



- 20+ years consumer industry experience, 4x serial entrepreneur and startup executive.
- Founder & CEO, Vendare Media, a leading adtech company with 300 employees and annual sales of AUS \$200 million.
- Previously Head of Marketing at The Bouqs Co., overseeing all aspects of marketing and retention strategy. Leveraged strategic partnerships and optimized media mix resulting in 185% revenue growth while maintaining KPI efficiency.
- Founder & CEO, Bardon Advisors, a boutique adtech company. Acquired by Media Trust for AUS \$30 million.
- Former Executive with Mattel, Hasbro, Equity Marketing.

EXECUTIVE BOARD

# James Baillieu.

## Chairman



- Mr. Baillieu brings a wealth of corporate experience to CLB, having previously served as Non-Executive Chairman of BidEnergy Limited (ASX: BID), which was the best performing stock on the ASX under his leadership.
- Mr. Baillieu was also an early investor in Aconex Limited (ASX: ACX) and Senior Vice President of Business Development, and spent more than seven years as a consultant with McKinsey & Co, assisting businesses in Australia and internationally with strategy and operational improvement.
- Mr. Baillieu holds an LLB (First Class Honours) and Bachelor of Arts from the University of Melbourne.
- The new chairman said he is looking forward to working with the Candy Club management team to focus the Company on its fast-growing business-to-business (B2B) offering.

EXECUTIVE BOARD

# Andrew Clark.

## Non-Executive Director

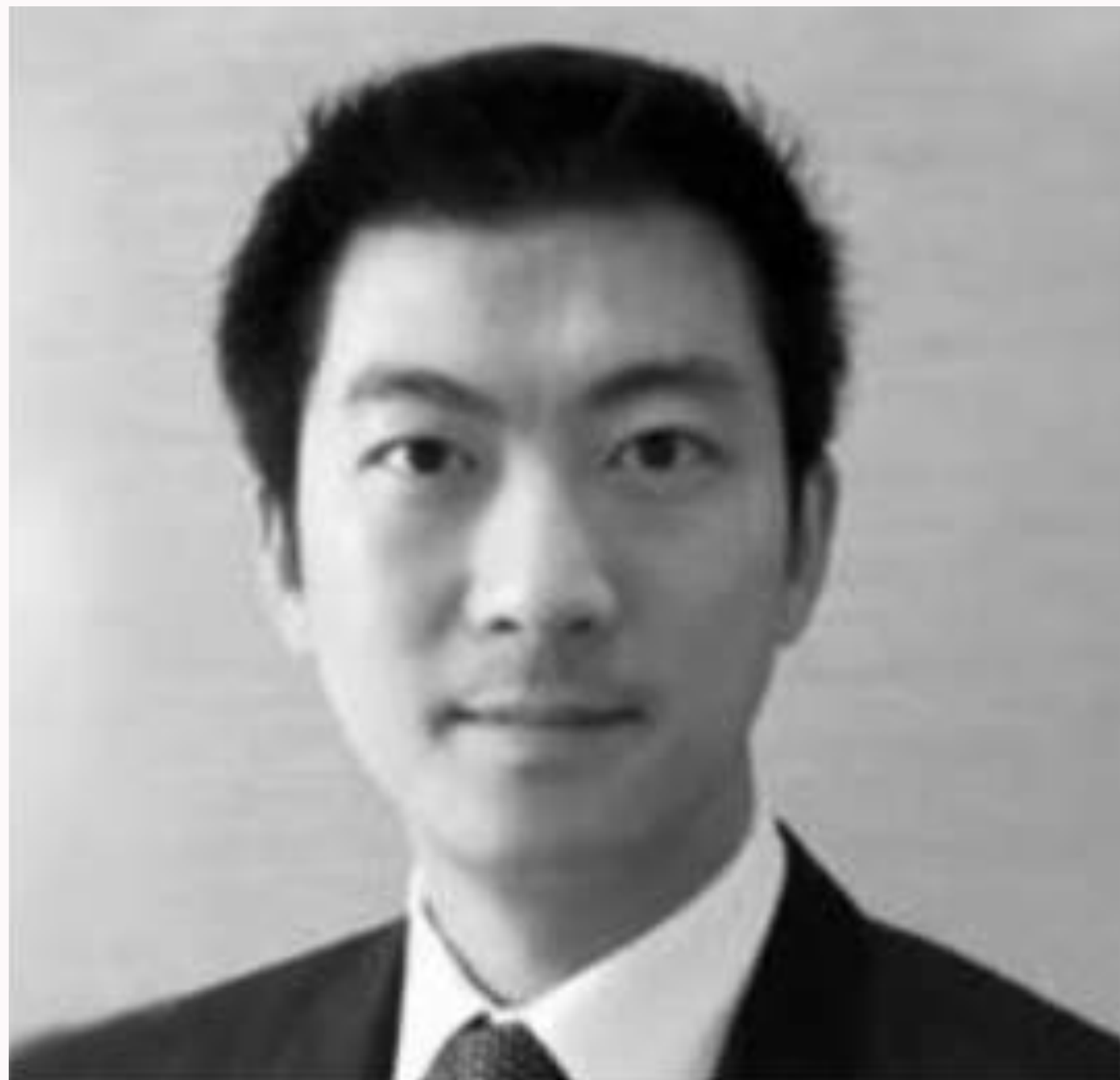


- Andrew Clark joins the Candy Club Board with a wealth of knowledge gained in executive and senior leadership positions whilst working for more than 20 years in the Consumer Goods sector.
- Domestic and global roles held in large multinational and national public businesses and smaller private equity businesses covering manufacturer/supplier, wholesaler/retailer and technology/platform operations in the Australian, UK and US markets.
- Previously held roles at Cadbury Schweppes, Reckitt Benckiser (including Global Sales Development Director and USA Vice President Trade Marketing); Nestle (Head of Sales and Category); Metcash (General Manager Merchandise: Food and Non-Food) and irexchange (CEO - FMCG).
- A record of success in helping businesses deliver consistent growth, develop and implement business strategies, transform business operations as well as deep functional expertise in commercial activities including sales, marketing and supply.

EXECUTIVE BOARD

# Kan Tang.

## Non-Executive Director



- Founding Partner of Asia Summit Capital, a private equity firm focused on consumer growth and the technology sector in Indonesia and Southeast Asia.
- Kan co-founded Asianlogic which was listed on UK's AIM stock exchange in 2007 raising over 100m USD and successfully returned as a private company through management buyout in 2009.
- During his time in Asianlogic, he took on numerous senior roles & responsibilities from CFO in the early stages of the company growth, to Business Development Director and was promoted to Chief Executive Officer in 2009 until 2014.
- A qualified Chartered Professional Accountant (CPA) and a Chartered Financial Analyst (CFA), Kan is a true online gaming industry visionary having joined one of industry's first live streaming online casino company, Dragon Sports & Gaming Ltd "DrHo888" in 2001.



# Thank You.

Keith Cohn | [kcohn@candyclub.com](mailto:kcohn@candyclub.com) | +1 (310) 991-0090