



17 July 2020

Candy Club raises \$2.45 million in a placement to institutional and sophisticated investors

Key highlights:

- Candy Club has raised \$2.45 million in a private placement, issuing 19.6 million fully paid ordinary shares at 12.5 cents per share.
- The Placement had a strong demand well in excess of the number of shares offered and applications were scaled back to accommodate the appetite for the Company's equity from institutional and sophisticated investors.
- The proceeds raised will be used to support continued growth in the Company's fast-growing B2B wholesale business and for working capital.

Melbourne, Australia – Candy Club Holdings Limited (ASX: CLB) ("**Candy Club**" or "**the Company**") has completed a \$2.45 million placement to institutional and sophisticated investors at an issue price of 12.5 cents per share ("**Placement**").

The Placement was well-received with strong support from a large number of new institutional and sophisticated investors and applications had to be scaled back to accommodate demand.

"The funds will be used to accelerate our successful B2B growth strategy and the strong institutional support is a welcome vote of confidence in our decision to pivot to the B2B segment in September 2019," said Candy Club Founder and CEO Keith Cohn.

About the Placement

The Company will issue 19.6 million fully paid ordinary Candy Club shares pursuant to the Placement. No shareholder approval is required as the issuance of shares is within the Company's existing placement capacity under ASX Listing Rule 7.1.

The issue price of 12.5 cents per share represents a 10.7% discount to the previous closing price (14 cents) on 14 July 2020 and a 9.4% discount to the 15-day Volume Weighted Average Price ("**VWAP**") of 13.8 cents.

The funds raised will be used to support growth in the Company's fast-growing B2B wholesale business in the United States, which has grown out a long-running B2C subscription business, and for working capital.

"This success of this raise means it's now game on for growth, growth, growth in B2B," said Candy Club Chairman James Baillieu. "More than a dozen high-quality institutional names are coming on to the register for their first taste of Candy Club and we are thrilled to have them on board. Directors did not participate in this raise for the sole reason to make room for new institutional investors."

The issue of shares under the Placement is expected to occur on or around 27 July 2020.

Justyn Stedwell

Company Secretary

Candy Club Holdings Limited

For more information, please contact:

Candy Club Holdings Limited

Keith Cohn

Managing Director

kcohn@candyclub.com

Justyn Stedwell

Company Secretary

justyn@stedwell.com.au

Civic Financial Communications

Mark Hawthorne

Director

mark.hawthorne@civicfinancial.com.au

+61 418 999 894

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.