
KEY FUNDING TERMS AGREED TO SUPPORT FLEET GROWTH

Carly Holdings Limited (ASX:CL8) (**Carly** or the **Company**) is pleased to announce that it has agreed key terms for a \$2.85m Convertible Note Facility to fund the operating requirements of the business and to unlock access to existing finance facilities to support further growth of the vehicle fleet.

Highlights:

- Investment of **\$2.85m** (before costs)
- **12% per annum interest rate** payable quarterly
- **18 months term** of Convertible Notes
- Convertible into shares at a **25% discount** to the 20 day VWAP prior to conversion, subject to a **conversion price floor of \$0.036** per share and a **conversion price cap of \$0.06** per share
- Issue of Convertible Notes will be subject to shareholder approval to be put to the AGM in November 2023

The Convertible Note Facility is to be provided by institutional and/or sophisticated investors who are clients of the Lead Manager, iPartners Pty Ltd. Carly will seek shareholder approval at the upcoming AGM to issue and allot 2,850,000 Convertible Notes to the Noteholders, each with a face value of \$1.00, to raise up to \$2,850,000.

After considering funding requirements for the business, Carly is pleased to be able to welcome iPartners as investors in the business. The conversion terms with the conversion floor price of \$0.036 show the strong support and belief iPartners have in the business. It is also highly favourable to existing shareholders and minimises the impact of dilution via the ability to convert the funding into issued shares at a share price substantially above the current traded share price of Carly.

In addition to supporting the operational requirements of the business, the new funding will unlock access to \$6 million from Facility B of the \$10 million asset finance facility announced on 22 March 2023.

See Annexure A for details of the material terms of the Convertible Note.

Travis Miller, CEO of iPartners said "iPartners has been working with Carly since March 2023 after providing an asset finance facility to support the business. We have been impressed by the continued business growth, and as a leading growth capital partner, we are pleased to be able to provide further support to Carly via this Convertible Note facility."



Chris Noone, CEO of Carly Holdings commented “Since commencing our relationship with iPartners in March 2023 we have developed a shared vision of Carly’s growth potential and we are pleased to be extending the relationship with a financing arrangement that appropriately recognises the future value of the business and allows us to continue growing the fleet.”

This announcement was authorised to be given to ASX by the Board of Directors of Carly Holdings Limited.

Authorised by:

Chris Noone
CEO and Director
Carly Holdings Limited

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About iPartners

As one of Australia’s leading alternative asset investment platforms, iPartners provides self directed wholesale investors digitally enabled access to institutional grade alternative assets for wealth creation, income generation and portfolio diversification. iPartners has contracted AUM in excess of \$4.9 billion via its in-house technology platform and iPartners Funds Management now manages over \$250m in private capital funds. For more information, visit ipartners.iplatforms.com.au/

About Carly

Carly Holdings Limited (ASX:CL8) is an Australian company leading the growth of the car subscription industry in Australia & New Zealand and supporting the transition to electric vehicles. Launched in 2019, [Carly Car Subscription](#) is a flexible alternative to buying or financing a vehicle, for individuals and businesses, with insurance, registration and servicing included in one monthly payment. Average subscription period is over 5 months. Carly has secured auto industry leaders SG Fleet (ASX:SGF) and Turners Automotive (ASX:TRA) as significant shareholders, joining long-term shareholder, RACV and OEM partner, Hyundai. For more information visit: <https://investors.carly.co>

Annexure A – Material terms of Convertible Notes

Instrument	Unsecured Convertible Note (the 'Notes')
Issue Size	\$2,850,000 of Notes
Interest Rate	12.00% per annum, accrued daily and paid quarterly in arrears in cash.
Term	A period of 18 months from the issue date of the Notes.
Ranking	Unsecured obligations of the Issuer.
Face Value per Note	\$1.00 per Note
Conversion Right	<p>A Conversion Right may be exercised by a Noteholder, at any time during the Term, by issuing the Company with a Conversion Notice.</p> <p>Material Event is defined as lodgement of a notice of extraordinary general meeting with the ASX in relation to a scheme of arrangement, an issue of equity securities under Listing Rule 7.1 or the acquisition of a relevant interest in the Company under section 611(7) of the Corporations Act or receipt of a bidders statement under Chapter 6 of the Corporations Act regarding a takeover offer for all of the ordinary shares in the Company.</p> <p>The coupon payment would be calculated on a pro-rata basis as at the date of conversion.</p>
Conversion Price	<p>The Conversion Price is the price equal to 75% of the Share Price with a Conversion Price Floor of \$0.036 and a Conversion Price Cap of \$0.06. Accordingly, the Conversion Price is:</p> <ul style="list-style-type: none"> (a) if the Share Price is equal to or less than \$0.048, \$0.036; (b) if the Share Price is more than \$0.048 and less than \$0.08, a 25% discount to the Share Price; or (c) if the Share Price is equal to or more than \$0.08, \$0.06.
Exchange Ratio	<p>The Exchange Ratio means the number of Shares into which a Convertible Note will be Converted, being:</p> $\frac{\text{Principal Outstanding}}{\text{Conversion Price}}$
Redemption by Issuer	The Notes are not redeemable upon the election of the Issuer.
Redemption at Maturity	If the Noteholder has not converted at maturity, the Issuer must redeem the Notes at face value. If the Company does not have sufficient funds to pay the Noteholder the redemption amount, the Company must undertake an equity capital raise to fund this amount.
Underwriting	The issue of Notes is not proposed to be underwritten.
Conversion Price Adjustment	Standard anti-dilutive adjustments.
Approval process	Require shareholder approval as the Notes represent more than 15% of the issued capital under LR7.1.
ASX Quotation	Notes are proposed to be unquoted instruments.
Governing Law	New South Wales, Australia