

## TERM SHEET

### Candy Club Holdings Ltd (to be renamed SCALARE PARTNERS HOLDINGS LTD)

IPO Capital Raising of \$8,000,000 (21 August 2024)

**NOT FOR DISTRIBUTION OUTSIDE OF AUSTRALIA. OPEN TO RETAIL INVESTORS**

#### TRANSACTION SUMMARY:

**Issuer** Candy Club Holdings Ltd (to be renamed SCALARE PARTNERS HOLDINGS LTD (ACN 629 598 778), ("Scalare" or "the Company")

**Transaction** IPO Capital Raising of \$8 million via the issue of new shares in the Company. (\$4 million minimum) ("the Offer").

**Lead Manager** Novus Capital Ltd ("Novus Capital" or "Novus") (*This Offer is not Underwritten*)

#### THE OFFER:

- Scalare is seeking to raise AUD \$8,000,000 (\$4,000,000 minimum) via the issue 32 million new shares at 25 cps (16 million shares minimum).
- The Capital Raising is into a public ASX listed company and will result in the re-commencement of quotation of the Company's securities (subject to ASX approval). The offer is open to retail investors.
- Scalare Board and management have committed \$1,084,300 towards the Offer.

#### COMPANY OVERVIEW:

Scalare Partners was founded in 2020 by its three founders who are all still active in the business. Scalare Partners invests in and provides services to early-stage technology companies and their founders to create and develop successful technology businesses. Scalare Partner's revenue comes from a mixture of fee-based service revenue and investment returns from its investment portfolio of early-stage tech businesses.

Scalare Partners is currently invested in 27 companies with its investment portfolio valued at circa \$10 million.

Income for FY24 was up 64% from the previous year to \$3.2m. More information can be obtained on the Company's website:

<https://scalarepartners.com/>

#### CAPITAL RAISING TERMS:

Scalare is raising \$8 million (\$4 million minimum) from the issue of 32,000,000 new ordinary fully paid shares at in the Company at 25 cps (16,000,000 shares minimum). Scalare will apply for the shares to be listed on ASX.

#### CAPITAL STRUCTURE:

The proposed capital structure of Scalare if the Capital-Raising is fully subscribed is detailed below.

Capital structure on ASX-Listing at \$0.25 cps, assuming maximum subscription:

Item	Shares	Market Cap (\$0.25)	Percent
Candy Club Shareholders	1,785,710	\$446,428	1.7%
Candy Club Director Shares	214,290	\$53,573	0.2%
Scalare Acquisition	72,000,000	\$18,000,000	67.2%
ASX-Listing Investors	32,000,000	\$8,000,000	29.9%
Broker Shares	1,200,000	\$300,000	1.1%
<b>Total</b>	<b>107,200,000</b>	<b>\$26,800,000</b>	<b>100.0%</b>

Note: All amounts in AUD.

#### INVESTMENT HIGHLIGHTS:

- Scalare's unique offering and positioning in the Australian technology start-up ecosystem.
- Recent acquisition of Tech Ready Women to drive growth.
- Engaged and incentivised founders operating in the business.
- Financial services company funding investments from unique services model
- Leverage to fast growing tech start-ups.
- Ownership of an outstanding portfolio of early-stage investments

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### USE OF FUNDS:

The use of funds raised under the Offer assuming it is fully subscribed will be:

USE OF FUNDS	\$AUD
Establish USA Office	500,000
Tech Ready Women Growth	200,000
Internal tech development	500,000
Investments in new and existing portfolio companies	2,400,000
Costs of Offer	705,000
Working Capital	3,695,000
<b>Total</b>	<b>8,000,000</b>

### BOARD AND MANAGEMENT:

<b>Adelle Howse</b> Non-Executive Chairperson	Adelle has extensive executive and non-executive experience in the corporate and consulting environment with a focus on strategy, M&A and governance. She is currently a Non-Exec Director of ASX-listed companies; Macquarie Technology Group (ASX:MAQ), Downer Group (ASX:DOW), and unlisted businesses; BAI Communications and the Sydney Desalination Plant. (MBA, PhD (Mathematics), Grad Diploma, (AICD)
<b>Carolyn Breeze</b> CEO.	Carolyn has over 20 years of experience in telecommunications, technology, eCommerce, and fintech, she has received numerous accolades for her work, including CEO Magazine's IT and Telecommunications Executive of the Year (2018) and Business Insider's top 21 Women in Fintech. Previous roles include Zepto's CCO, GoCardless – GM ANZ, Braintree - Australian Country Manager and before that PayPal and eBay.

<b>James Walker</b> Executive Director & Co- Founder	James co-founded Scalare in January 2020. James is an entrepreneur and investor specialising in high growth industries with extensive experience of commercialising new technology and building businesses. He is currently non-executive chairman of ASX-listed companies BluGlass (ASX:BLG) and Native Mineral Resources (ASX:NMR).
<b>Neil Carter</b> Non-Executive Director	Neil is an accomplished and well-known investor with over 25 years in financial markets. He was Co-Head of Global Listed Equities at IFM and a Divisional Director at Macquarie Funds Group. He built the IFM Listed Equities business to 28 people and \$45bn in funds under management.
<b>James Loughheed</b> Non-Executive Director	Technology executive with nearly 30 years' experience in electronics and semiconductors. Diverse operational experience with roles in design, operations, quality, sales, marketing, executive management, board governance and technology investment & advisory.
<b>Beau Quarry</b> Non-Executive Director	Founder and Managing Director of Solido Capital, Managing Director Baobab Investment Management, Non-Executive Director Arctic Intelligence Pty Ltd and Scalare Partners Pty Ltd.
<b>Jenny Li</b> CFO	Jenny joined Scalare in January 2020. Jenny has more than 15 years' experience in improving financial governance, working in and advising multinational business to high growth start-ups undertaking rapid change and growth.

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### INDICATIVE IPO TIMETABLE

TIMETABLE	DATE
Prospectus Date	21 August 2024
Offer opens	29 August 2024
Shareholder General Meeting	23 September 2024
Offer closes	27 September 2024
Issue and allotment of Shares under Offer	3 October 2024
Expected date for dispatch of holding statements	8 October 2024
Expected date of Trading of Shares on ASX (on a normal settlement basis)	10 October 2024

*Note: timetable indicative and is subject to change*

### RISKS:

1. New customers
2. Loss of key management personnel
3. Limited trading history
4. Investing in businesses in growth and early stage of development
5. Investment due diligence risk

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