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Balluun Secures a CHF 40 Million Share Subscription Facility to Expand Its Global B2B Social Commerce Footprint

- **CHF 40 Million Share Subscription Facility Provided by a Consortium of International Institutional Investors Led by GEM**
- **Balluun to Pursue a Public Listing on SIX Swiss Exchange in Q4 2016**
- **Concurrently, Balluun to Seek up to CHF 15 Million in a Pre-Listing Private Placement**

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ZURICH--(BUSINESS WIRE)--Balluun Ltd ("Balluun"), a Swiss based B2B technology company, announced today that it has signed a binding agreement with a leading consortium of high profile institutional investors (the "Investors"), led by Global Emerging Markets ("GEM") granting Balluun a CHF 40 million committed Share Subscription Facility (the "SSF") as of the date Balluun lists its common shares on the SIX Swiss Exchange, which is expected to be completed in Q4 2016.

Under the terms of the SSF, Balluun will have the right, from time to time and during a period of up to 3 years, to request that the Investors subscribe for its common shares for total proceeds of up to CHF 40 million, subject to certain liquidity conditions. Under the SSF, the Investors undertake to subscribe to or acquire the Company's common shares upon Balluun's exercise of a Draw Down Notice. Balluun will control the timing and maximum amount of any Draw Down, and has the right, not the obligation, to draw down on the full Commitment Amount up to CHF 40 million.

Avalon Securities Ltd. ("Avalon") acted as Balluun's financial advisor to arrange the SSF and continues to work with the Company regarding its strategic plans for a SIX Swiss Exchange listing and a future NASDAQ listing. In addition, Avalon has been retained by Balluun to raise up to CHF 15 million in a pre-listing private placement.

Balluun intends to use the proceeds of the SSF and private placement financing to rapidly identify and launch new industry domains and subsequently build a sustainable subscriber base and advertising revenue stream, as well as to continue to improve Balluun365, the Company's SaaS technology platform. Balluun is headquartered in Zurich, Switzerland also has offices in Silicon Valley and New York in the U.S. and also in Lausanne, Switzerland.

"A few years ago, we set out to make B2B commerce more social and simpler," said **Roland Kumin**, CEO of Balluun. "Today's B2B solutions remain mostly focused on pure transactional e-commerce, do not take into account that B2B sales can be complex and are primarily the result of an online discovery process coupled with on-going conversations between buyers and suppliers. This process creates the need to build trusted relationships before a transaction can take place. As

we are experiencing with our current domains that serve the fashion and toy industries, constantly occurring new product introductions drives the need to facilitate improved communications between buyers and suppliers. Our investments in technology and marketing enable Balluun to monetize this growing need on a global scale. We are uniquely positioned to take advantage of the vast amounts of opportunities across industries to change the way business is and will be done in the future. We are therefore very pleased to have secured this CHF 40 million SSF from GEM and announced our intention to list on the SIX Swiss Exchange. The SSF, combined with the potential CHF 15 million pre-listing private placement, will provide us with sufficient capital to take advantage of several short- to mid-term growth opportunities.”

Homburger Ltd acted as legal counsel to Balluun in the SSF transaction.

About Balluun:

Balluun is transforming international B2B wholesale commerce by launching industry specific social commerce networks (“Domains”) that enable wholesale trading partners (suppliers, manufacturers, exporters, retailers, buyers, importers) (“Communities”) to discover, connect, post and exchange relevant information (“Content”) while facilitating an efficient buying and selling process among industry members. With over 130,000 existing members across five different Domains, Balluun has a proven SaaS technology built on a universal and scalable cloud-to-mobile architecture (“Balluun365”). Balluun’s customer acquisition and expansion strategy focuses on partnering with strategic “Accelerators” to assure each new Domain launches with a significant number of industry members (“Companies”). This allows for the creation of a highly engaged and industry specific marketplace where Balluun can cost effectively market the value of its Subscription service offerings. For further information, please visit www.balluun.com.

About GEM:

GEM (www.gemny.com), founded in 1991, is a USD 3.4 billion-investment group having completed 370 transactions in 70 countries. GEM is an alternative investment group that manages diverse investment vehicles worldwide with different degrees of operational control, risk-adjusted return and liquidity profile. Our funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities (PIPEs) and select venture investments. GEM's funds include: CITIC-GEM Fund (matured in December 2015), Kinderhook Industries (GP and LP non-voting stakes), GEM Global Yield Fund LLC SCS, GEM India and VC Bank/GEM Mena Fund (GEM exited both its GP and LP stakes in these funds in 2015 and 2010).

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This communication expressly or implicitly contains certain forward-looking statements concerning Balluun Ltd and its business. Such statements involve certain known and unknown risks, uncertainties and other factors, which could cause the actual results, financial condition, performance or achievements of Balluun Ltd to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Balluun Ltd is providing this communication as of this date and does not undertake to update any forward-looking statements contained herein as a result of new information, future events or otherwise.

This press release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, and it does not constitute an offering prospectus within the meaning of article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange. Investors must rely on their own evaluation of Balluun Ltd and its securities, including the merits and risks involved. Nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of Balluun Ltd.

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