PLBY GROUP™

Playboy Spirits Joint Venture Closes More Than $13 Million in Funding to Accelerate Growth in the Multi-Billion Dollar Alcohol Beverage Category

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LOS ANGELES, Jan. 12, 2023 (GLOBE NEWSWIRE) -- Playboy Spirits, a joint venture formed by PLBY Group, Inc. (NASDAQ: PLBY) ("PLBY Group"), a leading pleasure and leisure lifestyle company and owner of Playboy, one of the most recognizable and iconic brands in the world, and XL Ventures II, LLC ("XLV"), an affiliate of Spirits Investment Partners ("SIP"), a leading alcohol beverage group specializing in branding, package design, product development, incubation, and growth acceleration of early-stage brands, announced today the initial closing of more than $13 million in funding from a private placement ("Private Placement") of senior secured convertible notes ("Notes") by the joint venture's wholly-owned operating subsidiary ("Operating Subsidiary"), and may receive additional funds in a subsequent closing. Playboy Spirits is owned 40% by a wholly owned subsidiary of PLBY Group and 60% by XLV. Conversion of the Notes could result in the dilution of Playboy Spirits' ownership of the Operating Subsidiary by up to 50% but would not reduce Playboy Spirits' managerial control of the business.

The capital raised will fund the operations of Playboy Spirits and the Operating Subsidiary's business, including the continued acquisition of rare, aged spirits to be released under the Rare Hare brand with Playboy co-branding. Playboy Spirits holds a trademark license to use Playboy branding and artwork with royalties payable to Playboy from the sales of all Playboy Spirits products. Playboy Spirits' and the Operating Subsidiary's operations are primarily run by SIP pursuant to a professional services agreement.

In 2023, Playboy Spirits expects to release limited-edition spirits in the U.S. and Asia, and plans to enter the ready-to-drink canned beverage category.

"Playboy Spirits reflects the continued strategy PLBY Group has outlined of evolving from a traditional licensing model to select ownership and operations of businesses PLBY Group believes are a strong fit for the Playboy brand," said Ben Kohn, Chief Executive Officer of PLBY Group. "The combination of a well-capitalized and best in class operating team in the spirits industry with the halo support of the iconic Playboy brand makes this joint venture an incredible opportunity."

Marc Bushala, Chief Executive Officer of XLV, SIP and Playboy Spirits added, "It has been amazing to develop Rare Hare in partnership with a global brand like Playboy. For the past several years, SIP has discreetly procured unique and rare spirits from around the world to offer in limited releases under the Rare Hare brand."

Since its launch early last year, Playboy Spirits has released two special batches of Rare Hare *Anejo Conejo* tequila in collaboration with Codigo 1530, Rare Hare *1953*, a 17-year-old bourbon, and Rare Hare *Lapine*, a 60-year-old cognac. The Rare Hare brand is a nod and a wink to the iconic Playboy Rabbit Head, but also conveys the scarcity of these limited product releases. Rare Hare can be found at select retail shops and online at https://www.rareharespirits.com.

The Notes issued in connection with the Private Placement described above were offered pursuant to Section 506 of the Securities Act of 1933, as amended (the "Act"), and Regulation D promulgated thereunder and have not been registered under the Act or applicable state securities laws. Accordingly, such Notes, or any Class A Units into which the Notes may be converted, may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws. Any resale of the Class A Units or the Notes must be made subject to the restrictions contained in Regulation D and other provisions of the Act and regulations promulgated thereunder and, with respect to the Notes, the restrictions on transfers set forth in the Notes and related Notes documentation.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy any Notes, or any Class A Units into which the Notes may be converted, described herein, nor shall there be any sale of the Notes, or any Class A Units into which the Notes may be converted, in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

About PLBY Group
PLBY Group, Inc. is a global pleasure and leisure company connecting consumers with products, content, and experiences that help them lead more fulfilling lives. PLBY Group's flagship consumer brand, Playboy, is one of the most recognizable brands in the world, driving billions of dollars annually in global consumer spending with products and content available in approximately 180 countries. PLBY Group's mission — to create a culture where all people can pursue pleasure — builds upon almost seven decades of creating groundbreaking media and hospitality experiences and fighting for cultural progress rooted in the core values of equality, freedom of expression and the idea that pleasure is a fundamental human right. Learn more at https://www.plbygroup.com.

About Spirits Investment Partners
SIP creates unique and authentic brands in the beverage alcohol space. Marc Bushala, co-founder and former CEO of Angel's Envy and co-founder of Heaven's Door Spirits with Bob Dylan, founded SIP to provide an entrepreneurial ecosystem for the creation, incubation and growth acceleration of spirits brands. In addition to providing capital, SIP leverages its in-house resources in product innovation, branding, package design, procurement, marketing, sales, distribution, compliance, finance, and accounting to provide a comprehensive suite of resources for its portfolio of brands and investments. For more information, visit www.spiritsinvestors.com.

Forward-Looking Statements
This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. PLBY Group's actual results may differ from their expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions (or the negative

versions of such words or expressions) are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, PLBY Group's expectations with respect to future performance, growth plans and anticipated financial impacts of its acquisitions and corporate transactions, including its joint venture with XLV.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from those discussed in the forward-looking statements. Factors that may cause such differences include, but are not limited to: (1) the impact of the COVID-19 pandemic on PLBY Group's business, acquisitions and corporate transactions; (2) the inability to maintain the listing of PLBY Group's shares of common stock on Nasdaq; (3) the risk that PLBY Group's business combination, acquisitions or any proposed transactions disrupt PLBY Group's current plans and/or operations, including the risk that PLBY Group does not complete any such proposed transactions or achieve the expected benefits from them; (4) the ability to recognize the anticipated benefits of the business combination, acquisitions, commercial collaborations, joint ventures, commercialization of digital assets and proposed transactions, which may be affected by, among other things, competition, the ability of PLBY Group to grow and manage growth profitably, and retain its key employees; (5) costs related to being a public company, acquisitions, commercial collaborations and proposed transactions; (6) changes in applicable laws or regulations; (7) the possibility that PLBY Group, including its joint venture, may be adversely affected by global hostilities, supply chain disruptions, inflation, interest rates, foreign currency exchange rates or other economic, business, and/or competitive factors; (8) risks relating to the uncertainty of the projected financial information of PLBY Group, including changes in its estimates of the fair value of certain of its intangible assets; (9) risks related to the organic and inorganic growth of PLBY Group's business, and the timing of expected business milestones; and (10) other risks and uncertainties indicated from time to time in PLBY Group's annual report on Form 10-K, including those under "Risk Factors" therein, and in PLBY Group's other filings with the Securities and Exchange Commission. PLBY Group cautions that the foregoing list of factors is not exclusive, and readers should not place undue reliance upon any forward-looking statements, which speak only as of the date which they were made. PLBY Group does not undertake any obligation to update or revise any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

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