



**iCandy Interactive Limited**  
(ACN 604 871712)  
Level 2, 395 Collins Street,  
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Australia

[www.icandy.co](http://www.icandy.co)

**27 September 2016**  
**ASX Announcement**

### **Investment in Peer Direct**

iCandy Interactive Limited (ASX:ICI) (**Company**) wishes to provide the following additional information in relation to certain loans and investments disclosed in its Appendix 4C for the quarter ended 30 June 2016 and its half year report for the period ended 30 June 2016.

In June 2016, iCandy Ventures Ltd (**ICVL**) (a wholly owned subsidiary of the Company) agreed with Fintech Asia Group Ltd (**Fintech**), which is an investee company of Fatfish Internet Group Limited (ASX:FFG), to invest approximately SGD1.2 million in Peer Direct Sdn Bhd (**PDSB**) (a wholly owned subsidiary of Fintech), as follows:

- ICVL advanced SGD922,795 to Fintech by way of an unsecured loan (**PDSB Loan**) on the following terms:
  - Lender: ICVL.
  - Borrower: Fintech.
  - Principal: SGD922,795.
  - Interest: At a rate of 5% per annum, non-compounded. Interest is payable at the end of tenure of the loan.
  - Repayment date: 10 July 2017.
  - Convertibility: The PDSB Loan is convertible into ordinary shares in PDSB at ICVL's election. At this stage, ICVL has not determined whether it wishes to convert the PDSB Loan. In any event, the Company will comply with the applicable requirements of ASX Listing Rule 10.1 prior to any such conversion taking place. Principal and the interest are both convertible into ordinary shares of PDSB at a valuation of PDSB at SGD1,500,000

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- ICVL subscribed for SGD325,704 worth of ordinary shares in PDSB (**PDSB Share Issue**) on the following terms:
  - Issuer: PDSB.
  - Allottee: ICVL.
  - Type of securities: Fully paid ordinary shares in PDSB (**PDSB Shares**).
  - Number of securities: 974,998 ordinary shares.
  - Issue price: MYR 1 per share.
  - Total subscription price: MYR974,998 (equivalent of SGD325,704)

PDSB is a financial software development startup that is currently developing a payment gateway system commissioned by ICVL that is able to accept payment methods beyond debit and credit cards for ICVL's games publishing operation.

The purpose of the PDSB Loan and the PDSB Share Issue is to enable PDSB to build a payment gateway system for ICI that can integrate into various non-credit card payment mode such as cybercash, e-wallet and telco billing. The Board of ICI considers this to be a strategic investment which will enable the Company to further monetise its games in developing countries where credit card usage is still low.

On 23 September 2016, the ASX determined that the Company breached ASX Listing Rule 10.1 as a result of the PDSB Share Issue and, as a consequence of such breach, the Company is required to take corrective action pursuant to ASX Listing Rule 10.9. In addition, the ASX requested that the Company announce further details of the PDSB Loan (which the Company has complied with in this announcement).

In compliance with the ASX's determination, the PDSB Share Issue will effectively be cancelled by Fintech acquiring the PDSB Shares from ICVL and the proceeds of that acquisition being deemed to form part of the PDSB Loan. This will result in the principal component of the PDSB Loan to increase to SGD1,248,499. The

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Company expects this to take place shortly and will be reflected in the Company's Appendix 4C report for the quarter ended 30 September 2016.

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For further question on this release, please contact:

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