



iCandy Interactive Limited
(ACN 604 871712)
Level 4, 91 William Street
Melbourne, VIC 3000
Australia

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ASX Announcement

Market Update - iCandy Interactive To Accept In-Game Advertising for ICOs

iCandy Interactive Limited (ASX:ICI) ("iCandy Interactive" or "the Company") is pleased to announce that the Company will be advertising top quality and legally compliant Initial Token Offerings (ICOs) across its large population of gamers within its Interactive network.

iCandy's network has attracted interest and is potentially a significant avenue for advertising ICOs especially with Facebook's recent barring of digital advertisement of ICOs related to cryptocurrencies.

iCandy Interactive has always been generating income from digital advertisement within its games. For in-game advertising for ICO clients iCandy will charge a success fee of 4% in Etheruem (ETH) and 4% in token (or digital coin) being put up for sale, for any click-through purchases. The Company will trial this commercial model with an initial batch of ten (10) ICO clients to be identified.

iCandy Interactive will take measures to ensure that its digital ads are only serving ICOs that are legally allowed in jurisdictions that permit them. In particular the measures iCandy Interactive will take include:

- i. iCandy Interactive is only taking on clients that are offering digital tokens that are not securities in nature, i.e. pure utility in nature. iCandy Interactive will employ the Howey Test to determine the nature of the token as part of its due diligence in determining the nature of the digital tokens
- ii. iCandy Interactive will further conduct its own due diligence on legitimacy and lawfulness of the client's offering.
- iii. In addition iCandy Interactive will require its client to provide a legal opinion from their relevant jurisdiction to opine on the lawfulness of its offering.

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iCandy Interactive publishing and advertising business operates in more than 70 countries and is operated by its Singapore incorporated subsidiary iCandy Digital Pte. Ltd. Advertising ICOs that are not securities in nature is not any different from other digital advertisement in Singapore, which is not restricted in anyway. In jurisdiction where ICOs are not allowed iCandy Interactive will employ Geo-IP filtering to ensure its gamers from that relevant jurisdiction will not be served the ICO ads.

In addition iCandy Interactive will ensure the landing page and product offering document that its ICO ads point to will have clear and visible warnings to readers about the risks and volatility associated with the trading of digital tokens.

This success fee model will allow the Company to generate a higher upside on its in-game advertising income. The Company is excited and hopeful that this new go-to-market offering will be highly complementary to its existing related businesses.

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About iCandy Interactive

iCandy Interactive Limited ("iCandy Interactive") is an Australian incorporated public company that is listed on the Australian Securities Exchange (ASX) under the symbol ICI. iCandy Interactive's core business is in developing and publishing of mobile games for a global audience. The company owns leading game studios in Southeast Asia, with over **23 million smartphone** gamers playing their games. iCandy Interactive has won various awards including the Best Gameplay award at the recently held International Mobile Games Awards (IMGA) Southeast Asia 2017.

For more information visit www.icandy.io

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