



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

ASX and Media Announcement
6 June 2018

ICANDY SIGNS UP WITH ESPORTS.COM TO RECEIVE USD \$1M STRATEGIC INVESTMENT

Highlights

- iCandy has signed a legally binding Term Sheet with eSports and blockchain company eSports.com and Fatfish Internet, whereby eSports.com will invest USD \$1M into iCandy
- eSports.com will be investing into iCandy at a premium to the current iCandy share price
- The synergies between iCandy and ESports.com will allow the ESports.com products and services to be offered to the extensive iCandy network of gamers

The Board of iCandy Interactive Limited ("iCandy")(ASX:ICI) is pleased to announce that it has entered a legally binding Term Sheet ("Term Sheet") with eSports and Blockchain technology company, eSports.com Group AG ("eSports.com") and existing shareholder Fatfish Internet Group Limited ("Fatfish") (ASX:FFG), whereby eSports.com will invest USD\$1M into iCandy.

eSports also known as electronic sports, competitive (video) gaming, professional (video)gaming, or pro gaming, is a form of competition using video games. Most commonly, eSports take the form of organized, multiplayer video game competitions, particularly between professional players.

Incorporated in Germany, eSports.com is an esports and blockchain company that focuses on the eSports market that attracts a fan base across Europe, Asia, North and South America of over 360 Million¹ people. With eSports emerging as a fast growing segment of the video games industry, iCandy is strongly positioned for growth through its partnership with eSports.com.

Key Points of the Term Sheet

¹ Source: Statista, eSports Audience Size Worldwide 2012 to 2021

For personal use only



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

- eSports.com agrees to invest USD \$1M (Approximately AUD \$1.32m) into iCandy in exchange for 16.5 million newly issued ordinary shares of iCandy, with an issue price of AUD \$0.08 per share. This investment represents 5.18% of iCandy's fully diluted capital structure, which also accounts for the imminent share issue relating to the acquisition of the game portfolio of Animoca Brands Ltd (ASX:AB1), as announced on the 15th of November 2017.
- Under the Term Sheet, payments from eSports.com will take place over five equal tranches of USD \$200,000, with the first tranche payable with 7 days of signing a Definitive Agreement which is due to be signed within 14 days of the execution of the Term Sheet. The remaining tranches will be take place over the four-month period commencing from 1 August 2018.
- Under the Term Sheet, Fatfish will exchange 45.6m of its ordinary shares in iCandy for ordinary shares in eSports.com. The iCandy ordinary shares being exchanged by Fatfish are to be valued at AUD \$0.10 per share. The transaction will result in Fatfish owning approximately 3.45% of the total enlarged issued share capital of eSports.com.
- Upon completion of both transactions, eSports.com will own 19.5% of iCandy.
- eSports.com will appoint one director onto the Board of iCandy to facilitate a close collaboration between the businesses.

iCandy shares were last traded at AUD\$0.06 per share on 6th June 2018.

After the transactions are complete, eSports.com will work on various strategic business collaborations with iCandy, including a potential collaboration with Nitro, a cryptocurrency and blockchain project in which iCandy announced its involvement in October 2017. iCandy has a publishing arrangement with Nitro to be the publisher for games titles funded or developed through Nitro's online marketplace.

In addition to this, the eSports.com products and services offering will be promoted through the iCandy gamer network, which currently exceeds 23 million gamers.

iCandy's Chairman, Kin Wai Lau commented: "This is an exciting opportunity to partner with an industry leader such as eSports.com. There are strong working synergies between both iCandy and eSports.com and once the transaction is complete, the collaborative working relationship will drive both businesses in a very positive way."

Cautionary Statement - Cryptocurrency Related Business Activities

The Company notes the following in relation to its cryptocurrency-related business activities:

For personal use only



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

- Investment into cryptocurrencies is high risk in nature as cryptocurrencies are currently highly speculative.
- Cryptocurrency-related businesses have several other risks factors, including but not limited to the following:
 - I. The development of new regulatory framework involving cryptocurrencies
 - II. Cryptocurrencies, cryptocurrency exchanges and its related topics of Initial Coin Offerings ("ICO") have raised regulatory issues across multiple jurisdictions. A number of regulators have issued guidance on the relevance of their existing securities and financial services laws with regards to ICOs that have underlying cryptographic tokens that are securities or investment in nature.
 - III. In many countries cryptocurrencies are subject to anti-money laundering and counter-terrorism funding legislations. For its cryptocurrency-related business activities the Company will always endeavour to the best of its ability to ensure that the Company comply with relevant local in-country regulatory requirement.

- Ends -

For further information, contact:

Jane Morgan
Investor and Media Relations Manager
jm@janemorganmanagement.com.au
+ 61 (0) 405 555 618

About iCandy Interactive Limited

iCandy Interactive Limited ("iCandy Interactive") is an Australia incorporated public company that has its core business in the development and publishing of mobile games and entertainment for a global audience. iCandy Interactive is listed on the Australian Securities Exchange (ASX) under the symbol ICI.

iCandy Interactive runs multiple award-winning subsidiary games studios in Malaysia, Singapore and Indonesia, including Appxplore and Inzen Studio. It is one of the leading mobile entertainment group in Southeast Asia. Almost all of iCandy Interactive's games titles have been recommended and featured on Apple's App Store (iOS) or the Google Play Store. Studios of iCandy Interactive have won awards in the coveted

For personal use only



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

International Mobile Game Awards (IMGA) in 2016 and 2017.

About eSports.com

Using Blockchain technology, eSports.com provides a unified, secure and transparent digital environment for all things eSports. eSports.com aims to be the biggest eSports portal in the world. The platform will offer coaching by professionals, charity tournaments supported by celebrities, comprehensive statistic data, live coverage and it wants to take sports journalism, in terms of eSports, on a new level.

About Fatfish Internet Group Limited

Fatfish Internet Group Limited ("Fatfish") is a publicly traded international venture investment and development firm. Fatfish partners with entrepreneurs and tech executives to build and grow tech businesses via a co-entrepreneurship model in the space of consumer internet and blockchain technologies

Fatfish operates from its international venture hubs located in Singapore, Kuala Lumpur and Stockholm.

For personal use only