



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

www.icandy.co

25 March 2019

Isabelle Andrews
Adviser, Listings Compliance
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

Sent by email: Isabelle.Andrews@asx.com.au
Copy: ListingsCompliancePerth@asx.com.au

Dear Isabelle,

Response to ASX aware query

I refer to your letter dated 21 March 2019 (**ASX Aware Letter**) to iCandy Interactive Limited (**ICI** or the **Company**). Unless specifically defined otherwise, capitalised terms used in this letter have the same meaning as given in the ASX Aware Letter.

The Company responds to each of your queries as follows:

- 1. Does ICI consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes

- 2. If the answer to question 1 is “no”, please advise the basis for that view.**

Not applicable

- 3. When did ICI first become aware of the information?**

The Company first became aware of the information in the morning (WST) of 20 March 2019 upon concluding the negotiations and documentation of the Global Collaboration and Distribution Agreement (“Agreement”) terms.

For personal use only

4. **If ICI first became aware of the information before the relevant date, did ICI make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe IC was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ICI took to ensure that the information was released promptly and without delay.**

The Company sought a trading halt on the basis that negotiations in relation to the Agreement had progressed to the point where the Company understood the Agreement to be in near-final form and it was reasonable for the Company to form the view that the Agreement would be executed later that day.

The Company had relied on Listing Rule 3.1A on the basis that it was conducting negotiations with Emerge Gaming Limited ("EM1") that was the subject of a confidential and incomplete proposal or negotiation. Given the small number of parties involved in negotiating the Agreement, at no point did the Company feel that confidentiality had been lost in respect of the negotiations.

Once the negotiation of the Agreement terms was concluded, the Company considered that it was no longer in a position to rely on Listing Rule 3.1A and therefore sought a trading halt on 20 March 2019 pending the release of an announcement which was subsequently released on 21 March 2019.

5. **Please confirm that ICI is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. **Please confirm that ICI's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ICI with delegated authority from the board to respond to ASX on disclosure matters.**

The Company confirms that the responses provided in this letter have been authorised and approved by the Board.

Should you have any further queries, please contact the undersigned.

Yours sincerely for and on behalf of iCandy



Ms Jiahui Lan
Joint Company Secretary
iCandy Interactive Limited

For personal use only



21 March 2019

Ms Jiahui Lan
Company Secretary
iCandy Interactive Limited
C/- DW Accounting & Advisory Pty Ltd
Level 4, 91 William Street
Melbourne VIC 3000

By email: jiahui@dwaccounting.com.au;

Dear Ms Lan

iCandy Interactive Limited ('ICI'): Aware Query

ASX refers to the following:

- A. The change in price of ICI's securities from a low of \$0.076 on 19 March 2019 to an intra-day high of \$0.095 on 20 March 2019.
- B. ICI's announcement entitled "Trading Halt" lodged on ASX's Market Announcement Platform ("MAP") and released at 12:19 pm on 20 March 2019 in which ICI requested a trading halt in its securities pending an announcement on a collaboration agreement.
- C. ICI's announcement entitled "Global Collaboration and Distribution Agreement Signed" lodged on the ASX Market Announcements Platform and released at 10:00 am on 21 March 2019 (the 'Announcement'), disclosing that ICI had entered into a global collaboration and distribution agreement with Emerge Gaming Ltd ('EM1') ('Information').
- D. The change in price of ICI's securities from an intra-day low of \$0.09 on 21 March 2019 to an intra-day high of \$0.10 on 21 March 2019.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- F. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.”*

H. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for Information

Having regard to the above, ASX asks ICI to respond separately to each of the following questions and requests for information:

1. Does ICI consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did ICI first become aware of the Information?
4. If ICI first became aware of the Information before the relevant date, did ICI make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe ICI was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps ICI took to ensure that the information was released promptly and without delay.
5. Please confirm that ICI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that ICI’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of ICI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **09:00 AM AWST Monday, 25 March 2019**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, ICI’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ICI to request a trading halt immediately.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;

-
- that you are not aware of any reason why the trading halt should not be granted; and
 - any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ICI's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that ICI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in ICI's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

Isabelle Andrews
Adviser, Listings Compliance (Perth)

For personal use only