



30 April 2021

## Summary for the Quarter Ended 31 March 2021

**iCandy Interactive Limited (ASX: ICI) ("iCandy" or the "Company")** is pleased to provide a summary of its activities for the quarter ended 31<sup>st</sup> March 2021 (the "**Quarter**").

### 1. **227% Jump Increase in Cash Receipt**

iCandy's cash receipt from operations during the Quarter is approximately A\$441,000, up 227% compared to the A\$194,000 recorded in the corresponding quarter of the previous year.

The growth in cash receipt during the Quarter is mainly attributed to the successful launching of iCandy's recent smash hit, *Masketeers: Idle Has Fallen* ("**Masketeers**").

### 2. **Claw Stars's Trial Results Break New High**

During the Quarter, iCandy's ended the early access trial for its new game, Claw Stars. Claw Stars is now available for pre-registration and pre-order. As of the date of this announcement, Claw Stars has recorded 78,500 pre-registration and pre-order.

During the early access trial, Claw Stars have recorded encouraging results that exceeds that of iCandy's recent smash hit *Masketeers*, with Day-1 and Day-7 retention rates hitting as high as 46% and 18% respectively (compared to *Masketeers*' 37% and 18%).

Claw Stars is currently scheduled for a global launch in **June 2021**.

### 3. **Partnership with Ohayoo**

iCandy currently has 2 partnership agreements with leading global game publisher, Ohayoo to:

- (i) localize, publish and market in China iCandy's recent smash hit mobile game *Masketeers*; and
- (ii) exclusively license and publish iCandy's mobile game *Rocky Rampage* globally.

During the Quarter, iCandy has completed all requirements requested by Ohayoo in relation to both *Masketeers* and *Rocky Rampage*. Currently, *Masketeers* is undergoing limited trial on Apple App Store and several other Android app stores in China; meanwhile the revised *Rocky Rampage* is undergoing early access trial

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on Google Play.

iCandy notes that the revised Rocky Rampage has recorded a marked increase in its Day-7 retention rate to 14%. Rocky Rampage currently is scheduled for a global release in mid **May 2021**.

#### **4. JV with Lemon Sky Studios**

During the Quarter, Sky Candy – a joint venture studio between iCandy and global leading game animation and digital art studio, Lemon Sky Studios, completed an online Player versus Player (PVP) game prototype with 3D battle mechanics, and is currently carrying out further development of the game.

#### **5. Disposal of iCandy Digital Pte Ltd to RightBridge Ventures AB**

On 15 February 2021, iCandy announced its disposal of its wholly-owned subsidiary, iCandy Digital Pte Ltd ("**iCandy Digital**") to RightBridge Ventures AB ("**RightBridge**") for a consideration of SEK 31.1 million (A\$4.8 million). iCandy Digital holds 26 mobile game titles and a 23% stake in iCandy's esports venture, ESPL.

The disposal consideration will be satisfied via the issuance of 17,296,000 new shares in RightBridge at an issue price of SEK1.8 (A\$0.28) each). As part of the transaction, iCandy is further granted an option to acquire an additional 2,178,682 shares in RightBridge at a nominal cost of approximately SEK22,000 (A\$3,400).

Incorporated in Sweden, RightBridge is an investment company that has a mission to invest in companies that shape the future of esports and video games. RightBridge intends to seek an IPO on a Swedish stock exchange within the year of 2021.

As RightBridge is a subsidiary of Abelco Investment Group AB ("**Abelco**") – a major shareholder of iCandy, the transaction is deemed a related party transaction. As such, iCandy has commissioned an Independent Expert Report ("**IER**") and will be seeking shareholder's approval at an extraordinary general meeting ("**EGM**") to approve the transaction. Abelco shall abstain from voting at the EGM.

#### **6. Acquisition of Hyper-Casual Mobile Gaming Platform Next Gamer**

During the Quarter, iCandy acquired 100% of Nextgamer.io for A\$1.29 million (A\$900,000 cash and A\$390,000 in new iCandy shares issued at A\$0.13 per share).

Based in Singapore, Nextgamer develops hyper-casual games which are designed to have game sessions that do not exceed 3 minutes, which appeals to the modern digital consumer which has increasingly short attention span.

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In addition, Nextgamer is developing a hyper-casual gaming engine that will have the ability to automatically match gamers against one another for competitive gaming that are fun and community focus.

#### **Listing Rule 4.7C.3**

In Item 6 of the Company's Appendix 4C of the cash flow report for the quarter, it has been reported that there were payments to Related Parties of approximately \$8,000. This was payment of Directors' fees.

This announcement has been authorized by the Board of Directors of iCandy.

— END —

#### **About iCandy Interactive**

iCandy Interactive Limited (ASX: ICI) is an Australian publicly traded company that has its core business in the development and publishing of video-games and digital entertainment for a global audience. iCandy Interactive runs a portfolio of mobile games that have been played by over 350 million mobile gamers worldwide and has won multiple awards in various coveted international events. For more info visit [www.icandy.io](http://www.icandy.io)

For further communication: [ir@icandy.io](mailto:ir@icandy.io)

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**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

**Name of Entity**

ICANDY INTERACTIVE LIMITED

**ABN**

87 604 871 712

**Quarter ended ("current quarter")**

31 MARCH 2021

<b>Consolidated Statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	441	441
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(74)	(74)
(c) advertising and marketing	(236)	(236)
(d) leased assets	-	-
(e) staff costs	(432)	(432)
(f) administration and corporate costs	(364)	(364)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(10)	(10)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from/(used in) operating activities</b>	<b>(675)</b>	<b>(675)</b>

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(4)	(4)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	(81)	(81)
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	(639)	(639)
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from/(used in) investing activities</b>	<b>(724)</b>	<b>(724)</b>

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	778	778
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from/(used in) financing activities</b>	<b>778</b>	<b>778</b>

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>4. Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	11,826	11,826
4.2 Net cash from /(used in) operating activities (item 1.9 above)	(675)	(675)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	(724)	(724)
4.4 Net cash from /(used in) financing activities (item 3.10 above)	778	778
4.5 Effect of movement in exchange rates on cash held	(4)	(4)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>11,201</b>	<b>11,201</b>

	Current quarter \$A'000	Previous quarter \$A'000
<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts.</b>		
5.1 Bank balances	11,201	11,826
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>11,201</b>	<b>11,826</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
8
-

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**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

<b>7. Financing Facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end</b>	<b>Amount drawn at quarter end</b>
	<b>\$A'000</b>	<b>\$A'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-

**7.5 Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from/(used in) operating activities (item 1.9)	(675)
8.2 Cash and cash equivalents at quarter end (item 4.6)	11,201
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	11,201
<b>8.5 Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)</b>	<b>17</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not ?

N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis ?

N/A

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## Appendix 4C Quarterly cash flow report for entities subject to Listing Rule 4.7B

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### Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2021

Authorised by: By the Board of Directors

### Notes:

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the {name of board committee - eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system risk management and internal control which is operating effectively.