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ASX Release

30 April 2015

ASX Code: **AB1**

ABN: 29 122 921 813

Quoted Ordinary Shares: 43.3 Mil

Ordinary Shares Escrowed
until 23 Dec 15: 60.9 Mil

Ordinary Shares Escrowed
until 23 Jan 17: 14 Mil

Options: 2.36 Mil exercisable
at \$0.20, expiring 23 Jan 18

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ANIMOCA BRANDS CORPORATION LTD
ABN 29 122 921 813

Quarterly Update

Record revenues, strong app and user growth

- Record revenues of US\$1,102,476 achieved in Q1 2015, an average of US\$367,492 per month
- Compares favourably with the revenue achieved in the period prior to listing (1 August 2014 - 31 December 2014) at US\$933,485 - a nearly twofold increase in monthly average revenue
- Strong quarter for the Company with 22 new app releases; secured licensing agreement for the Paris Hilton name and likeness; Doraemon Gadget Rush topped the charts on the App Store™
- Solid key operating statistics with an average 7.96 million monthly active users (MAU) and an average of 5.4 million new users acquired per month

Operational

Over the quarter Animoca Brands (ASX:**AB1** or the “**Company**”) enjoyed significant growth: its portfolio grew by 22 new apps to a total of 358; key operating statistics experienced strong growth, with an average 7.96 million monthly active users (MAU) and an average of 5.4 million new users per month, which represent increases of 49% and 69%, respectively, on the prior quarter.

The quarter saw the Company reach a significant milestone as its game apps reached a total of 129.7 million downloads. The Company’s game Doraemon Gadget Rush reached 1.8 million downloads and became the number one downloaded iPad app in China, Hong Kong, Brunei and Macau in less than two weeks from launch, making it one of the Company’s most successful games.

The Company also announced it signed an agreement to license the name and likeness of global celebrity Paris Hilton, as well as imagery and content from Paris Hilton Entertainment, to use in the Company's mobile apps worldwide. Animoca Brands will continue to expand its brand portfolio in 2015.

The Company was selected to be the host studio for Mobile Games Forum (MGF) in Hong Kong in March. This was the first time the London-based MGF has come to Asia, bringing together top game industry executives from around the world to Hong Kong. The Company's CEO, Robby Yung, will also be speaking at the upcoming Casual Connect Asia casual gaming conference in Singapore in May.

The Company has also continued to build momentum in its publishing business and recently announced two upcoming high profile games in cooperation with Gravity Co. Ltd (NASDAQ:GRVY) and Neocyon, Inc, both subsidiaries of Gung Ho Online Entertainment (TYO:3765), which is majority-owned by Softbank Corporation (TYO:9984). The games due to be released worldwide in the following few weeks are *Ragnarok Kingdoms: Horn of Wars* and *Cinderella Farm*. This marks the second title in the Ragnarok series that is published by Animoca Brands in partnership with Gravity Co. Ltd.; the previous release, Ragnarok Online, was one of the top-performing titles of the Company in the fiscal year 2014. As is typical in a publishing relationship, these two titles were developed by Gravity and Neocyon, and Animoca Brands will be responsible for localising, marketing, and distributing the titles in exchange for a share of the revenues.

Corporate

In the first quarter of 2015 the Company achieved record revenues of US\$1,102,476, an average of \$367,492 per month. This compares favourably with the revenue achieved in the five month period prior to listing (1 August 2014 - 31 December 2014) at US\$933,485, which represents a 97% increase in average monthly revenues. Due to the payment policies of the Company's key distribution partners, Apple, Google, and Amazon, the majority of revenues generated in Q1 will not be received in cash until Q2, and as of 31 March 2015, the amounts due to the Company from its distributors amounted to US\$597,796. In addition, during the quarter, the Company repaid approximately US\$896,000 in borrowings to its former parent company, Appionics Ltd., for operating expenses incurred from the time of the Company's inception on 1 August 2014 until its successful listing in January 2015.

The Company is currently in discussion with market participants and a range of strategic and financial investors with regards to strengthening the balance sheet in the current quarter to fund the Company's ongoing working and expansion capital needs.

Outlook

The Company is confident that with its modular development approach and licensing strategy, making multiple games by mixing and matching game engines and licensed characters, it can continue to grow its app portfolio and appeal to a wide audience. The Company believes that the greater the number of games it produces, the higher the likelihood of generating "hit" titles. While the US is the country that contributes the most revenue to the Company, Asia Pacific is the largest and fastest-growing region for Animoca Brands' games and the Company sees strong further growth in the Asian market for mobile gaming.

The Company continues to enter into agreements to license new brands and pursue significant opportunities for the business to expand its games portfolio and capture a larger share of the mobile gaming market in the Asia Pacific region.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

Animoca Brands Corporation Ltd

ABN

29 122 921 813

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter US\$'000	Year to date (3 months) US\$'000
1.1 Receipts from customers	504	504
1.2 Payments for (a) staff costs	(693)	(693)
(b) advertising and marketing	(4)	(4)
(c) research and development		
(d) leased assets		
(e) other working capital	(93)	(93)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Cost of sales)	(151)	(151)
Net operating cash flows	(434)	(434)

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Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$US'000	Year to date (3 months) US\$'000
1.8 Net operating cash flows (carried forward)	(434)	(434)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(1)	(1)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities	(314)	(314)
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
	(315)	(315)
Net investing cash flows		
1.14 Total operating and investing cash flows	(749)	(749)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings *	-	-
1.18 Repayment of borrowings	(896)	(896)
1.19 Dividends paid	-	-
1.20 Other (capital raising costs)	(6)	(6)
	(902)	(902)
Net financing cash flows		
Net increase (decrease) in cash held	2,342	2,342
1.21 Cash at beginning of quarter/year to date	-	-
1.22 Exchange rate adjustments to item 1.20	(120)	(120)
1.23 Cash at end of quarter	572	572

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter US\$'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(48)
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

Managing director salary, directors' fees and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available US\$'000	Amount used US\$'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

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Quarterly report for entities
admitted on the basis of commitments

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter US\$'000	Previous quarter US\$'000
4.1	Cash on hand and at bank	572	2,342
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		572	2,342

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 April 2015
Donald Stephens
(Company secretary)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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