



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

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**iCandy to launch new Crypto Game powered by the Ethereum
blockchain network**

Highlights

- iCandy to launch new Crypto Game (Cryptant Crab) based off the success of the Company's award winning game Crab Wars.
- Cryptant Crab to be powered on the Ethereum blockchain network compliant with the ERC721 standard
- This design will allow Cryptant Crab to clearly remain as a Web-based game and stay clear away from cryptocurrency regulations in most jurisdictions.

iCandy Interactive Limited (ASX Code: ICI) ("iCandy" or the "Company") is pleased to announce that it has started developing a new genre of blockchain and cryptocurrency based Web games ("Crypto Games"). The first of this new Crypto Games being developed is a new game named **Cryptant Crab** (<http://www.icandy.io/cryptantcrab/>).

Cryptant Crab is modelled after the futuristic theme of the Company's award-winning game, Crab Wars. The differentiating point is that Cryptant Crab has a unique and distinct play style that is based on the "Betta Fish Fight" originating from Southeast Asia. Each virtual crab in Cryptant Crab has unique markings, parts and elements that reimagine the concept of fighting fish. The Web based game will be easy to access from Web pages but will be powered by the Ethereum blockchain network at its backend.

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Cryptant Crab will have an innovative player versus player (PVP) feature that allows the fighting fish concept to take shape. Gamers can choose to challenge one another and have their one-of-a-kind blockchain-powered virtual crabs emerge as winners in online tournaments.

Crypto Games are fast gaining recognition as the new form of digital entertainment for gamers worldwide.

The Cryptant Crab game is based on the ERC721 standard of the Ethereum blockchain where each of the virtual crab created is tagged to an ERC721 non-fungible token. As the ERC721 non-fungible token is not able to be subdivided into smaller fractional tokens the ERC721 is considered a digital token and not a cryptocurrency token. The ERC721 is not able to be utilised as payment as such. This design will allow Cryptant Crab to clearly remain as a Web-based game and stay clear away from cryptocurrency regulations in most jurisdictions.

With each virtual crab represented by a ERC721 token, the temper-proof nature of the blockchain technology will ensure gamers cannot cheat without adhering to the game rules. The blockchain network would also allow tokens to be transmitted securely between the Company and gamers, as well as amongst between gamers.

The Company's Cryptant Crab will be based on a "Fremium" business model, a game industry practice where certain basic in-game virtual items or characters will be offered for free, while some other premium virtual items or characters will be sold online.

In particular some of the virtual crabs of Cryptant Crab will be given for free to gamers while some premium virtual crabs will need to be purchased by gamers.

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The cost of purchasing a premium virtual crab could be in the range US\$5 to US200, in line with the premium pricing of other games that the company is currently operating. Gamers will also need to have cryptant, an element required to breed and mutate the virtual crabs. Cryptant could earn within the game or purchased via the in-game store. Cryptant Crab will accept both traditional online payment channels (e.g. credit cards) and Ethereum Ether as form of payments. There will be no limit to the number of virtual crabs available, either non-premium or premium.

To play Cryptant Crab gamers will need to register a web account on the game website. The web account is powered by a blockchain blockchain wallet at the backend, but that will be transparent to the gamers. Gamers need not operate a blockchain wallet directly to play the game.

The Cryptant Crab game is being developed by iCandy Digital Pte. Ltd., a wholly owned Singapore incorporated subsidiary of ICI. The game will be offered initially only in Singapore and Malaysia but the Company will expand the offering to other geographical markets as it sees fit.

The Company has obtained legal advice on the Cryptant Crab game offering and is satisfied that the game does not contravene any cryptocurrency regulation in Singapore and Malaysia. Both the Singapore and Malaysia do not have specific regulation that governs game content other than their existing Codes of Practice that governs all Internet content providers. Cryptant Crab will be compliant to the Internet Code of Practice of both countries. The Company will obtain further legal advice as in when it intends to expand the game offering outside of Singapore and Malaysia. When the game is offered in a new country outside of Singapore and Malaysia, the Company will consider the relevant cryptocurrency laws and policies in the new country prior to releasing the game in that new country.

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The Company is expecting to launch Cryptant Crab within the next 3-5 months. The Company is also hopeful that the commercial prospect of Cryptant Crab is highly potential and can generate new source of income for the Company.

Cautionary Statement – Cryptocurrency Related Business Activities

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

- Investment into cryptocurrencies is high risk in nature as cryptocurrencies are currently highly speculative.
- Cryptocurrency-related businesses have a number of 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.

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About iCandy Interactive

iCandy Interactive Limited ("iCandy Interactive") is an Australian incorporated public company that has its core business in the developing and publishing of mobile games and digital entertainment for a global audience.

iCandy Interactive runs multiple award-winning game studios and is one of the leading mobile entertainment group in Southeast Asia with over 25 million unique gamers on its network. Top games made by iCandy include Light A Way, Crab War, Alien Path, Star Tap and Dark Dot. Studios within the iCandy Interactive have won awards in the coveted International Mobile Game Awards (IMGA).

iCandy is listed on the Australian Securities Exchange (ASX) under the symbol **ICI**.

For further question on iCandy Interactive, please contact:

Jane Morgan

Investor and Media relations

ir@icandy.io

+ 61 (0) 405 555 618

www.icandy.io

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