



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

28 August 2019

ASX Announcement

Proposed Dual Listing in Canada

Highlights

- Proposed secondary listing in Canada to drive shareholder value
- Company to raise up to C\$3 million from dual listing
- Dual Listing is subject to approvals to be obtained by Company
- Dual Listing to complete before year-end
- E-gaming and esports businesses are well received in Canadian exchanges

iCandy Interactive Limited (ASX: ICI) ("**iCandy**" or the "**Company**"), developer and publisher of mobile games and digital entertainment for a global audience of over 350 million mobile gamers, advises that its Directors have approved in principle for the Company to embark on a secondary listing in Canada ("**Proposed Dual Listing**").

Timeline and Approvals Required

The Company believes that the Proposed Dual Listing will broaden the Company's investor base in North America and drive shareholder value, particularly in North America where there is growing interest in the gaming and eSports industry.

The Company is considering a suitable Canadian exchange ("**Proposed Canadian Exchange**") for the Proposed Dual Listing which will be subject to the Company obtaining various approvals, including:

- i. approval from the Proposed Canadian Exchange for the listing of the Company's securities;
- ii. approval from the shareholders of the Company; and
- iii. regulatory approvals from regulators in Canada (if required).

An estimated timeline (that is subject to change) for the documentation and approval processes of the Proposed Dual Listing is as follow :

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Event

Tentative timing

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| <ul style="list-style-type: none"> • Submission of listing application to the Proposed Canadian Exchange • Dispatch of Notice of Meeting to shareholders of the Company to approve the Proposed Dual Listing and its related implementation plan • EGM – approval of the Proposed Dual Listing and its related implementation plan by the shareholders of the Company • Approval of the Proposed Dual Listing by the Proposed Canadian Exchange • Listing of the Company's shares on the Proposed Canadian Exchange | <p>Mid September 2019</p> <p>Mid September 2019</p> <p>Late October 2019</p> <p>Late October 2019</p> <p>Early November 2019</p> |
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Fund Raising

The Company is looking at raising up to C\$ 3 million (A\$ 3.34m) of new capital from the Canadian market in conjunction with the Proposed Dual Listing. Subject to market condition and other market factors, the issue price for the new shares to be issued under this fund raising exercise will be circa the prevailing market price of the Company's securities on the Australian Securities Exchange (ASX) prior to the completion of the Proposed Dual Listing.

The use of the new capital raised will be finalized and published at a later date in the relevant documentation by the Company.

Rationale

The dual listing in Canada will enable the Company to promote its brand recognition and presence in the North American market where the Company derives an estimated 40% or more of its gaming revenue.

Canada was chosen as the venue for the Proposed Dual Listing due to the attractiveness of its macro-economic factors. Canada has a population of 37 million people and generated gross domestic product ("GDP") value of approximately US\$1.7 trillion in 2018, making it the 10th largest economy in the world¹.

¹ Source: The World Bank

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The Canadian securities market is vibrant with the Toronto Stock Exchange ("TSX") leading a total of 6 registered exchanges in Canada. TSX is the 9th largest stock exchange in the world, having a total market capitalization of US\$2.2 trillion as of May 2019².

Canada has vibrant investor interest for gaming and esports companies and has a large pool of technical and creative talents. The Company hopes to attract fresh world-class talents into its current undertaking via the Proposed Dual Listing.

Furthermore, according to the 2018 edition of the Entertainment Software Association of Canada's annual "Essential Facts", more than 60% of Canadians define themselves as "gamer".

Canada is also a hotbed for interactive media and e-gaming development companies, due to substantial government support (via generous tax incentives)³.

In addition, US based investors have convenient access to securities traded on Canadian exchanges.

The Company's long-term strategic objective is to further develop its mobile game development capacity and expand rapidly into the burgeoning eSports industry. The Directors believe that the Proposed Dual Listing will accelerate this strategic objective through access to additional capital and business development opportunities in North America.

The Company will make further announcements in due course to keep shareholders updated on developments as they progress.

For more information, please contact:

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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 mobile 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 information visit www.icandy.io

² Source: Statista.com

³ As an example, in 2018, the province of Alberta introduced Interactive Digital Media Tax Credit program, which offers digital gaming and media companies up to 30% refundable tax credit for labour costs associated with interactive digital media activities.

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