



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

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ASX and Media Announcement

iCandy To Acquire Hyper-Casual Mobile Gaming Platform: NextGamer

Highlights:

- Based in Singapore, Nextgamer is a hyper-casual mobile gaming platform (Nextgamer.io) and mobile game developer that offers very short and easy to master games to mobile gamers
- According to Pocketgames.biz, the Hyper-casual genres is one of the fastest growing segments in mobile games, globally
- VentureBeat.com describes it as one of the most “talked-about” genres growing at “unprecedented rates”. More recently, Zynga acquired hyper-casual game maker, Rollic for US\$168M and Tencent acquired a minority stake in Voodoo Games (valuing it at US\$1.4 Billion) – source: Techcrunch
- iCandy is acquiring 100% of Nextgamer for a total consideration of A\$1.29million, being \$900,000 in cash and 3M ICI shares at \$0.13per share
- Business model of Nextgamer is to generate income through in-game purchase and advertising, similar to iCandy

iCandy Interactive Limited (ASX: ICI) (“iCandy”, the “Company”) is pleased to announce that it has entered into an agreement to acquire 100% voting capital of Nextgamer.io, a mobile game platform and game developer in the business of developing a hyper-casual competitive video games and platform (“Nextgamer”)

About Nextgamer and Hypercasual Games Market

Nextgamer is developing a hyper-casual competitive gaming platform and hyper-casual games. Hyper-casual games refer to a new growing trend in mobile gaming where it refers to a new genre of mobile games that are very easy to play and take very short time-frame to complete a gaming session.

Nextgamer develops games that are played no longer than 2-3 minutes per game session, building on the short sessions trend populated by popular short video app Tik Tok. The Nextgamer platform is positioned to be a platform that is akin to “Tik Tok of Mobile Games”.

Note: <https://venturebeat.com/2021/01/10/hypercasual-mobile-game-trends-to-watch-in-2021>

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Hyper-casual games is one of the fastest growing trend in the mobile games industry. According to a recent media report, hyper-casual games is the category of mobile games that has recorded the most downloads in the first half of year 2020 (source: Pocketgamer.biz).

Very large global game companies have also started to look at entering the hyper-casual gaming market via corporate transactions e.g. Zynga recently acquired hyper-casual game-maker Rollic for US\$168million and Tencent has made a minority investment into Voodoo Games, valuing it at US\$1.4billion (source: Techcrunch).

Rationale of the Acquisition

Based out of Singapore, Nextgamer develops both mobile web-based and app-based platform that will allow gamers to play hyper-casual games and enter into casual gaming tournament online. The competitive gaming engine of Nextgamer will have ability to automatically match gamers against one another for competitive gaming that are fun and community focus.

The gameplay of Nextgamer will be extremely easy to master, with almost no learning curve. The design of games will take cue from expertise and existing game library of iCandy, which count more than 300 game titles in its portfolio of games.

The business model of Nextgamer will be to generate income through in-game purchase and advertising on its games, mirroring the business model of iCandy.

Transaction Details

iCandy will pay a total consideration of A\$ 1,290,000 for the acquisition of 100% shareholding of Nextgamer, to be satisfied in cash of A\$ 900,000 and 3 million iCandy ordinary shares to be issued at A\$0.13 per share. The shareholders of Nextgamer are not related to the directors of iCandy. The shares of this transaction will be issued under ASX Listing Rules 7.1.

iCandy Chairman Kin W Lau commented "We are really excited at the prospect of hyper-casual gaming, and Nextgamer has a unique proposition that offers very short game sessions on the go to mobile gamers via a casual competitive gaming environment.

iCandy has extensive expertise in casual mobile games and we can market Nextgamer's games to our large audience of mobile gamers internationally."

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

— ENDS —

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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

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