



ASX: ICI

Transformative Acquisition

Forming The Largest Gaming Company in
Australia/NZ and Southeast Asia

**New Gaming Powerhouse *Positioned to
make AAA Games for the Metaverse***

19 November 2021

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www.icandy.io

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Overview - iCandy Interactive Ltd

Core Business

Mobile Game development and publishing

Game Development Capability

3 game dev studios in Southeast Asia with award-winning track records

Esports

Holds a strategic 17% stake in Esports Players League (ESPL), a fast-growing esports global league in 3 continents and 17 countries

Strategic Investment

Holds a strategic 7.3% of ASX-listed Mighty Kingdom Ltd

Main Geographical Markets (by Revenue)

- North America
- Europe
- Southeast Asia
- Australia

Incorporated in	Australia
Stock Exchange	ASX
Stock Symbol	ICI
Listed since	2016
Total Shares Issued	588m
Market Cap (A\$)	A\$58.8m @ A\$0.10/share
Revenue FY 2020	A\$3.59m (up 61% from FY2019)

FINANCIAL REVIEW
FAST100 2020
IN COOPERATION WITH **statista**

Ranked 25th of Australia's Fastest Growing

Who are we?

Largest ASX-listed Video Game Company

(by most downloaded games & game-titles)

We own and publish

340 +

Game titles

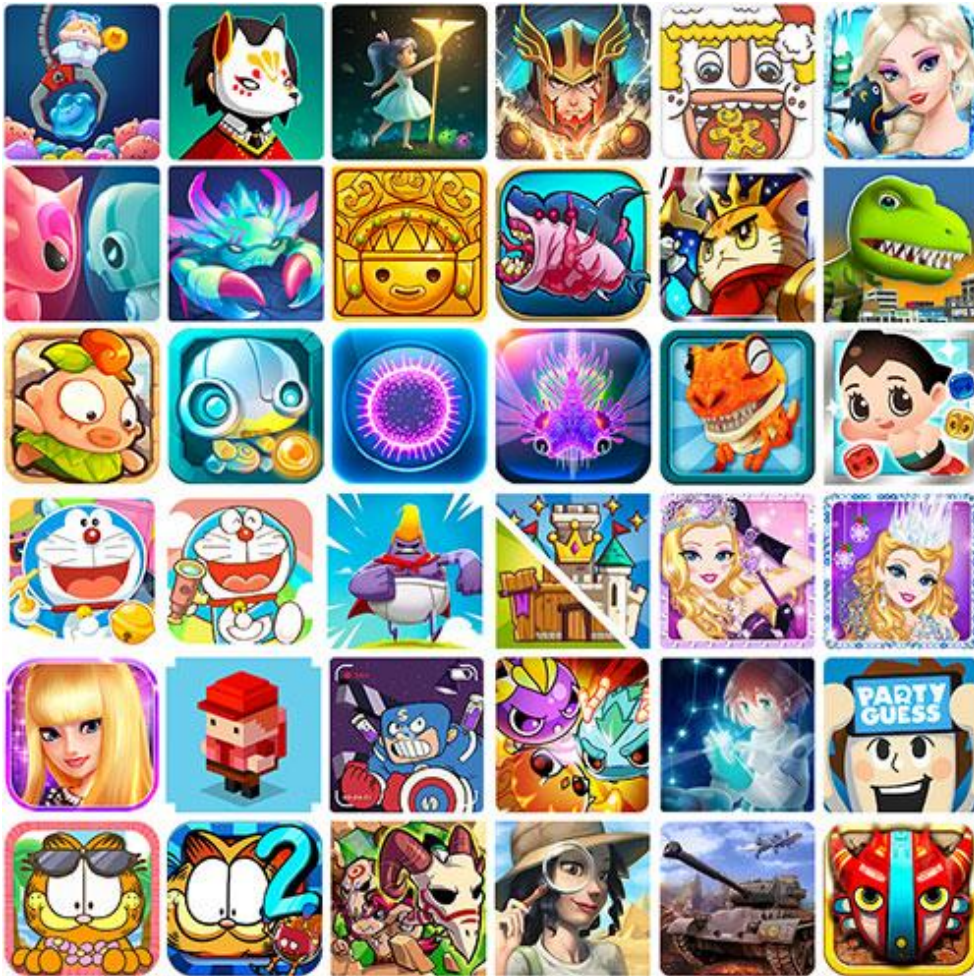
Our games have been downloaded

360,000,000 +

Times (globally)

* Notes:

- (1) 360 million Mobile Gamers is a figure calculated based on data derived from third-party analytical tools, i.e. Flurry and AppAnnie, using device UUID (Universal Unique Identifier code) that have installed iCandy's apps.
- (2) The installation data collected by Flurry and App Annie has been derived across an expansive time period (2011 - 2019 for the portfolio acquired from Animoca, 2012 - 2020 for games published by iCandy).
- (3) As iCandy portfolio of apps consists of only mobile games, all users who have installed iCandy's apps are defined as mobile gamers.
- (4) iCandy is unable to determine the exact number of active users as some of the games can be played offline.
- (5) There may be instances in which an individual owns 2 or more smartphone/devices and download iCandy's games into each devices, which may contribute to double counting of the data.



Core Business



Game Development



- iCandy's core business - developing mobile games
- Monetises via in-app purchases (50%) and mobile advertising (50%)
- Award winning team, with studios based in Malaysia, Singapore and Indonesia
- Games have been played by more than 350 million mobile gamers



Game Publishing



- Assist third party game developers by publishing their mobile games to Apple App Store and Google Play
- Cross promote mobile games within iCandy's network of more than 360 million mobile gamers
- Revenue sharing 30-50%
- High ROI- cost of game production are borne by third party game developers



Esports



- Aim to develop competitive gaming and esports platforms
- Co-founding corporate in a global esports league and platform, Esports Players League ("ESPL")
- ESPL currently has presence across 12 countries in Southeast Asia, South Asia, Latin America and Europe

Award Winning Game Developer with Own IP

Game Development

- We own award-winning studios that produce high quality game titles that are well regarded by the industry.

Talent Pool

- Our work are all produced by inhouse talents.

Brand & IP

- We work with third-party IP/brands and create our own IP/brands too.

Some of the accolades and awards we won:



Editor's Choice



Top Developer



Recent Game: Claw Stars

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Claw Stars is nominated for Google Play Best Game of 2021

Claw Stars is one of the top-rated mobile games with over 1 million downloads since its initial release in July 2020. It has received more than **50,000 4-star and 5-star reviews** on Google Play and App Store.

Upcoming Product Transformation: NextGamer

Upcoming Gaming Trend - Hypercasual & Instant Gaming

iCandy's subsidiary NextGamer is developing the next-generation hypercasual and instant gaming games and platform

- Expecting to roll out in early 2022,
- New products allow gamers to instantly play hypercasual games competing against their friends online for the highest score
- Hyper casual games is a fast emerging trend in the gaming industry



STEP 1

Discover Rewards

Discover and choose from a variety Of rewards



STEP 2

Play Games

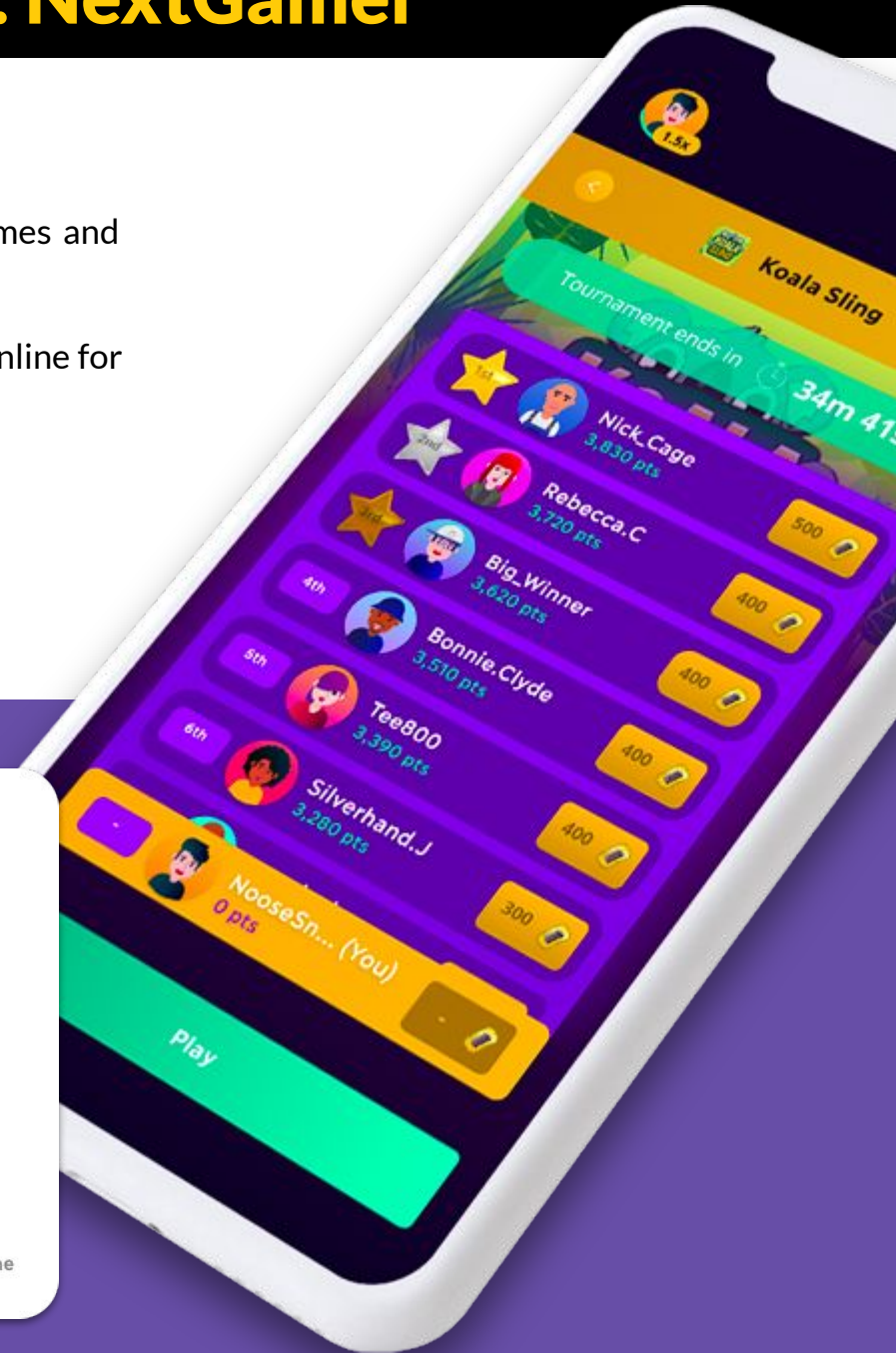
Compete with players around the world and get the highest score to win



STEP 3

Win Rewards

Collect tickets and stand a chance To win the reward of your dreams





ASX: ICI

Transformative Acquisition

iCandy To Acquire 100% of Legendary Game Dev Studio



A New Gaming Behemoth is Born

The Deal In Summary

- iCandy to acquire 100% of Lemon Sky Studios for **A\$44.5 million**
- Purchase Consideration:
 - **A\$17.8m in cash**
 - **A\$26.7m in shares (5-day VWAP)**, subject to 2 years voluntary moratorium
- The combined entity will have 450 employees, and generating an estimated revenue of **A\$16million**
(full years estimate based on the 15 Nov 2021 unaudited management accounts of iCandy and Lemon Sky Studios)

Largest in Southeast Asia & ANZ

- Largest pure play game dev company in Southeast Asia and Australia/NZ (by no. of employees)

Largest on ASX

- Largest video-game company on ASX (by Revenue, Profitability, No. of Employees & Downloads)

Overview Lemon Sky Studios

About Lemon Sky Studios

- Lemon Sky Studios is the legendary global leading game art and animation company with extensive AAA game track-records (Konami, EA, Disney, Activision, Blizzard etc)
- Fei and Ken founded Lemon Sky Studios in 2006, and never received any funding from third-party investors
- Lemon Sky's production team is made up of over 350 artists and production staff
- Lemon Sky's main studios are in Kuala Lumpur, Malaysia and has operations internationally



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Lemon Sky Studios' Clients & Partners

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Lemon Sky Studios' Involvement in Featured Games

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Lemon Sky Studios' Involvement in Featured Games

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Lemon Sky Studios' Own IP



iCandy's Next-Phase Growth



Building a major global gaming company to make AAA Games for the Metaverse

- The management recognises a major growth trend in gaming driven by the metaverse concept
- The acquisition will be adding to iCandy's existing ability & will be the largest of its kind in the region
- The combined entity is well positioned to make AAA and casual games for the emerging metaverse

Post-acquisition Key Stats:

450

Full-time Employees

A\$16m

Est. revenue for full year FY 31 Dec 2021 for combined (based on current ARR as of 15 Nov 2021)

5 studios

No. of game art/dev studios operating

4.8 million

Estimated no. of game art assets within its portfolio

Key Financial Ratios

Lemon Sky Studios - Audited FYE 31 Dec 2020

Revenue	A\$ 14.8 m
Profit After Tax	A\$ 3.92 m
Cash-in-hand	A\$ 6.06 m
Net Tangible Assets	A\$ 11.96 m

Estimated Combined Entity's Balance Sheet - Pro Forma Historical 30 June 2021 *

Total Assets	A\$ 72.63 m
Total Liabilities	A\$ 10.49 m
Net Assets	A\$ 62.14 m
Net Tangible Assets	A\$ 25.97m

Post Acquisition / Post Fundraising Capital Structure

Est. no of shares on issue	1,116,802,000
Market Cap @ \$0.12 /share	A\$ 134 m

Comparable - Playside Studios Ltd (ASX:PLY)

Revenue (FYE 30 June 2021)	A\$ 10m
Net Profit	A\$ (5.87m)
Net Tangible Asset	A\$ 9.32m
Market Cap (@\$0.85)	A\$ 311m
- fully diluted basis	

Source: Management of iCandy Interactive & Lemon Sky Studios

* Estimated based on run-rates of unaudited management accounts of iCandy and Lemon Sky Studios

Source: ASX announcements of PLY

Our Lead Investor - Animoca Brands



Business / Companies

Mobile gaming, blockchain unicorn Animoca Brands targets 'open metaverse' investors with latest fundraising

- The Hong Kong-based start-up needs funds if it is to compete in the metaverse, says company president
- Animoca raised US\$65 million in a second round of funding in October, with its valuation doubling to more than US\$2 billion



- Animoca Brands is iCandy's lead investor for the latest fundraising round (Nov 2021)
- Animoca Brands has raised more than US\$200m in 2021 and is currently valued by world renowned VC investors at US\$2.2billion
- Animoca Brands is the global leader in blockchain video games; a pioneer in making games for the metaverse, with a large pipeline of development opportunities
- The Sandbox - Animoca's subsidiary raised US\$93m recently, in a round led by Softbank Vision Fund 2.

What is The Metaverse



What is the Metaverse

- A virtual world built with multiple elements of technology:
 - Virtual Reality
 - Augmented Reality
 - Video and gaming technologies
- Work and play, via connected virtual world shared by millions (or billions) of people
- **Gaming** will be arguably the most important element of the Metaverse

Other Players in the Space:

Facebook Inc has recently renamed itself to Meta - to reflect its vision to provide technology for the Metaverse



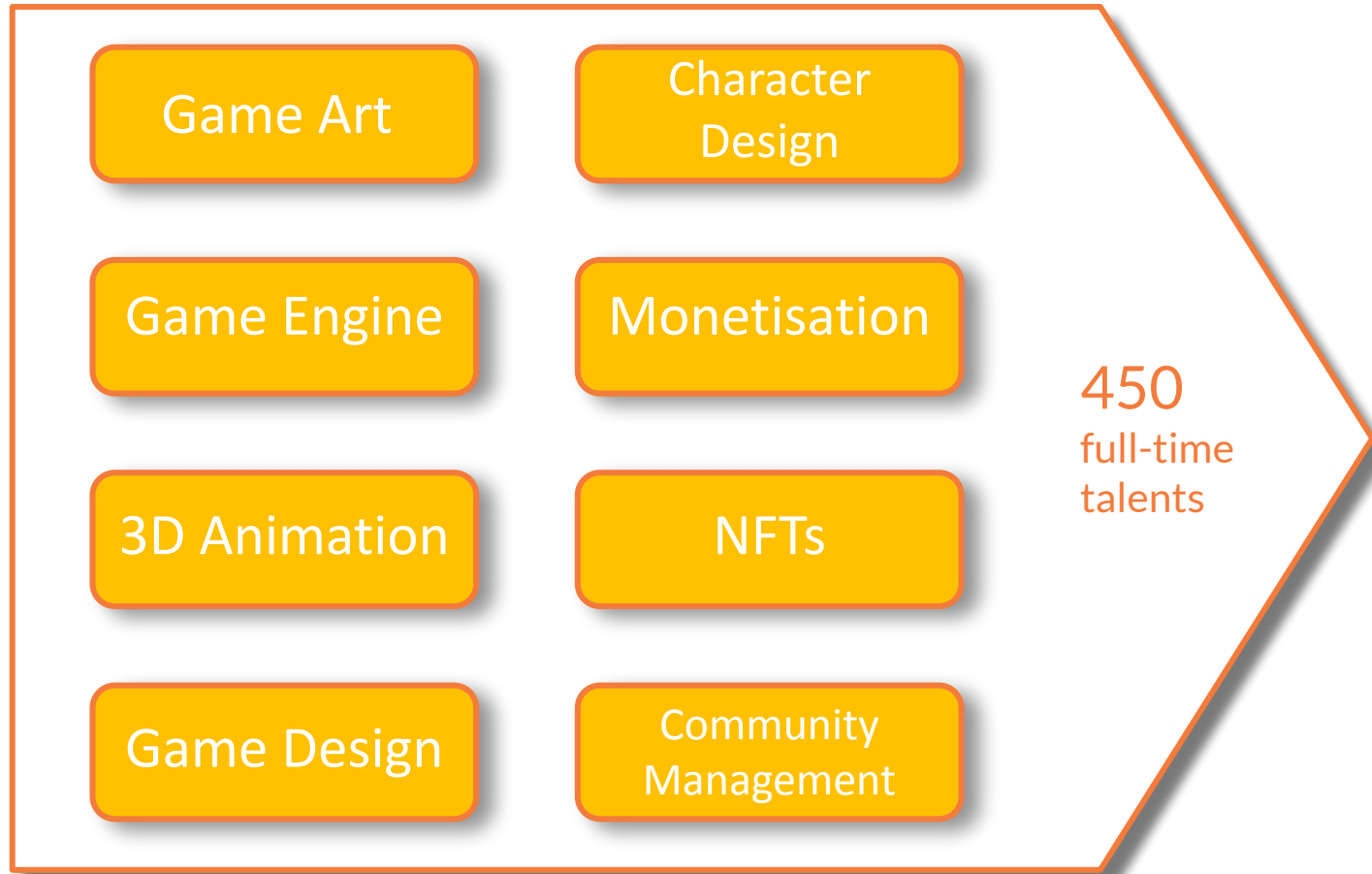
User-generated games, where users can:

- Work
- Play out scenarios
- Build homes

Market cap of US\$62 billion (12 Nov '21)

Our Metaverse Capability Will Fuel Growth

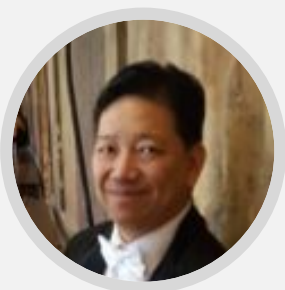
Building Blocks for Making Games in the Metaverse



+ experience and track-records in making successful games



Board of Directors



Kin W. Lau
Executive Chairman

- Took his 1st tech company to IPO at 28 years old
- CEO of Fatfish Group Ltd (ASX:FFG), major shareholder in iCandy
- More than 16 years experience in game industry.
- Has led a total 7 tech IPOs across multiple jurisdictions, in software, media and energy
- Graduated from University of Oxford, University of Manchester & Research Associate @ Imperial College London



Marcus Ungar
Non-Executive Director

- Accredited executive in investment planning and forex services
- Involved in corporate advisory and capital raising and has taken part in projects ranging from gold mines to mobile commerce.
- Graduated from University of Technology, Sydney



Robert Kolodziej
Non-Executive Director

- Advisor at Bell Potter Securities.
- Over 20 years experience in investment management, investing in small cap companies in the tech and renewable sectors
- Extensive experience specialising in due diligence and strategy whilst with Ernst & Young.



Chris Whiteman
Non-Executive Director

- Non-Executive Director of Animoca Brands, one of the world's leading gaming companies with industry leadership in blockchain and NFTs
- More than 20 years experience in commercial management, finance and advisory roles
- Graduated in Economics from University of Adelaide and graduate diploma from FINSIA

Other Notable Strategic Shareholders



**Japan's Leading
Early-Stage VC Fund**

IncubateFund is backed by some of
notable tech companies

Tencent
腾讯

SEGA[®]

YAHOO!
JAPAN



**ASX-listed
Venture Builder**



**China's Leading Games
Industry Business Network**



**China's Top-3 Internet
Company**

Market cap: U\$42B.

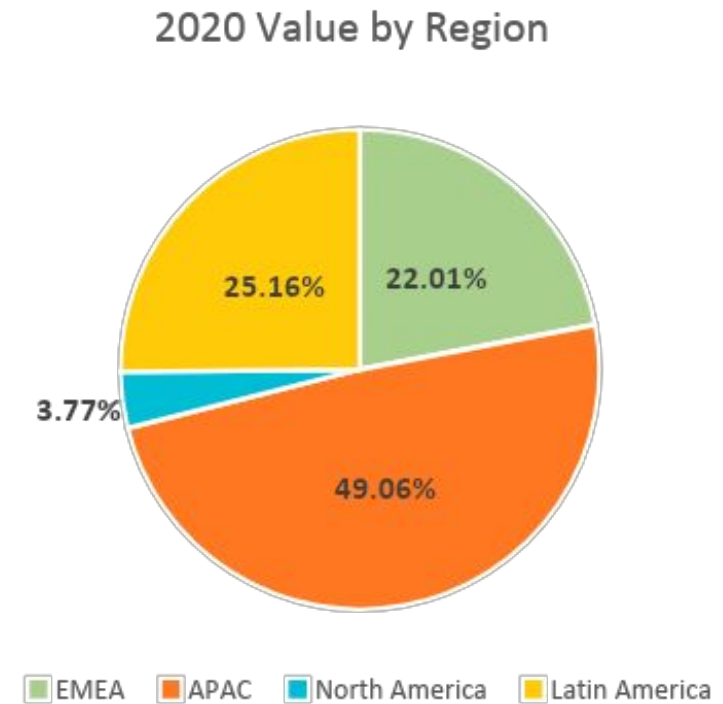
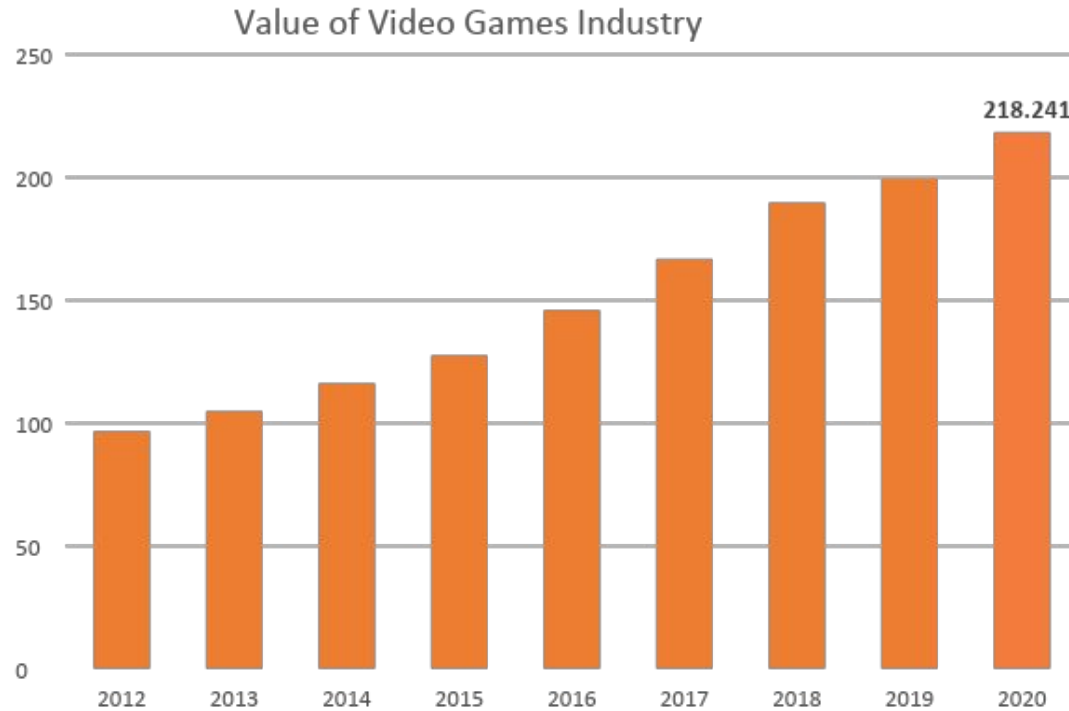
Our History - Proven Track Record of Growth

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Gaming Industry - APAC Leads in Market Size

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Massive Potential in APAC

- Average annual CAGR of 10.74% since 2012
- Asia Pacific (APAC) represents 49% of the global Video Games market
- Total of 2.9bn Gamers worldwide, 55% of the Gamers worldwide are from APAC

Summary



- 1 **Clear Pathway To Growth - Riding on the Metaverse**
- 2 **Largest on ASX in Scale - Revenue, Talent, Experience, Users**
- 3 **Attractive Current Valuation - Upside Potential**

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Thank You