



31 October 2022

## ASX and Media Announcement

# Summary for the Quarter Ended 30 September 2022

iCandy Interactive Ltd (ASX: ICI) ("**iCandy**" or the "**Company**") is pleased to provide the quarterly summary of its activities for the quarter ended 30 September 2022 ("**Quarter**").

iCandy continues to grow its cash receipt during the Quarter, realising approximately A\$9.0 million in cash receipts, up from the A\$8.2 million recorded in the second quarter of 2022.

During the Quarter, iCandy paid the 4th and final tranche cash consideration of RM12.5 million (A\$4.1 million) for the acquisition of Lemon Sky Studios.

### Acquisition of additional stake in Storms

On 23 August 2022, iCandy announced that Singtel has exercised an option, allowing iCandy to purchase an additional 16.3% equity stake in Digital Games International Pte Ltd (trading under the brand name "**Storms**") from Singtel for A\$2.61 million, which was settled via the issuance of 19,358,025 new iCandy shares at a price per share of A\$0.135.

The new iCandy shares issued to Singtel are subject to a 12-month voluntary escrow, expiring on 22 August 2023.

Following the completion of the transaction, iCandy's holds approximately 67.3% equity stake in Storms.

### RightBridge Ventures' listing on NASDAQ First North

On 23 June 2022, iCandy announced that RightBridge Ventures AB ("**RightBridge**"), an investee company of iCandy, had entered into a reverse takeover agreement with Agilit Holding AB ("**Agilit**"), a public Swedish company listed on NASDAQ First north Growth Market ("**NASDAQ First North**").



During the Quarter, RightBridge obtained the approval of NASDAQ First North for the transaction.

RightBridge has completed its IPO in October 2022 (shortly after the Quarter) and is now trading on NASDAQ First North under the ticker "RIGHTB". Following the successful listing of RightBridge, iCandy now owns 16.8% of RightBridge.

### **Share Buyback**

On 11 July 2022, the shareholders of iCandy approved a share buy back scheme of up to 135 million shares. As at 31 October 2022, iCandy has bought back 26,750,670 shares. In view of the strong quarter and improving business outlook of iCandy, the Board continues to perceive iCandy as being undervalued, and remains committed to its buyback scheme.

### **Listing Rule 4.7C.1**

In accordance with Listing Rule 4.7C.1, a summary of the net cash operating cash outflows for the quarter ended 30 September 2022 are as follows:

Receipts from customers	\$8,982,000
Interest received	\$18,000
Payments for:	
Product manufacturing and operating costs	\$594,000
Advertising and marketing	\$35,000
Staff costs	\$5,129,000
Administration and corporate costs	\$2,111,000
Interest and other costs of finance paid	\$36,000
Income taxes paid	\$640,000



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### **Listing Rule 4.7C.3**

In accordance with Listing Rule 4.7C.3 under Item 6 of the Company's Appendix 4C of the cash flow report for the quarter, it has been reported that payments to Related Parties are approximately \$73,000. This was payment of Directors' fees.

The Company's Appendix 4C statement is herein attached at the back of this announcement.

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

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### **About iCandy Interactive**

iCandy Interactive Limited (ASX: ICI) ("**iCandy Group**" or the "**Company**") is an award-winning Australian videogame company publicly traded on the ASX since 2016.

Currently the largest independent game developer in Australia, New Zealand and Southeast Asia with operating bases in Australia, Indonesia, Malaysia, Singapore and Thailand, the Company employs more than 650 full-time talents and has strengths in the development and publishing of traditional games (mobile, console and PC) and Web 3.0 games.

iCandy Group is backed by strategic shareholders that include Animoca Brands, Fatfish Group, Baidu, Singtel, SK Square, AIS, as well as numerous Australian and international funds. For more details, please contact: [ir@icandy.io](mailto:ir@icandy.io) or visit [www.icandy.io](http://www.icandy.io)

**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

**Name of Entity**

ICANDY INTERACTIVE LIMITED

**ABN**

87 604 871 712

**Quarter ended ("current quarter")**

30 SEPTEMBER 2022

<b>Consolidated Statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,982	21,704
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(594)	(1,630)
(c) advertising and marketing	(35)	(557)
(d) leased assets	-	-
(e) staff costs	(5,129)	(13,430)
(f) administration and corporate costs	(2,111)	(7,454)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	18	49
1.5 Interest and other costs of finance paid	(36)	(130)
1.6 Income taxes paid	(640)	(640)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from/(used in) operating activities</b>	<b>455</b>	<b>(2,088)</b>

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	(4,166)	(20,647)
(b) businesses	-	-
(c) property, plant and equipment	(181)	(826)
(d) investments	-	(556)
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (cash acquired from acquisition of subsidiaries)	-	13,611
<b>2.6 Net cash from/(used in) investing activities</b>	<b>(4,347)</b>	<b>(8,418)</b>

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	23,232
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	53	335
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(33)
3.5 Proceeds from borrowings	-	229
3.6 Repayment of borrowings	(143)	(3,978)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (share buy-back payments)	(2,658)	(5,983)
<b>3.10 Net cash from/(used in) financing activities</b>	<b>(2,748)</b>	<b>13,802</b>

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>4. Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	28,250	18,307
4.2 Net cash from /(used in) operating activities (item 1.9 above)	455	(2,088)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	(4,347)	(8,418)
4.4 Net cash from /(used in) financing activities (item 3.10 above)	(2,748)	13,802
4.5 Effect of movement in exchange rates on cash held	12	19
<b>4.6 Cash and cash equivalents at end of period</b>	<b>21,622</b>	<b>21,622</b>

	Current quarter \$A'000	Previous quarter \$A'000
<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts.</b>		
5.1 Bank balances	21,622	28,250
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>21,622</b>	<b>28,250</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
73
-

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**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

7. <b>Financing Facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end  \$A'000	Amount drawn at quarter end  \$A'000
7.1 Loan facilities	-	
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-

**7.5 Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8. <b>Estimated cash available for future operating activities</b>	\$A'000
8.1 Net cash from/(used in) operating activities (item 1.9)	455
8.2 Cash and cash equivalents at quarter end (item 4.6)	21,622
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	21,622
<b>8.5 Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)</b>	<b>48</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not ?

N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis ?

N/A

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

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#### Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

Authorised by: By the Board of Directors

#### Notes:

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the {name of board committee - eg *Audit and Risk Committee*}". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system risk management and internal control which is operating effectively.