ASX Announcement
28 June 2018

iCandy Completes Shares Issue for the Acquisition of Animoca's Game Portfolio

Highlights

- **iCandy has completed an issue of 25,000,000 ordinary ICI shares to Animoca Brands for the acquisition of their game portfolio**

- **The shares were issued at $0.16 per share or A$4m value and this is the share payment portion to Animoca brands**

- **The acquisition will add 325 million gamers to the existing audience of 25 million existing iCandy gamers**

iCandy Interactive Limited ("iCandy", "ICI" or the "Company") is pleased to announce that it has completed a share issue of 25,000,000 ordinary ICI shares to Animoca brands for the acquisition of their game portfolio. The shares were issued at $0.16 per share.

As announced on the 15th of November 2017, the Company acquired Animoca's game portfolio and its audience of 325 million gamers, which will add to the existing audience of 25 million existing ICI gamers. The total consideration to be paid to Animoca under the agreement is A$5m, with A$1m payable in cash and $4m payable in equity. This 25,0000,000 shares represents the total A$4m payable in equity.

- End –

For more information, please contact:
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About Animoca Brands

Animoca Brands (ASX:AB1) publishes globally a brand portfolio of mobile games and

subscription products including several games and e-books based on popular intellectual properties such as Garfield, Thomas and Friends **™**, Ever After High and Doraemon. Animoca Brands is based in Hong Kong. For more information visit www.animocabrands.com

About iCandy Interactive

iCandy Interactive Limited ("iCandy Interactive") is an Australia incorporated public company that has its core business in the development and publishing of mobile games and entertainment for a global audience. iCandy Interactive is listed on the Australian Securities Exchange (ASX) under the symbol ICI.

iCandy Interactive runs multiple award-winning subsidiary games studios in Malaysia, Singapore and Indonesia, including Appxplore and Inzen Studio. It is one of the leading mobile entertainment group in Southeast Asia. Almost all of iCandy Interactive's games titles have been recommended and featured on Apple's App Store (iOS) or the Google Play Store. Studios of iCandy Interactive have won awards in the coveted International Mobile Game Awards (IMGA) in 2016 and 2017. For more information visit www.icandy.io

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

ICANDY INTERACTIVE LIMITED

ABN

87 604 871 712

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	25,000,000 fully paid ordinary shares
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully paid ordinary shares

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+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	New Shares to rank equally with existing listed ordinary shares
5	Issue price or consideration	$0.16 per share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Initial consideration shares for acquisition of portfolio of 318 mobile casual games from Animoca Brands Limited ("AB1")
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	22 May 2018
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A

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+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	25,000,000 fully paid ordinary shares (22 May 2018)
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1 – 45,328,927 LR 7.1A – 30,219,285
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	28 June 2018

8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	Number	+Class
		302,192,846	Fully paid ordinary shares
		30,533,333	Listed $0.21 options, expiring 04/02/2020

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	20,500,000	Unlisted options exercisable at $0.10 each expiring 9 October 2019
		10,000,000	Unlisted options exercisable at $0.065 each expiring 9 October 2018

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Dividends are not payable on Options. Any ordinary shares issued pursuant to the valid exercise of New Options will rank equally with the existing ordinary shares then on issue with respect to those dividends with a record date falling after the date of issue.

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A

18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A.
21	Amount of any underwriting fee or commission	N/A.
22	Names of any brokers to the issue	N/A.
23	Fee or commission payable to the broker to the issue	N/A.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A.
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

30	How do security holders sell their entitlements *in full* through a broker?	N/A
31	How do security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
    (*tick one*)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

       Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35	☐	If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
36	☐	If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
37	☐	A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A

39	+Class of +securities for which quotation is sought	N/A

40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A

41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	N/A

42	Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)	Number	+Class
		N/A	N/A

Quotation agreement

1   +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2   We warrant the following to ASX.

   - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

   - There is no reason why those +securities should not be granted +quotation.

   - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

     Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

   - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

   - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3   We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4   We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ....   Date: 28/06/2018
              (Director/Company secretary)

              Jiahui Lan
Print name: ....

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ⁺ordinary securities on issue 12 months before the ⁺issue date or date of agreement to issue	256,692,746
Add the following: • Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	20,500,000 fully paid ordinary shares (Issued 9 October 2017, Ratified 22 May 2018) 100 fully paid ordinary shares (Issued 10 January 2018, Ratified 22 May 2018) 25,000,000 fully paid ordinary shares (Listing Rule 7.3 – 22/05/2018)
Subtract the number of fully paid ⁺ordinary securities cancelled during that 12 month period	-
"A"	302,192,846
Step 2: Calculate 15% of "A"	
"B"	*[Note: this value cannot be changed]*

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+ See chapter 19 for defined terms.

Multiply "A" by 0.15	45,328,927
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	-
"C"	-
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	45,328,927
Subtract "C" *Note: number must be same as shown in Step 3*	-
Total ["A" x 0.15] – "C"	45,328,927 *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	302,192,846
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	30,219,285
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	-
"E"	-

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	30,219,285
Subtract "E" *Note: number must be same as shown in Step 3*	-
Total ["A" x 0.10] – "E"	30,219,285 *Note: this is the remaining placement capacity under rule 7.1A*