

16 June 2022

ASX and Media Announcement

Completion of Acquisition of Flying Sheep Studios

iCandy Interactive Limited (ASX: ICI) ("**iCandy Group**" or the "**Company**") is pleased to announce the completion of the 60% acquisition of European game developer, Flying Sheep Studios GmbH ("**Flying Sheep Studios**").

As announced on 8 June 2022, the Company will pay a total of EUR2 million (AUD3.01 million), to be settled as follows:

- (A) EUR1.2 million (A\$1.81 million) cash investment into Flying Sheep Studios in return for 37.5% of the enlarged share capital of Flying Sheep Studios ("**Cash Subscription**");
- (B) EUR0.8 million (A\$1.21 million) consideration to the founders of Flying Sheep Studios, in exchange for 22.5% of the enlarged share capital of Flying Sheep Studios, to be satisfied via:
 - (i) Cash of EUR400,000 (A\$603,000) ("**Cash Consideration**");
 - (ii) Via the issuance of 4,606,549 new fully paid ordinary shares ("**Consideration Shares**") of iCandy worth EUR400,000 (A\$603,000), at an issue price of A\$0.131; and
- (C) In addition, the Founders of Flying Sheep Studios will collectively be given 500,000 unlisted options ("**Options**"). Each Option shall grant the right to acquire one iCandy share at a strike price of A\$0.125, and shall expire on 5 April 2027.

iCandy Group wishes to update that the Cash Subscription, Cash Consideration, and the Options have been paid. The Consideration Shares are to be issued to the Founders in 12 equal tranches over a period of 3 years, with the first tranche having been issued today.

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

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About iCandy Interactive Limited

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 600 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 or visit www.icandy.io