



ICANDY INTERACTIVE LIMITED

ACN 604 871 712

NOTICE OF ANNUAL GENERAL MEETING

30 July 2021

3:00PM (AEST)

Level 4
91 William Street
Melbourne Victoria 3000

INDEPENDENT EXPERT'S REPORT

Shareholders should carefully consider the Independent Expert's Report prepared for the purposes of Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the Company's proposed disposal of 100% of the issued capital held in iCandy Digital Pte Ltd. The Independent Expert has determined the Transaction is **FAIR AND REASONABLE** to the non-associated Shareholders.

SPECIAL NOTICE REGARDING ATTENDANCE AT THIS MEETING

The Company strongly encourages shareholders to send in their proxy forms appointing the Chair as their proxy rather than attend this meeting in person. Shareholders wishing to attend this meeting in person or have a person other than the Chair attend as a proxy should contact the Company Secretary by email: jiahui@dwaccounting.com.au not less than 2 business days prior to the meeting so that appropriate arrangements can be confirmed in respect of social distancing and prevailing COVID-19 regulations.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional adviser prior to voting.

Should you wish to discuss the matters in this Notice of Meeting, please do not hesitate to contact the Company Secretary on +61 (3) 8611 5353.

IMPORTANT INFORMATION

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at Level 4, 91 William Street, Melbourne Vic 3000 on 30 July 2021 at 3:00pm (AEST).

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING ELIGIBILITY

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 3:00pm (AEST) on 28 July 2021.

VOTING IN PERSON

To vote in person, Shareholders are able to attend the General Meeting on the date and at the place set out above. In light of the status of the evolving COVID-19 situation and easing of Government restrictions on public gatherings in place at the time of this Notice, and taking into account the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and accordingly, have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Directors' changes prior to the Meeting, the Company will update Shareholders regarding meeting arrangements via the Company's ASX platform.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to iCandy Interactive Limited, PO Box 253, Collins Street West, VIC 8007;
- (b) email to jjahui@dwaccounting.com.au, or
- (c) in person to Level 4, 91 William Street, Melbourne, C/- DW Accounting & Advisory Pty Ltd

so that it is received not later than 3:00pm (AEST) on 28 July 2021.

Proxy Forms received later than this time will be invalid.

In accordance with section 249L of the Corporations Act, members are advised that:

- each member has a right to appoint a proxy;
- the proxy need not be a member of the Company; and
- a member who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- the appointed proxy is not the chair of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting; or
 - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BUSINESS OF THE MEETING

AGENDA

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and auditor's report.

The Company's auditor will be in attendance at the Annual General Meeting and will be available to answer questions in relation to the financial report and the audit conducted for the year ended 31 December 2020.

Questions may be sent to the Company Secretary by email at jiahui@dwaccounting.com.au prior to the Meeting by those Shareholders who cannot attend the Meeting in person.

1. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2020."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company, or if the Company is part of a consolidated entity, for the entity.

2. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ROBERT KOLODZIEJ

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 18.2 of the Constitution and for all other purposes, Mr Robert Kolodziej, a Director who retires by rotation, and being eligible, is re-elected as a Director."

3. RESOLUTION 3 – ELECTION OF DIRECTOR – MR CHRISTOPHER WHITEMAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 18.10 of the Constitution, Listing Rule 14.4 and for all other purposes, Mr Christopher Whiteman, a Director who retires by rotation, and being eligible, is re-elected as a Director."

4. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement."

5. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES (LR 7.1)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 23,741,286 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1, on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any associate of any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES (LR 7.1A)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 47,323,000 Shares issued pursuant to the Company's placement capacity under Listing Rule 7.1A, on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any associate of any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS (LR 7.1)

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 35,532,143 Placement Options issued pursuant to the Company's placement capacity under Listing Rule 7.1, on the terms and conditions set out in the Explanatory Statement:

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any associate of any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS (LR 7.1)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Options issued to Evolution Capital Advisors (and/or their nominees) pursuant to the Company's placement capacity under Listing Rule 7.1 on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Evolution Capital Advisors (and/or their nominees); or
- (b) an associate of Evolution Capital Advisors (and/or their nominees).

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or

- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

9. RESOLUTION 9 – APPROVAL TO ISSUE PLACEMENT SHARES AND PLACEMENT OPTIONS TO RELATED PARTY – MR KIN WAI LAU

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 357,143 Placement Shares and 178,572 Placement Options to Mr Kin Wai Lau (and/or his nominees) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Kin Wai Lau (and/or his nominees) and any person who is to obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

10. RESOLUTION 10 – APPROVAL TO ISSUE PLACEMENT SHARES AND PLACEMENT OPTIONS TO FATFISH GROUP LIMITED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,571,429 Placement Shares and 1,785,715 Placement Options to Fatfish Group Limited on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Fatfish Group Limited and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity), or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

- (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

11. RESOLUTION 11 – RATIFICATION OF NEXTGAMER CONSIDERATION SHARES (LR 7.1)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 3,000,000 Shares issued to Lead Nation Holdings Limited pursuant to the Company's placement capacity under Listing Rule 7.1 on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) Lead Nation Holdings Limited; or
- (b) an associate of Lead Nation Holdings Limited.

However, this does not apply to a vote cast in favour of a resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the chair to vote on the resolution as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (iii) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (iv) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

12. RESOLUTION 12 – APPROVAL FOR DISPOSAL OF ICANDY DIGITAL PTE LTD

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, subject to the passing of Resolution 13, for the purposes of Listing Rule 11.4.1(b) of the ASX Listing Rules and for all other purposes, Shareholders approve the disposal of the Company's interest in iCandy Digital Pte Ltd to RightBridge Ventures AB, in order to facilitate RightBridge's listing on a Swedish Stock Exchange, without an offer, issue or transfer to the Company's Shareholders as referred to in Listing Rule 11.4.1(a) being made, on the terms and conditions set out in the Explanatory Memorandum"

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the acquirer of the asset and any other person who will obtain a material benefit as a result of the Transaction (except a benefit solely by reason of being a holder in ordinary securities in the entity) or an associate of that person or persons.

However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on the resolution; and

- (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

13. **RESOLUTION 13 – APPROVAL FOR DISPOSAL OF ICANDY DIGITAL PTE LTD TO ASSOCIATE OF A RELATED PARTY AND SUBSTANTIAL HOLDER**

To consider and, if thought fit, to pass with or without amendment, as an **ordinary resolution** the following:

"That, subject to the passing of Resolution 12, for the purposes of ASX Listing Rule 10.1 and for all other purposes, approval is given for the Company to dispose of the Company's interest in iCandy Digital Pte Ltd to RightBridge Ventures AB being an associate of the Company's related party and substantial holder, Fatfish Group Limited."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the person acquiring the substantial asset from the Company and any other person who will obtain a material benefit as a result of the Transaction (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons. However, this does not apply to a vote cast in favour of the resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Independent Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under ASX Listing Rule 10.1. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company. The Independent Expert has determined the Transaction is **FAIR AND REASONABLE** to the non-associated Shareholders. A copy of the Independent Expert's Report accompanies this Notice and is also available on the Company's website (www.icandy.io). If requested by a Shareholder, the Company will send to the Shareholder a hard copy of the Independent Expert's Report at no cost.

DATED: 28 JUNE 2021

BY ORDER OF THE BOARD



**MS JIAHUI LAN
ICANDY INTERACTIVE LIMITED
COMPANY SECRETARY**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting to be held at **Level 4, 91 William Street, Melbourne Vic 3000** on **30 July 2021, at 3:00pm (AEST)**

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

14. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2020 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available for download from the Company's website at <http://www.icandy.co>.

15. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

15.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report of the entity be adopted must be put to shareholders. However, such a resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report sets out the Company's remuneration arrangements for the Directors and other key management personnel of the Company. The Remuneration Report is part of the Directors' report contained in the annual financial report of the Company for the financial year ending 31 December 2020.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

15.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of shareholders vote in favour of the Spill Resolution, the company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the Company's annual financial report for the financial year ended immediately before the annual general meeting) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

15.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

15.4 Proxy restrictions

Shareholders appointing a proxy for Resolution 1 should note the following:

If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy; then

You must direct your proxy how to vote on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member).

You **do not** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you must mark the acknowledgement on the Proxy Form to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel.***

If you appoint any other person as your proxy

You **do not** need to direct your proxy how to vote, and you **do not** need to tick any further acknowledgement on the Proxy Form.

16. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR ROBERT KOLODZIEJ

16.1 General

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Robert Kolodziej, the Director longest in office since his last re-election (having been previously re-elected at the Company's annual general meeting held on 31 May 2019), retires by rotation in accordance with the Constitution and being eligible, seeks approval to be re-elected as a Director.

16.2 Mr Robert Kolodziej

Mr Robert Kolodziej is a senior advisor at Canaccord Genuity and has over 20 years' experience in investment management. He has wide macroeconomic understanding across many areas of financial markets and specialises in strategic investment advice for high net worth clients, small cap fund managers and family officers. He has expertise with small capitalisation companies especially in the technology and renewable sector and has been arranging transactions in equity capital markets for these companies.

16.3 Board recommendation

The Board (excluding Mr Kolodziej) recommends that Shareholders vote in favour of Resolution 2. The Chair intends to exercise all available proxies in favour of Resolution 2.

17. RESOLUTION 3 ELECTION OF DIRECTOR – MR CHRISTOPHER WHITEMAN

17.1 General

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Christopher Whiteman was appointed as a Director by the Board on 3 March 2021. Mr Whiteman therefore retires as a Director in accordance with Listing Rule 14.4 and the Constitution and seeks re-election at the Meeting.

17.2 Mr Christopher Whiteman

Mr Whiteman is an executive with over twenty years' of experience in commercial management, finance and strategic advisory roles across various industries including gaming and app development, energy and resources, and investment management.

Mr Whiteman brings several strategic abilities to the board, including commercial negotiation, business development, investor and public relations, and equity capital market transaction origination, execution and project management. He has considerable experience in the Australian securities market, with a focus on Adelaide and Melbourne, as well as international exposure via positions in multinational companies in London and numerous assignments in Southeast Asia.

Mr Whiteman has a Bachelor Degree in Economics from the University of Adelaide, a graduate diploma in Applied Finance and Investment from FINSIA. He is well versed in international affairs and has extensive experience in the culture and business dealings of Asia.

17.3 Board recommendation

The Board (excluding Mr Whiteman) recommends that Shareholders vote in favour of Resolution 3. The Chair intends to exercise all available proxies in favour of Resolution 3.

18. RESOLUTION 4 – APPROVAL OF 10% PLACEMENT CAPACITY

18.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under ASX Listing Rule 7.1A an eligible entity may seek Shareholder approval at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**10% Placement Capacity**).

An 'eligible entity' means an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

This Resolution seeks Shareholder approval by way of special resolution for the Company to have the additional 10% Placement Capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If this Resolution is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If this Resolution is not passed, the Company will not be able to access the additional 10% Placement Capacity to issue Equity Securities without Shareholder approval provided for under

Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

This Resolution is a special Resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of this Resolution for it to be passed.

The information below provides more background on ASX Listing Rule 7.1A and the disclosure required by ASX Listing Rule 7.3A.

18.2 ASX Listing Rule 7.1A

ASX Listing Rule 7.1A enables an Eligible Entity (including the Company) to seek shareholder approval at its Annual General Meeting to issue Equity Securities in addition to those under the Eligible Entity's 15% annual placement capacity.

Any Equity Securities issued must be in the same class as an existing class of quoted Equity Securities. The Company currently has three classes of quoted Equity Securities on issue, being the fully paid ordinary shares (ASX Code: ICI) and quoted options (ASX Code: ICIOA and ICIOB) .

The exact number of Equity Securities that the Company may issue under an approval in accordance with Listing Rule 7.1A will be calculated according to the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of fully paid ordinary securities on issue at the commencement of the relevant period (12 months before the date of issue or agreement):
- (i) plus, the number of fully paid ordinary securities in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16 or 17;
 - (ii) plus, the number of fully paid ordinary securities in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
 - the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - the issue of, or agreement to issue, the convertible securities was approved or taken under these rules to have been approved, under Listing Rule 7.1 or 7.4;
 - (iii) plus, the number of fully paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:
 - the agreement was entered into before the commencement of the relevant period; or
 - the agreement or issue was approved, or taken under these rules to have been approved, under rule 7.1 or rule 7.4;
 - (iv) plus, the number of any other fully paid ordinary securities issued in the relevant period with approval under rule 7.1 or rule 7.4;
 - (v) plus, the number of partly paid ordinary securities that became fully paid in the relevant period; and
 - (vi) less the number of fully paid ordinary securities cancelled in the relevant period.
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its Ordinary Securities under ASX Listing Rule 7.1 & 7.4.

18.3 Technical information by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued under the 10% Placement Capacity is 75% of the volume weighted average price of Equity Securities in that same class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 ASX trading days of the date in paragraph (i), the date on which the Equity Securities are issued.

(b) Date of Issue (10% Placement Capacity Period)

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of the Meeting;
- (ii) the time and date of the Company's next general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at 10 June 2021.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue as at 10 June 2021. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlement offer or securities issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future general meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the market price as at 22 June 2021.

Variable 'A' in Listing Rule 7.1.A.2	Issue Price (per Share)	Dilution		
		\$0.0350 (50% decrease in Issue Price)	\$0.0700 (Issue Price)	\$0.1400 (100% increase in Issue Price)
585,071,254 shares (Current Variable A)	Shares issued - 10% Voting Dilution	58,507,125 Shares	58,507,125 Shares	58,507,125 Shares
	Funds raised	\$2,047,749	\$4,095,499	\$8,190,998
877,606,881 Shares (50% Increase in Variable A)	Shares issued - 10% Voting Dilution	87,760,689 Shares	87,760,689 Shares	87,760,689 Shares
	Funds raised	\$3,071,624	\$6,143,248	\$12,286,496
1,170,142,508 Shares (100% Increase in Variable A)	Shares issued - 10% Voting Dilution	117,014,251 Shares	117,014,251 Shares	117,014,251 Shares
	Funds raised	\$4,095,499	\$8,190,998	\$16,381,995

The table above uses the following assumptions:

1. There are currently 585,071,254 Shares on issue.
2. The issue price set out above is the closing price of the Shares on the ASX on 22 June 2021.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no options (no options are currently on issue) are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Use of funds raised under 10% Placement Capacity**

The Company intends to use funds raised from issues of Equity Securities under the 10% Placement Capacity for advancing the Company's existing operations including the acquisition of assets and investments (including expenses associated with such an acquisition) and general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) upon issue of any Equity Securities.

(e) **Allocation under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous Approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1 at its Annual General Meeting held on 31 July 2020 (**Previous Approval**).

Details of the securities issued pursuant to the Previous Approval are set out below:

- (i) 47,322,327 Shares were issued on 7 December 2020 representing 14% of the total number of Shares on issue.
- (ii) Issue price was \$0.14 per Share.
- (iii) The Shares were issued to sophisticated and professional investors none of whom were related parties of the Company.

- (iv) A total of A\$6,625,126 was raised and none of this cash has been spent at the date of this report.
- (v) The remaining amount is to be spent on Investing and expanding the production capabilities of game development studios, marketing and general working capital purposes.

(g) **Voting Exclusion Statement**

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

18.4 Compliance with ASX Listing Rules 7.1A.4

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will give to ASX:

- (a) state in its announcement of the proposed issue under Listing Rule 3.10.3 or in its application for quotation of the securities under Listing Rule 2.7 that the securities are being issued under Listing Rule 7.1A; and
- (b) a list of the allottees of the Equity Securities and the number of Equity Securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4.

18.5 Board recommendation

The Board recommends that Shareholders vote in favour of this Resolution. The Chair intends to exercise all available proxies in favour of this Resolution.

19. RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT SHARES

19.1 General

On 9 December 2020, the Company announced a placement for a total value of \$10.5 million through the issue of Shares to sophisticated investors and to existing Shareholder, Fatfish Group Ltd (**Fatfish**) (**Placement**).

The Placement comprised of an issue of a total of 71,064,286 new Shares issued at an issue price of \$0.14 per Share (**Placement Shares**) with free attaching listed Options in the Company on a 1:2 basis (exercisable at \$0.22 on or before 15 December 2022) (**Placement Options**) (being a total of 35,532,143 Placement Options) .

23,741,286 Placement Shares were issued pursuant to existing capacity available under Listing Rule 7.1 (being the subject of Resolution 5) and 47,323,000 Placement Shares were issued pursuant to existing capacity available under Listing Rule 7.1A (being the subject of Resolution 5). The Placement Options were issued under existing capacity available under Listing Rule 7.1.

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 23,741,286 Placement Shares which were issued pursuant to the Company's placement capacity under Listing Rule 7.1

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 47,323,000 Placement Shares which were issued pursuant to the Company's placement capacity under Listing Rule 7.1A.

Resolution 7 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 35,532,143 Placement Options which were issued pursuant to the Company's placement capacity under Listing Rule 7.1.

The Company's Chairman, Mr Kin-Wai Lau, and Fatfish (a related party and substantial holder of the Company) have also sought to participate in the Placement. The issue of Placement Shares and Placement Options to Fatfish and the Company's Chairman, Mr Kin-Wai Lau is subject to prior Shareholder approval as set out in Resolutions 9 and 10.

The Placement was managed by Evolution Capital Advisors, who received a:

- (a) 6% fee of the gross amount raised; and
- (b) 10,000,000 broker Options on the same terms as the Placement Options (**Broker Options**).

Resolution 8 seeks ratification for the issue of the Broker Options.

The issue of the Placement Shares by the Company, undertaken without shareholder approval, was in compliance with Listing Rules 7.1 and 7.1A at the time of the issue.

19.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The Placement Shares do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

19.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end:

- (a) Resolution 5 seeks Shareholder approval for ratification of 23,741,286 Placement Shares (which were issued under Listing Rule 7.1) under and for the purposes of Listing Rule 7.4; and
- (b) Resolution 6 seeks Shareholder approval for ratification of 47,323,000 Shares (which were issued under Listing Rule 7.1A) under and for the purposes of Listing Rule 7.4.

19.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and 6 are passed, the Placement Shares will be **excluded** in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively **increasing** the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolutions 5 and 6 are not passed, the Placement Shares will be **included** in calculating the Company's 15% limit in Listing Rule 7.1 and 10% limit in Listing Rule 7.1A, effectively **decreasing** the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

19.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 5 and 6:

- (a) The Placement Shares were issued to professional and sophisticated investors who are clients of Evolution Capital Advisors. The recipients were identified through a bookbuild process, which involved Evolution Capital Advisors seeking expressions of interest to participate in the Placement from non-related parties of the Company.

In accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Placement Shares the subject of Resolutions 5 and 6 were:

- (i) a related party of the Company;
- (ii) a member of the Company's Key Management Personnel;
- (iii) a substantial holder of the Company;
- (iv) an adviser of the Company;
- (v) an associate of any of the above parties; or
- (vi) issued more than 1% of the Company's issued capital at the time of issue.

As set out above, the issue of Placement Shares (and Placement Options) to Fatfish and the Company's Chairman, Mr Kin-Wai Lau is subject to prior Shareholder approval under Listing Rule 10.11 and is the subject of Resolutions 9 and 10 (as applicable).

- (b) A total of 71,064,286 Shares were issued as follows:
- (i) 23,741,286 Placement Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1; and
 - (ii) 47,323,000 Placement Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1A.
- (c) The Placement Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) The Placement Shares were issued on 16 December 2020.
- (e) The issue price was \$0.14 per Placement Shares under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares.

- (f) The purpose of the issue of the Placement Shares was to raise \$10.5 million (before costs). The funds from the Placement will predominantly be used to invest and expand the production capabilities of game development studios of the Company so that it will have more capacity to roll out more game-titles and improve on the quality of its game-titles as well. Part of the funds will also be utilised for marketing and general working capital.
- (g) The Placement Shares were not issued under an agreement.
- (h) A voting exclusion statement is included in Resolution 5 and 6 of the Notice.

19.6 Board recommendation

The Board recommends that Shareholders vote in favour of Resolutions 5 and 6. The Chair intends to exercise all available proxies in favour of Resolutions 5 and 6.

20. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF PLACEMENT OPTIONS

20.1 General

A summary of the Placement is set out in Section 19.1.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.1 for the issue of 35,532,143 Placement Options which were issued as free attaching to the Placement Shares on a 1:2 basis. The Placement Options were issued pursuant to the Company's placement capacity under Listing Rule 7.1.

20.2 ASX Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in Sections 19.2 and 19.3 respectively.

The issue of the Placement Options does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the Company's 15% capacity under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 7 seeks Shareholder approval for the ratification of the issue of 35,532,143 Placement Options.

20.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Placement Options issued will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 7 is not passed, the Placement Options issued will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

20.4 Technical information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Placement Options and Resolution 7:

- (a) The Placement Options were issued to those investors who participated in the Placement, being professional and sophisticated investors who are clients of Evolution Capital Advisors. The recipients were identified through a bookbuild process, which involved Evolution Capital Advisors seeking expressions of interest to participate in the Placement from non-related parties of the Company.

In accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the recipients of the Placement Options the subject of Resolution 7 were:

- (i) a related party of the Company;
- (ii) a member of the Company's Key Management Personnel;
- (iii) a substantial holder of the Company;
- (iv) an adviser of the Company;
- (v) an associate of any of the above parties; or
- (vi) issued more than 1% of the Company's issued capital at the time of issue.

As set out above, the issue of Placement Options (and Placement Shares) to Fatfish and the Company's Chairman, Mr Kin-Wai Lau is subject to prior Shareholder approval under Listing Rule 10.11 and is the subject of Resolutions 9 and 10 (as applicable).

- (b) The Company issued 35,532,143 Placement Options pursuant to the Company's existing placement capacity under Listing Rule 7.1.
- (c) The Placement Options were issued on the terms and conditions set out in Schedule 1;
- (d) The Placement Options were issued on 21 December 2020;
- (e) No funds were raised from the issue price of the Placement Options as the Placement Options were issued as free attaching options to the Placement Shares on a 1:2 basis;
- (f) A voting exclusion statement is included for Resolution 7 of this Notice.

20.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 7.

Resolution 7 is an ordinary resolution.

The Chair intends to exercise all available proxies in favour of Resolution 7.

21. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF BROKER OPTIONS

21.1 General

On 21 December 2020, the Company issued 10,000,000 Options exercisable at \$0.22 on or before 15 December 2021 (**Broker Options**) in consideration for brokerage fees payable in respect of the Placement to Evolution Capital Advisors.

Pursuant to the mandate between the Company and Evolution Capital Advisors (**Broker Mandate**) it was agreed that Evolution Capital Advisors would receive a 6% fee on the gross amount raised pursuant to the Placement and 10,000,000 Broker Options (on the same terms and conditions as the Placement Options). The Broker Mandate otherwise contains terms, conditions, warranties and representations which are considered standard for an agreement of this type.

Resolution 8 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 10,000,000 Broker Options which were issued pursuant to the Company's placement capacity under Listing Rule 7.1.

21.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in Sections 19.2 and 19.3 respectively.

The issue of the Broker Options does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the Company's 15% capacity under Listing Rule 7.1.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 8 seeks Shareholder approval for the ratification of the issue of the Broker Options.

21.3 Technical information required by Listing Rule 14.1A

If Resolution 8 is not passed, the Broker Options will be included in calculating the Company's 15% placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Broker Options.

If Resolution 8 is passed, Broker Options will be excluded from the calculation of the Company's 15% placement capacity under Listing Rule 7.1, effectively increasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Broker Options.

21.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) the Broker Options were issued to Evolution Capital Advisors, which is not a related party of the Company;
- (b) 10,000,000 Broker Options were issued;
- (c) the Broker Options were issued on the terms and conditions set out in Schedule 1 (being the same terms and conditions as the Broker Options);
- (d) the Broker Options were issued on 21 December 2020;
- (e) no funds were raised from this issue as the Broker Options were issued in consideration for brokerage fees payable in respect of the Placement in accordance with the Broker Mandate;
- (f) the purpose of the issue was to satisfy the Company's obligation to issue the Broker Options under the Broker Mandate;
- (g) the Broker Options were issued pursuant to the Broker Mandate. A summary of the material terms of the Broker Mandate is set out in Section 21.1; and
- (h) a voting exclusion statement is included for Resolution 8 of this Notice.

22. RESOLUTION 9 – APPROVAL TO ISSUE PLACEMENT SHARES AND PLACEMENT OPTIONS TO RELATED PARTY – MR KIN WAI LAU

22.1 General

The Company is seeking Shareholder approval for the issue of 357,143 Placement Shares and 178,571 Placement Options to Mr Kin-Wai Lau (or his nominee) arising from the proposed participation by Mr Kin Wai Lau in the Placement (**Participation**).

22.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in section 217 and 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Placement Shares and Placement Options which constitutes giving a financial benefit and Mr Kin-Wai Lau is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Kin-Wai Lau who has a material personal interest in the resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Placement Shares and Placement Options will be issued to Mr Kin-Wai Lau on the same terms as Placement Shares and Placement Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

22.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Placement Shares and Placement Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

22.4 Technical information required by Listing Rule 14.1A

If Resolution 9 is passed, the Company will be able to proceed with the issue of 357,143 Placement Shares and 178,571 Placement Options to Mr Kin-Wai Lau (or his nominee) arising from his proposed participation in the Placement.

If Resolution 9 is not passed, the Company will not be able to proceed with the issue of 357,143 Placement Shares and 178,571 Placement Options to Mr Kin-Wai Lau (or his nominee) arising from his proposed participation in the Placement and the funds raised of up to \$50,000 through the issue of the Placement Shares will not be received by the Company.

22.5 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Placement Shares and Placement Options will be issued to Mr Kin-Wai Lau (or his nominee);
- (b) Mr Kin-Wai Lau falls under Listing Rule 10.11.1, being a related party of the Company due to his role as a Director of the Company;
- (c) the maximum number of Placement Shares to be issued is 357,143 Placement Shares;
- (d) the maximum number of Placement Options to be issued is 178,571 Placement Options;

- (e) the Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the Placement Options will be issued on the terms set out in Schedule 1;
- (g) the Placement Shares and Placement Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (h) the issue price of the Placement Shares will be \$0.14 per Share, being the same as all other Shares issued under the Placement;
- (i) the Placement Options will be issued for nil consideration as free attaching to the Placement Shares;
- (j) the Placement Shares and Placement Options will be issued as a result of Mr Kin- Wai Lau's participation in the Placement. The funds raised will be used for the same purposes as all other funds raised under the Placement, being to invest and expand the production capabilities of game development studios of the Company so that it will have more capacity to roll out more game-titles and improve on the quality of its game-titles as well. Part of the funds will also be utilised for marketing and general working capital.

22.6 Board recommendation

The Board (other than Mr Kin-Wai Lau) recommends that Shareholders vote in favour of Resolution 9. The Chair intends to exercise all available proxies in favour of Resolution 9.

23. RESOLUTION 10 – APPROVAL TO ISSUE PLACEMENT SHARES AND PLACEMENT OPTIONS TO FATFISH GROUP LIMITED

23.1 General

The Company is seeking Shareholder approval for the issue of 3,571,424 Placement Shares and 1,785,715 Placement Options to Fatfish Group Limited (a related party and substantial shareholder of the Company) arising from Fatfish Group Limited's proposed participation in the Placement (**Participation**).

23.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in section 217 and 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Placement Shares and Placement Options which constitutes giving a financial benefit and Fatfish Group Limited is a related party of the Company by virtue of being an entity that controls the Company. Fatfish Group Limited is a major shareholder of the Company through the Shares held by its subsidiaries, Fatfish Internet Pte Ltd and Fatfish Medialab Pte Ltd.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Placement Shares and Placement Options will be issued to Fatfish Group Limited on the same terms as Placement

Shares and Placement Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

23.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party or to a substantial (30%+) holder, or to a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Placement Shares and Placement Options to a related party and substantial (30%+) holder of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

23.4 Technical information required by Listing Rule 14.1A

If Resolution 10 is passed, the Company will be able to proceed with the issue of 3,571,424 Placement Shares and 1,785,715 Placement Options to Fatfish Group Limited arising from its proposed participation in the Placement.

If Resolution 10 is not passed, the Company will not be able to proceed with the issue of 3,571,424 Placement Shares and 1,785,715 Placement Options to Fatfish Group Limited arising from its proposed participation in the Placement and the funds raised of up to \$500,000 through the issue of the Placement Shares will not be received by the Company.

23.5 Technical information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) The Placement Shares and Placement Options will be issued to Fatfish Group Limited (or its nominee).
- (b) Fatfish Group Limited falls under Listing Rule 10.11.1, being a related party of the Company (by virtue of its controlling interest of approximately 32.47% held in the Company), and Listing Rule 10.11.2 being a substantial (30%+) holder.
- (c) The maximum number of Placement Shares to be issued to Fatfish Group Limited is 3,571,429 Placement Shares. The maximum number of Placement Options to be issued to Fatfish Group Limited is 1,785,715 Placement Options.
- (d) The Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;.
- (e) The Placement Options will be issued on the terms set out in Schedule 1.
- (f) The Placement Shares and Placement Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (g) The issue price of the Placement Shares will be will be \$0.14 per Placement Share, being the same as all other Placement Shares issued under the Placement. The issue price of Placement Options is nil as they are free attaching to the Placement Shares on a 1:2 basis.
- (h) The Placement Shares and the Placement Options will be issued as a result of Fatfish Group Limited's participation in the Placement. The funds raised will be used for the same purposes as all other funds raised under the Placement, being to invest and expand the production capabilities of game development studios of the Company so that it will have more capacity to roll out more game-titles and improve on the quality

of its game-titles as well. Part of the funds will also be utilised for marketing and general working capital.

- (i) The issue of the Placement Share and Placement Options is not intended to remunerate or incentivise a Director or an associate of a Director.
- (j) The Placement Shares and Placement Options are not being issued under an agreement.
- (k) A voting exclusion statement is included in this Notice in respect of Resolution 10.

23.6 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 10. The Chair intends to exercise all available proxies in favour of Resolution 10.

24. RESOLUTION 11 – RATIFICATION OF NEXTGAMER CONSIDERATION SHARES

24.1 Background

On 19 March 2021, the Company announced that it signed a binding agreement (**Nextgamer Agreement**) to acquire 100% of the issued capital of Nextgamer, a hyper-casual mobile gaming platform and mobile game developer (**Nextgamer**), from Lead Nation Holdings Limited.

A summary of the material terms of the Nextgamer Agreement is set out below:

- (a) The total purchase consideration is A\$1,290,000, comprised of:
 - (i) a total of A\$900,000 in cash (**Cash Consideration**); and
 - (ii) 3,000,000 Shares at a deemed issue price of A\$0.13 per Share (**Nextgamer Consideration Shares**).
- (b) The Cash Consideration is payable as follows:
 - (i) A\$450,000 upon completion of the Nextgamer Agreement (which was paid by the Company on 13 April 2021; and
 - (ii) the remaining A\$450,000 is to be paid within 12 months following execution of the Nextgame Agreement (which remains outstanding as at the date of this Notice).

The Nextgamer Agreement otherwise contains terms, conditions, warranties and representations which are considered standard for an agreement of this type.

Resolution 11 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 3,000,000 Nextgamer Consideration Shares which were issued to Lead Nation Holdings Limited pursuant to the Company's placement capacity under Listing Rule 7.1.

24.2 Listing Rules 7.1 and 7.4

A summary of Listing Rules 7.1 and 7.4 is set out in Sections 19.2 and 19.3 respectively.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 11 seeks Shareholder approval to subsequently approve the issue of 3,000,000 Nextgamer Consideration Shares (which were issued pursuant to the Company's capacity under Listing Rule 7.1) under and for the purposes of Listing Rule 7.4.

24.3 Technical information required by Listing Rule 14.1A

If Resolution 11 is passed, the Nextgamer Consideration Shares will be **excluded** in calculating the Company's 15% limit in Listing Rule 7.1, effectively **increasing** the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

If Resolution 11 is not passed, the Nextgamer Consideration Shares will be **included** in calculating the Company's 15% limit in Listing Rule 7.1, effectively **decreasing** the number of equity securities it can issue without Shareholder approval over the 12-month period following the issue date.

24.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in respect of Resolution 11:

- (a) The Nextgamer Consideration Shares were issued to Lead Nation Holdings Limited. In accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that Lead Nation Holdings Limited is not:
 - (i) a related party of the Company;
 - (ii) a member of the Company's Key Management Personnel;
 - (iii) a substantial holder of the Company;
 - (iv) an adviser of the Company;
 - (v) an associate of any of the above parties; or
 - (vi) issued more than 1% of the Company's issued capital at the time of issue.
- (b) A total of 3,000,000 Shares were issued pursuant to the Company's placement capacity under Listing Rule 7.1.
- (c) The Nextgamer Consideration Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (d) 3,000,000 Nextgamer Consideration Shares were issued on 30 March 2021.
- (e) The Nextgamer Consideration Shares were issued at a deemed issue price of \$0.13 per Share.
- (f) No funds were raised 3,000,000 Nextgamer Consideration Shares were issued under the Netgamer Agreement as consideration for the Company's acquisition of 100% of the issued capital of Nextgamer.
- (g) The Nextgamer Consideration Shares were issued under the Netgamer Agreement. A summary of the material terms of the Nextgamer Agreement are set out in Section 24.1.
- (h) A voting exclusion statement is included in the Notice in respect of Resolution 11.

24.5 Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 11. The Chair intends to exercise all available proxies in favour of Resolution 11.

25. RESOLUTION 12 – APPROVAL FOR DISPOSAL OF ICANDY DIGITAL PTE LTD

25.1 Background

On 14 October 2019, the Company announced that it had entered into a co-founding shareholders agreement (**Co-Founding Shareholders Agreement**) with respect to the launch of eSports Pro League (**ESPL**) and its investment in eSports Pte Ltd (**ESPL-Co**) via its wholly owned Singaporean subsidiary, iCandy Digital Pte Ltd (**IDPL**). Pursuant to the Co-Founding Shareholder Agreement, iCandy invested an initial sum of SGD\$100,000 (approximately AUD\$110,000) for a 42.55% founding interest in ESPL-Co. IDPL's shareholding in ESPL-Co has since been diluted to 17.04% following a pre-seed funding round pursuant to which ESPL-Co raised SGD\$2,200,000 (approximately AUD\$2,400,000).

An opportunity has now arisen for the Company to realise value from its investment in ESPL-Co by disposing its 100% interest in IDPL to RightBridge Ventures AB (**RightBridge**), which the Company considers to be in the best interests of its Shareholders. As announced to ASX on 15 February 2021, the Company has entered into a share sale agreement (**Share Sale Agreement**) with respect to the disposal of its 100% interest in IDPL to RightBridge. A summary of the material terms and conditions of the Share Sale Agreement are set out in Section 25.4 below.

By disposing of IDPL, the Company is able to focus its resources on its current core business that includes managing the portfolio of growing new games, such as smash hits Masketeers and Claw Stars, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo. The Company will become a strategic major shareholder of RightBridge as a result of the Transaction. With this, not only will the Company continue to maintain an indirect equity exposure to ESPL, the Company will also gain access to the Nordic market of esports and videogames through RightBridge. The Nordic region is a bedrock of innovation that has spun out many successful global gaming giants. Global gaming giants that have extensive Nordic ties or origins include Mojang (Minecraft), Supercell (Crash of Clan), Rovio (Angrybird).

25.2 iCandy Digital Pte Ltd

IDPL was incorporated in Singapore in 2009. IDPL has intellectual property ownership of 26 mobile games developed on the iOS and Android platforms. In addition IDPL owns a 17.04% stake of ESPL that it co-founded in 2019. ESPL is a global grassroots esports tournament network and technology platform that has presence in 13 countries across Asia, Europe and South America. As at 31 December 2020, IDPL has paid-up capital of A\$2.83million and net asset of A\$31,701.

25.3 RightBridge

RightBridge is a 100% owned Swedish subsidiary of Abelco Investments Group AB (**Abelco**). Abelco is a shareholder of the Company and a subsidiary of Fattfish Group Limited (ASX: FFG) (**Fattfish**). Fattfish holds approximately 32.47% of the issued share capital of the Company via Fattfish Internet Pte Ltd (a subsidiary of Abelco).

The core of the business of RightBridge is investing in companies that shape the future of esports and videogames as part of the global digital entertainment industry. As an esports focused investment company, RightBridge is better positioned than the Company to groom ESPL by providing ESPL with more in-depth exposure to a wider portfolio of esports companies via RightBridge's Nordic network.

RightBridge intends to seek an IPO on a Swedish stock exchange within the year 2021.

25.4 Material Transaction Terms

Pursuant to the Share Sale Agreement, RightBridge will acquire 100% of the issue capital of IDPL from the Company (**Transaction**).

The consideration to be provided by RightBridge to the Company in consideration for the proposed Transaction will be 17,296,000 fully paid ordinary shares in the capital of RightBridge

at a deemed issue price of SEK1.8 (A\$0.28) per share resulting in an aggregate purchase price of SEK 31,132,800 (approximately A\$4,823,424, based on a SEK/AUD exchange rate of 0.1549306 at the date of the Share Sale Agreement) (**Consideration Shares**).

Refer to section 8.1 of the Independent Expert's Report at Annexure A for details regarding the Independent Expert's valuation of the Consideration Shares and the valuation methodology used by the Independent Expert to assess the value of the Consideration Shares.

The Consideration Shares will be restricted from being sold, transferred or otherwise disposed with for a period of 18 months commencing from the date that RightBridge is listed on an internationally recognized stock exchange (**IPO**). The Company will not be entitled to sell, transfer or otherwise dispose of all or any part of the Consideration Shares as Company shares in connection with the IPO.

Completion of the proposed Transaction (**Completion**) will be subject to certain conditions, including (but not limited to):

- (a) RightBridge completing due diligence on IDPL to RightBridge's satisfaction; and
- (b) the Company and RightBridge obtaining relevant shareholder, regulatory approvals and third party approvals in order to complete the proposed Transaction.

As at the date of this Notice, all conditions precedent to Completion have been satisfied other than the Company obtaining Shareholder approval to complete the Transaction (being the subject of Resolutions 12 and 13). Accordingly, if Resolutions 12 and 13 of this Notice are approved by the requisite majority of Shareholders, the Company intends to complete the Transaction shortly after the Meeting in accordance with the indicative timetable set out in Section 25.6.

The Company also proposes to enter into a call option agreement with Abelco Investment Group AB (**Call Option Agreement**). Under the Call Option Agreement, Abelco will grant the Company a call option to acquire an additional 2,178,682 fully paid ordinary shares in the capital of RightBridge from Abelco (**Call Option**) which would result in the Company holding approximately 25% of the issued capital of RightBridge.

Grant of the Call Option will be subject to and conditional upon Completion and the Call Option is exercisable by the Company for a period of 6 months from Completion. The consideration for the Call Option will be paid in cash and will be determined based on the issue price of RightBridge's most recent rights issue at the time of exercise of the Call Option. As at the date of this Notice, the price of RightBridge's most recent rights issue was SEK1.8 per RightBridge share which represents total consideration payable by the Company of SEK 3,921,628 (approximately A\$607,580, based on a SEK/AUD exchange rate of 0.1549306). For the purposes of the Independent Expert's Report, the Independent Expert considers the value of the Call Option to be immaterial compared to the total value of the Consideration Shares which the Company will receive on Completion. Refer to section 6.2 of the Independent Expert's Report at Annexure A for further details. The Share Sale Agreement and Call Option Agreement otherwise contain terms, conditions, warranties and representations which are considered standard for an agreement of this type.

With the Completion of the Transaction and the exercise of the Call Option, the Company is envisaged to become a major shareholder of RightBridge, owning approximately 25% of RightBridge at its upcoming IPO. With this, not only will the Company continue to maintain an indirect equity exposure to ESPL, the Company will also gain access to the Nordic market of esports and videogames through RightBridge.

25.5 Listing Rule 11.4

Under Listing Rules 11.4 and 11.4.1, a listed company can only spin out a major asset if:

- (a) the securities in the spin-out vehicle (other than those being retained by the company/trust itself) are being offered, issued or transferred pro rata to the holders of

the ordinary shares in the company, or in another way that, in ASX's opinion, is fair in all the circumstances; or

- (b) the company's shareholder approve the spin out.

The Transaction is regarded as a spin-out of a major asset for the purposes of Listing Rule 11.4 and as paragraph (a) above does not apply, it is a requirement that Company's shareholders approve the Transaction under paragraph (b) above for the Transaction to proceed.

Resolution 12 seeks the required shareholder approval to the Transaction under and for the purposes of Listing Rule 11.4.1(b). Resolution 12 is subject to and conditional on the passing of Resolution 13. If Resolution 13 is not passed by the requisite majority of Shareholders, Resolution 12 will be withdrawn.

If Resolutions 12 and 13 are passed, the Company will be able to proceed with the Transaction pursuant to the terms and conditions of the Share Sale Agreement and the Company will be able to focus on its current core business that includes managing the portfolio of growing new games including Masketeers and Claw Stars, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo. If Resolutions 12 and 13 are not passed, the Company will not be able to proceed with the Transaction under the Share Sale Agreement and will continue look for divestment opportunities in respect of IDPL.

25.6 Indicative Timetable

The Company anticipates that the indicative timetable for the implementation of the Transaction is as follows:

Event	Indicative Date
Annual General Meeting convened by this Notice	30 July 2021
Completion of the Transaction*	7 July 2021

*This date is indicative only and may be varied without prior notice. The Company will keep Shareholder updated (via ASX announcements) on the timing of the completion of the Transaction as it progresses.

25.7 Impact of the Transaction on the Company and the Shareholders

Following Completion, the Company will no longer hold a direct interest in IDPL.

The Company will however continue to hold its other assets including:

- (a) a 100% interest in AppXplore (iCandy) Ltd, incorporated in BVI which holds a 100% interest in Appxlore (iCandy) Sdn Bhd (ASB), Malaysia which is a Company principally involved in the design, development, commercialization and publishing of mobile interactive entertainment for multiple mobile operating systems;
- (b) a 100% interest in Inzen (iCandy) Pte Ltd, incorporated in Singapore which is a mobile game company that develops games that introduce breakthrough gameplay experiences to players across cultures and partners with publishers;
- (c) a 67% interest in PT Joyseed Berbagi Sukses, incorporated in Indonesia which is a Company whose core business is in mobile advertising, especially in the area of providing advertising services to e-commerce providers and smartphone games publishers;
- (d) a 100% interest in iCandy Games Ltd, incorporated in BVI which is currently a shell company with no assets nor liabilities; and
- (e) a 80% interest in Beetleroar Sdn Bhd, incorporated in Malaysia which is a [Company that provides manpower personnel in the development of games.

The effect of the proposed Transaction on the Company is set out below:

	Last Audited Figures	Effect of Transaction	Post	Percentage change	Scale of change
Total consolidated assets	17,749,354	4,404,216.00	22,153,570	24.81%	1.25
Total equity	15,454,097	3,043,135.00	18,497,232	19.69%	1.20
Total expenditure	2,837,414	- 45,535.00	2,791,879	-1.60%	
Total revenue	3,592,855	- 1,796.80	3,591,058.20	0%	
Total no of shares	547,313,849	-	547,313,849	0%	1.00

The Company's disposal of IDPL will not detract in any way from the Company's remaining assets.

However, following the Transaction, the Company will become a major shareholder of RightBridge, gaining access to the Nordic market of esports and videogames through RightBridge whilst continuing to maintain an indirect equity exposure to ESPL.

Shareholder's will not be affected by the Transaction, other than by the dilution of the Company's direct interest in IDPL and gain of an interest in RightBridge.

25.8 Advantages and Disadvantages of the Transaction

The Directors have assessed the advantages and disadvantages of the proposed Transaction (as set out below) and are of the view that the advantages outweigh the disadvantages. Accordingly, the Directors believe the Transaction is in the best interests of the Company.

25.8.1 Advantages

- (a) **Access to Nordic market:** Settlement of the Transaction will allow the Company to gain access to the Nordic market of esports and videogames whilst still continuing to maintain an indirect equity exposure to ESPL.
- (b) **Refocus:** By disposing of IDPL, iCandy is able to focus its resources on its current core business that includes managing the portfolio of growing new games that include smash hits Masketeers and Claw Stars, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo.

Refer to the Independent Expert's Report at Annexure A for further details regarding the advantages of the proposed Transaction.

25.8.2 Disadvantages

- (a) **No direct ownership in IDPL:** The Company will no longer be the owner of IDPL and subsequently will not be able to control the decisions and direction of ESPL-Co and will not retain the direct benefit of any upside of ESPL-Co.
- (b) **No guaranteed IPO:** A listing on any exchange is subject to various regulatory requirements and conditions. There is no guarantee that the IPO will be successful or that Shareholders will be able to participate in the IPO or that they will realise value in any securities they acquire in RightBridge under the IPO. For the avoidance of doubt, the Company advises that no priority offer or in-specie distribution is being made to Shareholders.

Refer to the Independent Expert's Report at Annexure A for further details regarding the disadvantages of the proposed Transaction.

25.9 Future Direction

Following completion of the Transaction, the Company will continue to invest and expand the production capabilities of game development studios of the Company so that it will have more capacity to roll out more game-titles and improve on the quality of its game-titles, as well as review and consider opportunities in the gaming industry with a view to maximum Shareholder value.

25.10 Technical information required by Listing Rule 14.1A

If Resolution 12 is not passed, the Company will not be able to proceed with the Transaction and will therefore not be able to realise value from its investment in ESPL-Co

If Resolution 12 is passed, the Company will be able to proceed with the Transaction and realise value from its investment in ESPL-Co. As set out above, by disposing of IDPL, the Company is able to focus its resources on its current core business that includes managing the portfolio of growing new games, such as smash hits Masketeers and Claw Stars, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo. The Company will become a strategic major shareholder of RightBridge as a result of the Transaction. With this, not only will the Company continue to maintain an indirect equity exposure to ESPL, the Company will also gain access to the Nordic market of esports and videogames through RightBridge. The Nordic region is a bedrock of innovation that has spun out many successful global gaming giants. Global gaming giants that have extensive Nordic ties or origins include Mojang (Minecraft), Supercell (Crash of Clan), Rovio (Angrybird).

25.11 Material Disclosure

Comprehensive disclosure regarding the Transaction is set out above, including the following:

- (a) details of the spin-out vehicle and how the spin-out is to be effected are set out in sections 25.1-25.4;
- (b) information about the asset being spun-out, being IDPL, is set out in section 25.2;
- (c) the impact the Transaction will have on the Company and Shareholders is set out in section 25.7;
- (d) the reasons why the Directors believe the Transaction is in the best interests of the Company and the Shareholders are set out in section 25.8.1; and
- (e) the background and summary of the material terms of the Transaction are set out in sections 25.1 and 25.4.

26. RESOLUTION 13 – APPROVAL FOR DISPOSAL OF ICANDY DIGITAL TO ASSOCIATE OF A RELATED PARTY AND SUBSTANTIAL HOLDER

26.1 Background

Refer to sections 25.1-25.4 for a summary of the Transaction and the material terms of the Share Sale Agreement.

26.2 General

Resolution 13 seeks Shareholder approval for the purposes of ASX Listing Rule 10.1 for the disposal of a substantial asset to RightBridge, being an associate of Fatfish Group Limited (ASX: FFG), a related party and substantial holder of the Company (holding approximately 32.47% of the Company's issued capital).

Resolution 13 is subject to and conditional on the passing of Resolution 12. If Resolution 12 is not passed by the requisite majority of Shareholders, Resolution 13 will be withdrawn.

26.3 Independent Expert's Report

ASX Listing Rule 10.5.10 requires a notice of meeting containing a resolution under ASX Listing Rule 10.1 to include a report on the transaction from an independent expert.

The Independent Expert's Report accompanying this Notice sets out a detailed independent examination of the Transaction to enable non-associated Shareholders to assess the merits and decide whether to approve Resolution 7. The independent expert has concluded that the Transaction is fair and reasonable to the non-associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

The Independent Expert's Report is also available on the Company's website (www.icandy.io). If requested by a Shareholder, the Company will send to the Shareholder a hard copy of the Independent Expert's Report at no cost

26.4 ASX Listing Rule 10.1

ASX Listing Rule 10.1 provides that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, amongst other persons:

- (a) a related party of the entity;
- (b) a substantial holder of the entity;
- (c) an associate of a substantial holder of the entity,

without the prior approval of holders of the entity's ordinary shareholders.

Disposal by the Company

Completion of the Transaction will result in a disposal by the Company of its interest in 100% of the issued share capital in IDPL to RightBridge.

Substantial Asset

For the purposes of ASX Listing Rule 10.1, an asset is substantial if its value, or the value of the consideration for it is, or in ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to ASX under the ASX Listing Rules.

The equity interests of the Company as defined by the ASX Listing Rules, and as set out in the latest accounts given to ASX under the ASX Listing Rules (being for the financial half year ending 31 December 2020) were \$14,975,894. A substantial asset is therefore an asset of value greater than \$748,795.

As the consideration for the Transaction will be 17,296,000 fully paid shares in the capital of RightBridge at a deemed issue price of SEK1.8 (A\$0.28) per share resulting in an aggregate purchase price of SEK 31,132,800 (approximately A\$4,823,424) the value of the consideration for the Transaction exceeds 5% of the equity interests of the Company, and therefore the Transaction will result in the disposal of a substantial asset.

Associate of Related Party and Substantial (10%+) holder

Completion of the Transaction will result in a disposal by the Company of its interest in the issued share capital of IDPL to RightBridge which is a 100% owned subsidiary of Abelco. Abelco is a shareholder of the Company and a subsidiary of Fattfish. Fattfish holds approximately 33% of the issued share capital of the Company via Fattfish Internet Pte Ltd (a subsidiary of Abelco). Therefore, RightBridge is an associate of a substantial (10%+) holder of the Company and an associate of a related party (by virtue of the controlling interest Fattfish holds in the Company).

Requirement for shareholder approval

As a result of the above conclusions, the completion of the Transaction will result in the disposal of a substantial asset to an associate of a related party and substantial holder of the Company. The Company is therefore required to seek Shareholder approval under ASX Listing Rule 10.1 in respect of the disposal of a substantial asset to the associate of a related party and substantial holder.

As stated above, ASX Listing Rule 10.10.2 requires a notice of meeting containing a resolution under ASX Listing Rule 10.1 to include a report on the transaction from an independent expert.

Shareholders are urged to carefully read the Independent Expert's Report annexed to this Notice, in order to understand its scope, the methodology of the valuation, and the sources of information and assumptions made.

26.5 Technical information required by Listing Rule 14.1A

If Resolution 13 is not passed, the Company will not be able to proceed with the Transaction and will therefore not be able to realise value from its investment in ESPL-Co

If Resolution 13 is passed, the Company will be able to proceed with the Transaction and realise value from its investment in ESPL-Co. As set out above, by disposing of IDPL, the Company is able to focus its resources on its current core business that includes managing the portfolio of growing new games, such as smash hits Masketeers and Claw Stars, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo. The Company will become a strategic major shareholder of RightBridge as a result of the Transaction. With this, not only will the Company continue to maintain an indirect equity exposure to ESPL, the Company will also gain access to the Nordic market of esports and videogames through RightBridge. The Nordic region is a bedrock of innovation that has spun out many successful global gaming giants. Global gaming giants that have extensive Nordic ties or origins include Mojang (Minecraft), Supercell (Crash of Clan), Rovio (Angrybird).

26.6 Technical information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in respect of Resolution 13:

- (a) The Company is disposing of the substantial asset to RightBridge Ventures AB.
- (b) RightBridge Ventures AB falls within Listing Rule 10.11.4, being an associate of Fattfish Group Limited (ASX: FFG), a related party and substantial holder of the Company (holding approximately 32.47% of the Company's issued capital).
- (c) The Company is proposing to dispose of its wholly owned Singaporean subsidiary, iCandy Digital Pte Ltd. iCandy Digital Pte Ltd's main asset is its interest in eSports Pte Ltd which owns and manages an eSports tournament and media network called eSports Pro League.
- (d) The consideration to be provided by RightBridge to the Company in consideration for the proposed Transaction will be 17,296,000 fully paid shares in the capital of RightBridge at a deemed issue price of SEK 1.8 (A\$0.28) per share resulting in an aggregate purchase price of SEK 31,132,800 (approximately A\$4,823,424).
- (e) The material terms of the Share Sale agreement are set out in Section 25.4.
- (f) The indicative timetable for completing the Transaction is set out in Section 25.6.
- (g) A voting exclusion statement is included in the Notice in respect of Resolution 11.

- (h) An Independent Expert's Report has been included at Annexure A and comments on the fairness and reasonableness of the Transaction. The Independent Expert has determined the Transaction is fair and reasonable to the non-associated Shareholders.

27. Enquiries

Shareholders are required to contact Ms Jiahui Lan +61 (3) 8611 5353 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

Abelco means Abelco Investments Group AB.

AEST means Australian Eastern Standard Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Broker Mandate has the meaning given to it Section 21.1 .

Broker Options has the meaning given to it in Section 21.1 .

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)* for the purposes of the definition of 'closely related party' in the Corporations Act.

Co-Founding Shareholders Agreement has the meaning given to it in Section 25.1.

Company or **iCandy** means iCandy Interactive Limited (ACN 604 871 7120).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors means the current directors of the Company.

ESPL means eSports Pro League .

ESPL-Co means eSports Pte Ltd.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Fatfish means Fatfish Group Ltd.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a

consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Meeting means the annual general meeting convened by this Notice of Meeting.

Nextgamer has the meaning given to it in Section 24.1.

Nextgamer Agreement has the meaning given to it in Section 24.1.

Nextgamer Consideration Shares has the meaning given to it in Section 24.1.

IDPL means iCandy Digital Pte Ltd.

Independent Expert means Bentleys Corporate Finance (WA) Pty Ltd .

Independent Expert Report means the report on the Transaction completed by the Independent Expert for the purpose of Resolution 7, accompanying this notice as Annexure A.

IPO has the meaning given to it in section 25.4.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Placement has the meaning given to it in Section 19.1.

Placement Options has the meaning given to it in Section 19.1.

Placement Shares has the meaning given to it in Section 19.1.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

RightBridge means RightBridge Ventures AB.

Section means a section of the Explanatory Statement.

SEK means Swedish Kroner.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Sale Agreement has the meaning given to it in Section 25.1.

Transaction has the meaning given to it in section 25.4.

SCHEDULE 1 – Terms and Conditions of Placement Options and Broker Options

1. Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

2. Exercise Price

Subject to item 11 below, the amount payable upon exercise of each Option is \$0.22 (**Exercise Price**).

3. Expiry Date

The Options will expire at 5:00pm (AEST) on 15 December 2022 (**Expiry Date**).

An Option not exercised by the Expiry Date will automatically lapse on the Expiry Date.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. Issue of Shares on exercise

Within 15 business days after the Exercise Date, the Company will:

- (g) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (h) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (i) if admitted to the official list of ASX at the time, subject to any restriction or escrow arrangements imposed by ASX or under the Scheme, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

8. Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

9. Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon exercise of the Options.

10. Reconstruction of capital

In the event of any reconstruction (including consolidation, subdivision, reduction or return of capital) of the issued capital of the Company prior to the expiry date of the Options, all rights of the Option holder will be varied in accordance with the Listing Rules.

11. Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options. However, the Company will give the holders of Options notice of the proposed issue prior to the date for determining entitlements to participate in any such issue.

12. Change in exercise price

There will be no change to the Exercise Price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

13. Adjustment for bonus issues

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the holder would have received if the holder of the Options had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Option Exercise Price.

14. Transferability

The Options are transferable with prior written consent of the Board.

15. Adjustments

Any calculations or adjustments which are required to be made will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.

16. Governing Law

These terms and the rights and obligations of the Option holder are governed by the laws of Western Australia. The Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Annexure A – Independent Expert’s Report



iCandy Interactive Limited

Independent expert's report

Opinion: Fair and Reasonable

22 June 2021



➤ Advisors

➤ Accountants

➤ Auditors

Financial Services Guide

What is a Financial Services Guide?

This Financial Services Guide ('FSG') provides important information to assist you, as a retail client, in making a decision as to your use of the general financial product advice provided by Bentleys Corporate Finance (WA) Pty Ltd ABN 58 627 405 350 Australian Financial Services Licence No: 512495 ('us', 'our', 'we' or 'Bentleys Corporate Finance').

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence;
- how we are remunerated;
- any relevant associations or relationships we have; and
- how complaints are being handled, our dispute resolution process and how you can access them.

Financial services we are licensed to provide

Bentleys Corporate Finance holds an Australian Financial Services Licence which authorises us to provide general financial product advice in relation to securities to retail and wholesale clients. An authorised representative is authorised by Bentleys Corporate Finance to provide general financial product advice on Bentleys Corporate Finance's behalf.

General financial product advice

We have been engaged by iCandy Interactive Limited ('Client') to provide general financial product advice in the form of an independent expert's report ('Report') in relation to the proposed divestment of its 100% owned subsidiary, iCandy Digital Pte Ltd, to RightBridge Ventures AB ('Transaction').

We have been engaged to provide this Report in connection with a financial product of another person/entity. Our Report includes details of the nature and circumstances of our engagement and the identity of the person/entity who has engaged us. Although you have not engaged us directly, a copy of the Report is provided to you as a retail client because of your connection to the Client either as a security holder or for other reasons for which you have been provided a copy of this Report. We are not acting for any person other than the Client.

Our Report contains only general financial product advice. We do not provide personal financial product advice. Accordingly, this advice does not take into account your personal objectives, financial situation or needs. You should consider whether our advice is appropriate for you, having regard to your own personal objectives, financial situation or needs before you act on the general financial product advice contained in our Report.

Remuneration and other benefits for our services

Bentleys Corporate Finance charges fees for preparing reports. These fees are agreed with and paid by the Client. Fees are agreed either on a fixed fee or time cost basis. In this case, we will receive a fee of approximately A\$35,000 (exclusive of GST) for preparing this Report. This fee is not contingent upon the success or otherwise of the proposed transaction.

Other than the fees referred to above, Bentleys Corporate Finance and its directors and officers, representatives, related entities, affiliates or associates will not receive any other fee or benefit in connection with the provision of this Report. Our directors and officers, representatives and employees receive a salary, a performance bonus or profit share depending on their level of seniority.

Referrals

We do not pay commissions or provide other benefits to anyone who refers prospective opportunities or clients to us in connection with this Report.

Information about us and our relationships

Bentleys Corporate Finance is owned by Bentleys (WA) Pty Ltd, a professional firm which is an independent member of the Bentleys network of accountants and business advisers providing corporate finance and advisory, business advisory, accounting and auditing services ('Bentleys Network'). The Bentleys Network is a network of independent accounting firms located throughout Australia, New Zealand and China that trade as 'Bentleys'. All members of the Bentleys Network are affiliated only and are separate legal entities. The members are not in partnership, nor are they part of a worldwide partnership.

The members of the Bentleys Network do not accept responsibility or liability for the actions or inactions of any member firm of the Bentleys Network. This Report has been prepared by Bentleys Corporate Finance and is the responsibility of Bentleys Corporate Finance. The liability of Bentleys Corporate Finance, if any, is limited to the contents of this Report.

Entities of the Bentleys Network may have provided, and may continue to provide, a range of tax, audit and advisory services to the Client and receive fees for those services. Over the past two years, Bentleys Audit & Corporate (WA) Pty Ltd, a related entity of Bentleys Corporate Finance, received fees of approximately A\$87,000 plus GST in audit fees in 2019 and 2020.

Complaints and dispute resolution

If you have any concerns regarding our report or service, please contact us. As a holder of an Australian Financial Services Licence, we are required to have a complaints handling system for persons whom we provide general financial product advice. Our complaints handling process is designed to respond to your concerns promptly and equitably.

Our contact details are:

Complaints Officer
Bentleys WA
PO Box 7775
Cloisters Square WA 6000
Phone: (08) 9226 4500

If you are not satisfied with how we respond to your complaint, you may contact the Australian Financial Complaints Authority ('AFCA'). Bentleys Corporate Finance is a member of AFCA. AFCA is an external dispute resolution scheme that provides an alternative avenue for the investigation of complaints lodged against financial services providers who provide services to retail and small business clients.

The contact details for AFCA are:

GPO Box 3, Melbourne, Victoria, 3001
Phone: 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

22 June 2021

The Directors

iCandy Interactive Limited

Level 4, 91 William Street

Melbourne VIC 3000

Australia

Dear Directors

Independent Expert's Report

Introduction

On 15 February 2021, iCandy Interactive Limited ('iCandy' or 'the Company') announced that it had entered into a conditional Share Sale Agreement to divest its 100% owned subsidiary, iCandy Digital Pte Ltd ('IDPL'), to Sweden-based RightBridge Ventures AB ('RightBridge'), for a consideration of 17,296,000 shares in RightBridge which the Company believes is worth approximately Swedish Kroner ('SEK') 31,132,800 (A\$4,823,424) and an option to purchase 2,178,682 additional RightBridge shares at nominal cost ('Consideration'), bringing iCandy's potential shareholding in RightBridge to approximately 25% ('the Proposed Transaction').

RightBridge, which focuses on investing in esports and gaming companies, is planning for an initial public offering ('IPO') in 2021. It is a 100% owned subsidiary of Abelco Investment Group AB ('Abelco'), which is a subsidiary of Fatfish Group Limited. Fatfish Group Limited is a major shareholder in iCandy through its effective interest through its subsidiaries Fatfish Internet Pte Ltd and Fatfish Medialab Pte Ltd. Therefore, RightBridge is an associate of a substantial (10%+) holder of iCandy and an associate of a related party by virtue of the controlling interest that Fatfish Group Limited holds in the Company.

The Proposed Transaction is deemed as a disposal of a substantial asset to an associate of a related party and substantial holder of the Company and is therefore subject to shareholders' approval under Australian Securities Exchange ('ASX') Listing Rule 10.1 of Chapter 10 'Transactions with persons in a position of influence'.

Bentleys Corporate Finance (WA) Pty Ltd ('us', 'our', 'we' or 'Bentleys Corporate Finance') has prepared an independent expert's report ('this Report') to provide an opinion on whether the Proposed Transaction is fair and reasonable to the non-associated shareholders of iCandy ('Shareholders').

This Report is to be included in the notice of meeting and explanatory memorandum ('Notice of Meeting'), which will be distributed to the shareholders of the Company, to assist the non-associated shareholders of the Company in their decision whether or not to approve the Proposed Transaction.

All dollar amounts are in Australian dollars ('A\$' or '\$' or 'AUD') unless otherwise indicated.

Purpose of this Report

ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor its child entities, acquires or agrees to acquire a substantial asset from, or disposes of or agrees to dispose of a substantial asset to a related party or a substantial holder without obtaining its shareholders' approval, unless any of the exceptions in ASX Listing Rule 10.3 apply. A substantial asset is 5% or more of the equity interests of the Company at the date of the last audited accounts.

The requirement of an independent expert to report on the transaction is stated under ASX Listing Rule 10.5.10. The report provided by the independent expert is required to state the expert's opinion as to whether the transaction is fair and reasonable to holders of the entity's ordinary securities whose votes are not be disregarded.

This Report is prepared pursuant the requirements of ASX Listing Rule 10.1 and in accordance with the guidance of Australian Securities Investments Commission's ('ASIC') Regulatory Guide 111 Content of expert report ('RG 111'), Regulatory Guide 112 Independence of experts ('RG 112') and Regulatory Guide 76 Related party transactions ('RG 76').

Basis of assessment

RG 111 provides guidance to experts on how to draft an expert report that satisfies the requirements of the Corporations Act. Whilst RG 111 focuses on reports prepared for transactions under Chapters 2E, 5, 6 and 6A of the Corporations Act, whether they are required by the Corporations Act or are commissioned voluntarily, the principles may also be relevant to independent expert reports commissioned for other purposes, including independent expert reports required under the ASX Listing Rules.

Paragraphs RG 111.52 to RG 111.63 of RG 111 provide guidance on related party transactions under Chapter 2E of the Corporations Act or for a transaction with a person in a position of influence that requires member approval under ASX Listing Rule 10.

The regulatory guide states that when analysing related party transactions, an expert needs to focus on the substance of the related party transaction rather than the legal mechanism. In analysing a related party transaction, the expert is required to express an opinion on whether the transaction is 'fair and reasonable' from the perspective of non-associated members. This analysis is specifically required where the report is also intended to accompany meeting materials for member approval of an asset acquisition or disposal under ASX Listing Rule 10.1.

RG 111.56 states that, where an expert assesses whether a related party transaction is 'fair and reasonable', this should not be applied as a composite test. There should be a separate assessment of whether the transaction is 'fair' and 'reasonable'.

A proposed related party transaction is 'fair' if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length.

A proposed related party transaction is 'reasonable' if it is 'fair' but it might also be 'reasonable' if, despite being 'not fair', the expert believes there are sufficient reasons for members to vote for the proposal.

Conduct of our assessment

Accordingly, we have assessed the Proposed Transaction as being:

- ‘fair’ if the value of the consideration to be received, is equal to or greater than the value of the asset to be disposed of, being IDPL; and
- ‘reasonable’ if it is fair, or despite not being fair, after considering other significant factors, we believe there are sufficient reasons for Shareholders to approve the Proposed Transaction, in the absence of any alternative offers.

This engagement is conducted in accordance with Accounting Professional & Ethical Standards Board professional standard APES 225 ‘Valuation Services’ (‘APES 225’).

Summary of opinion

In our opinion, the Proposed Transaction is **fair and reasonable** to Shareholders.

Notwithstanding that we provide a summary of our conclusion below, it should be noted that our opinion should be read in conjunction with this Report in its entirety.

Fairness

We assessed the value of the Consideration to be in the range of A\$2.115 million to A\$2.338 million with a midpoint of A\$2.227 million.

We assessed the value of 100% of the shares in IDPL to be in the range of A\$1.534 million to A\$2.145 million with a preferred value of A\$1.828 million.

Since the value of the Consideration is greater than the value of 100% of the shares in IDPL, we conclude that the Proposed Transaction is fair.

Reasonableness

The Proposed Transaction is reasonable because it is fair.

RG 111.12 states that an offer is ‘reasonable’ if it is fair. It might also be ‘reasonable’ if, despite being ‘not fair’, the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the close of the offer.

We summarise the following significant factors which also provide sufficient reasons for Shareholders to approve the Proposed Transaction in the absence of any alternative offers.

- the Proposed Transaction, if completed, will allow iCandy to focus its resources on its current core business including the management of its portfolio of growing new games, such as its smash hits ‘Masketeers’ and ‘Claw Stars’, the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo;
- RightBridge is better positioned to provide Esports Pro League (‘ESPL’) with a more in-depth exposure to a wider portfolio of esports companies via RightBridge’s Nordic network. It is understood that the Nordic region is a foundation of innovation in this industry where many successful global gaming giants have emerged;
- iCandy will become a strategic major shareholder in RightBridge maintaining an indirect equity exposure to ESPL without having to commit resources to developing the market for ESPL themselves. iCandy may also, through the network of RightBridge, gain access to the Nordic market of esports and videogames; and

- there are also plans for RightBridge to seek an initial public offering to have its shares listed on a Swedish stock exchange in the near future, which is likely to provide more liquidity for RightBridge shares in time to come.

The disadvantages of the Proposed Transaction are:

- the Proposed Transaction will result in iCandy (and its shareholders) no longer being the owner of IDPL, meaning that the Company will no longer be able to control the decisions and direction of eSports Pte Ltd ('ESPL-Co') and it will no longer be able to participate directly in the upside growth potential of ESPL-Co;
- Shareholders will, through iCandy, own shares in RightBridge and gain exposure to the esports and gaming market through this channel. As RightBridge is planning to grow and expand its portfolio in the eSport and Gaming industry, its exposure to this market will be greater than just an investment in ESPL-Co. This presents a different risk exposure for iCandy's shareholders and that may no longer fit their investment profiles; and
- whilst there are plans for RightBridge to seek an initial public offering to have its shares listed on a Swedish stock exchange in the near future, which is likely to provide more liquidity for RightBridge shares in time to come, there is no guarantee that the initial public offering will be successful.

Other matters

This Report has been prepared specifically for the non-associated shareholders of the Company, at the request of the directors of the Company, and we consent for this Report to be included in the Notice of Meeting which will be distributed to all shareholders of the Company. Apart from such use, this Report must not be used, whether wholly or in part, nor may any reference to them be included in or with, or attached to any document, statement or letter without our prior written consent which we may provide (conditionally or unconditionally) or withhold at our discretion.

This Report provides only general financial product advice and does not take into consideration the individual circumstances of Shareholders when making their decision whether or not to approve the Proposed Transaction, which is an individual matter. Shareholders should consider the advice in the context of their own circumstances, preferences and risk profiles. Shareholders should consult their own professional advisers (financial advisers and/or tax advisers) when considering these matters and how they relate to their own individual circumstances.

Please refer to the Financial Services Guide provided by Bentleys Corporate Finance, which is included in this Report.

Yours faithfully

BENTLEYS CORPORATE FINANCE (WA) PTY LTD



Evelyn Tan

Director



Chris Nicoloff

Authorised Representative

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1 Background

1.1 The Proposed Transaction

iCandy Interactive Limited ('iCandy', the 'Company') entered into a conditional Share Sale Agreement dated 15 February 2021 ('Share Sale Agreement') as announced to the shareholders on 15 February 2021 to divest its 100% owned subsidiary, iCandy Digital Pte Ltd ('IDPL'), to Sweden-based RightBridge Ventures AB ('RightBridge'), for a consideration of 17,296,000 shares in RightBridge which the Company believes is worth approximately Swedish Kroner ('SEK') 31,132,800 (A\$4,823,424) and an option to purchase 2,178,682 additional RightBridge shares at nominal cost ('Consideration'), bringing iCandy's potential shareholding in RightBridge to approximately 25% ('the Proposed Transaction').

IDPL was incorporated in Singapore in 2009. IDPL has the intellectual property ownership of 26 mobile game titles and owns a 17.04% stake in eSports Pte Ltd ('ESPL-Co') to launch a global esports venture, Esports Pro League ('ESPL'), that it co-founded in October 2019. ESPL is a global grassroots esports tournament network and technology platform with a presence across Asia, Europe and South America.

The Proposed Transaction is subject to the following key conditions precedent:

- satisfactory completion of legal and other due diligence investigations;
- iCandy obtaining all required consents and approvals, including but not limited to the approval from its board of directors and shareholders;
- procured that all assets which are required for use by the Company in connection with the business of the Company have been acquired by the Company and legally and beneficially owned by the Company;
- have sufficient working capital to conduct the business and operations of the Company;
- no outstanding significant amounts or liabilities outstanding or owing by the Company or any other member of the iCandy group of companies;
- each key employee shall have entered into an employment agreement with the Company on terms and in the form acceptable to the purchaser; and
- other conditions typical to most share sale agreements of a similar nature.

Further details of the Proposed Transaction are provided in the Notice of Meeting.

1.2 Rationale for the Proposed Transaction

The rationale for the Proposed Transaction from iCandy's perspective is to focus its resources on its current core business including the management of its portfolio of growing new games, such as its smash hits 'Masketeers' and 'Claw Stars', the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo.

RightBridge is an esports focused investment company and will therefore be better positioned to provide ESPL with a more in-depth exposure to a wider portfolio of esports companies via RightBridge's Nordic network. It is understood that the Nordic region is a foundation of innovation in this industry where many successful global gaming giants have emerged. These include but are not limited to Mojang (Minecraft), Supercell (Clash Royale) and Rovio (Angrybird).

As a result of the Proposed Transaction, iCandy will also become a strategic major shareholder in RightBridge maintaining an indirect equity exposure to ESPL as well as gain access to the Nordic market of esports and videogames through RightBridge.

There are also plans for RightBridge to seek an initial public offering to have its shares listed on a Swedish stock exchange in the near future, which is likely to provide more liquidity for RightBridge shares in time to come.

2 iCandy Interactive Limited

2.1 The business

iCandy Interactive Limited (ASX:ICI) is an Australian publicly traded company, incorporated in 2015, in the business of developing and publishing video-games and digital entertainment globally. 350 million global mobile gamers have played the mobile games run by iCandy.

The Company generates revenue through:

- In-game purchases – players can purchase virtual items or currencies used in the games to improve character levels, speed up the game process and/or enhance playing experience;
- Mobile advertising – revenue through the advertisements of third-party products and services in the games;
- Game merchandise sales – players can purchase game-related or game branded merchandise; and
- Publishing of games – revenue through the publishing of mobile interactive entertainment for multiple mobile operating system platforms.

iCandy acquired a 68% shareholding in Indonesian mobile game development studio, PT Joyseed Berbagi Sukses, in May 2018. PT Joyseed Berbagi Sukses is an award winning game development studio in Jakarta made up of skilled artists and developers.

In November 2020, iCandy entered into a joint venture with Lemon Sky Studios and formed a joint venture company Sky Candy Sdn Bhd, incorporated in Malaysia. Sky Candy Sdn Bhd will develop its own new line of 3D games with AAA visuals and animation.

iCandy has also entered into a new strategic partnership with international game publisher Ohayoo, to exclusively licence and publish iCandy's game Rocky Rampage globally, including in China and has also entered into two separate Game Development & Publishing Agreements with two leading South Korean based game studios, Nanali Inc and MoviGame Co. Ltd.

The Company's business plan is to develop and publish free-to-download and free-to-play ('Freenium') games for smartphones. The Freenium games model has been employed by many global mobile game companies and has been proven to be highly successful in generating revenue.

2.2 History

Key milestones of the Company's history are summarised as follows.

Milestone Date	Brief Description
November 2017	iCandy announced its acquisition of a portfolio of mobile casual games from Animoca Brands (ASX: AB1) for a consideration of \$5 million, with \$1 million to be paid in cash and \$4 million in iCandy shares. A further \$3 million performance fees will be payable in iCandy if the acquired game portfolio meets the performance milestones over the first two years and the proposed transaction is under ASX review and pending shareholder approval.
February 2018	iCandy announced that NITRO and Animoca Brands as well as iCandy entered into a binding term sheet to co-develop and co-invest in a global iOS and Android mobile application based on the Masterchef franchise.
April 2018	iCandy announced the it had started developing a new genre of blockchain and cryptocurrency based web games. The web-based games would be accessible via the web pages but would be powered by the Etheruem blockchain network.

Milestone Date	Brief Description
	iCandy announced that its newly launched mobile game, Light A Way, gained good traction.
May 2018	iCandy signed a binding term sheet to acquire 70% of issued capital in the Indonesian mobile game development studio – PT Joyseed Berhagi Sukses – for \$250,000 and a conditional performance sum of \$100,000 to be paid in iCandy shares.
June 2018	iCandy signed a legally binding term sheet with eSports and blockchain company eSports.com and Fatfish Internet, whereby eSports.com will invest USD\$1 million into iCandy. eSports.com will be investing into iCandy at a premium to the current iCandy share price.
November 2018	iCandy signed a memorandum of understanding with Malaysia Digital Economy Corporation, a Malaysian government-owned agency to provide funding and knowledge sharing as part of its efforts to nurture Malaysian game developers that develop blockchain powered games. In return, Malaysia Digital Economy Corporation would recruit game studios keen to venture into the niche space.
March 2019	<p>iCandy entered into a binding term sheet with UK based Xcademy Ltd, which is building and planning to launch a mobile first online video influencer training and monetization platform. iCandy intended to invest up to US\$200,000 in cash consideration and USD\$100,000 in digital advertising in return for 20% of the enlarged share capital of Xcademy.</p> <p>iCandy entered into a global collaboration and distribution agreement with Emerge Gaming Ltd to jointly build and operate mobile games focussed on Emerge Gaming Ltd's eSports platform.</p>
April 2019	iCandy was advised that eSports.com had been placed into provisional liquidation in Germany. eSports.com was one of the Company's shareholders and business partners.
May 2019	iCandy announced that it had entered into a Game Corporation Agreement with Animoca Brands and Guangzhou Aijuyou Information Technology Co. Ltd, providing for the publishing, localisation and marketing in Mainland China of iCandy's mobile game 'Groove Planet'.
July 2019	<p>iCandy announced the establishment of a dedicated eSports division to engage in the eSports industry. The Company also announced that it was developing four new major game titles in-house.</p> <p>iCandy announced a strategic collaboration agreement with eSports network Meta.us to encourage interactivity and competition amongst iCandy's network of 350 million mobile users.</p> <p>iCandy also announced the termination of Agreement with Xcademy.</p>
October 2019	iCandy announced it had entered into a co-founding shareholder agreement with a consortium of partners to launch a global eSports venture named Esports Pro League.
November 2019	<p>iCandy's investee company eSports Pte Ltd signed two partnership agreements at the major Southeast Asian game industry conference in Malaysia:</p> <ul style="list-style-type: none"> • Media partnership agreement with eGG Network, the largest regional esports TV channel; and • Country franchise agreement with Axis Esports Sdn Bhd. <p>iCandy also entered into two separate Game Development & Publishing Agreements with two leading South Korean based game studios, Nanali Inc and MoviGame Co. Ltd.</p>
January 2020	iCandy terminated its Agreement with Moviegame Co. Ltd.
April 2020	iCandy advised that its investee eSports company, eSports Pte Ltd had entered into a strategic partnership with Paytm First Games, India's leading gaming destinations with the view of expanding eSports Pte Ltd's online eSports tournament platform into India.

Milestone Date	Brief Description
June 2020	iCandy announced that it would issue 30,208,415 new shares to Animoca Brands as settlement for all outstanding consideration for the acquisition of the game portfolio of Animoca Brands. Animoca Brand's shareholding in iCandy, as a result, would increase from 7.9% to 15.5% of total shares.
October 2020	<p>iCandy announced that its anticipated new game Masketeers has been successfully launched in more than 70 countries and available for download via Apple Appstore or Google Play.</p> <p>iCandy also announced the launch of Kingdomtopia: The Idle King on Google Play and the iOS App Store on 8 September 2020.</p> <p>iCandy expanded the presence of ESPL to 12 countries and was set to launch its first international competition, ESPL Amateur Championship 2020 in a few weeks.</p> <p>iCandy announced that its collaboration with Nanali Inc, which gave it global publishing rights of Hellopet House, was now being readied for launch.</p>
November 2020	<p>iCandy announced a binding term sheet with Lemon Sky Studios to set up a new joint venture game studio company which will develop its own new line of game-titles.</p> <p>Hellopet House launched in 65 countries and iCandy has three years exclusive right on Hellopet House globally.</p>
January 2021	<p>iCandy announced the successful sign off of the new joint venture game studio with Lemon Sky Studios and that a joint venture company, Sky Candy Sdn Bhd, has been incorporated in Malaysia.</p> <p>iCandy completes the development of its new game, Claw Stars, and started its early access trial in collaboration with Google Play. This trial is anticipated to run for a period of two to three months.</p> <p>iCandy entered into a new strategic partnership with international game publisher Ohayoo, to exclusively licence and publish iCandy's game Rocky Rampage globally, including in China.</p>
February 2021	<p>iCandy provided an operational review of its new game, Claw Stars, which recorded encouraging early data from the ongoing trial, with Day-7 retention rate 62.5% higher than its recent smash hit, 'Masketeers: Idle Has Fallen', which is one of iCandy's best performing game.</p> <p>iCandy announced that it would sell iCandy Digital Pte Ltd, which holds 26 game titles and a 23% stake in ESPL-Co, for \$4.8 million to Sweden-based RightBridge Ventures AB.</p>
March 2021	iCandy announced that it had entered into an agreement to acquire 100% of Nextgamer (Nextgamer.io), a hyper-casual mobile gaming platform and mobile game developer that offers very short and easy to master games to mobile gamers, for a total consideration of A\$1.29 million. The consideration will be made up of \$900,000 in cash and 3 million iCandy shares at \$0.13 per share. Nextgamer's business model is to generate income through in-game purchase and advertising.
April 2021	iCandy announced the completion of the early access trial for its new game, Claw Stars. Trial results broke new high for iCandy with Day-1 and Day-7 retention reaching up to 46% and 18% respectively. A global launch is set for June 2021 and iCandy is currently accepting pre-orders and pre-registration on Apple App Store and Google Play Store.
May 2021	<p>iCandy announced that pre-orders for its new game Glaw Stars have exceeded 500,000 on Apple App Store and Google Play Store. It is the first game by iCandy that is multi-player driven and the game's high retention rate during the early access trial has exceeded that of Masketeers.</p> <p>iCandy also provided an update on its operations stating that it will be focussing on developing more content and providing more upgrade to Masketeers: Idle Has Fallen. It is also preparing to roll out four new language support for the game to appeal to a wider non-English speaking gamer audience.</p>

Source: ASX announcements

2.3 Directors and management

The board of directors of iCandy are:

- Mr Kin Wai Lau (Executive Director and Chairman)
- Mr Robert Kolodziej (Non-Executive Director)
- Mr Marcus Ungar (Non-Executive Director)
- Mr Christopher Whiteman (Non-Executive Director)

Mr Masahiko Honma (Non-Executive Director) and Mr Lum Piew (Executive Director) resigned on 3 March 2021.

2.4 Shareholders and other security holders

The top twenty shareholders of iCandy as at 9 June 2021 are set out as follows.

Shareholding as at 9 June 2021	Number of shares	% shareholding
Top 20 shareholders		
Fatfish Internet Pte Ltd	187,500,001	32.047%
Animoca Brands Limited	41,008,415	7.009%
Acorn Managed Investments Pty Ltd	22,222,222	3.798%
Bosswat Pty Ltd <D Virgara Family A/C>	16,000,000	2.735%
HSBC Custody Nominees (Australia) Limited	13,528,675	2.312%
Citicorp Nominees Pty Limited	13,151,725	2.248%
Lead Nation Holdings Limited	6,580,000	1.125%
Fatfish Medialab Pte Ltd	5,000,000	0.855%
Mr Steven Baxt	4,925,000	0.842%
Mr Tan Hoang Ho	4,810,718	0.822%
Incubate Fund 1-G Limited Partnership	4,140,056	0.708%
Mr Brice Andrew Hateley	3,158,000	0.540%
Blue Boat Group Limited	2,559,306	0.437%
RAC & JD Brice Superannuation Pty Ltd	2,222,000	0.380%
Bearded Rooster Nominees Pty Ltd	2,100,000	0.359%
Bridgeport Enterprises Pty Ltd	2,000,000	0.342%
Mr Anthony Philip Van Wissen	1,996,912	0.341%
JP Morgan Nominees Australia	1,902,229	0.325%
Rock the Polo Pty Ltd	1,850,000	0.316%
Mr Yu Lu	1,733,392	0.296%
	338,388,651	57.837%
Other shareholders	246,682,603	42.163%
Total issued capital	585,071,254	100.000%
Shareholding concentration		
Top 5 shareholders	280,259,313	47.90%
Top 10 shareholders	314,726,756	53.79%
Directors' direct or indirect interests		
Mr Kin Wai Lau (held in Fatfish Internet Pte Ltd and Fatfish Medialab Pte Ltd ¹)	192,500,001	32.90%
Mr Christopher Whiteman (held in Animoca Brands Limited ²)	41,008,415	7.01%
Mr Robert Kolodziej	250,000	0.04%

¹ subsidiaries of Fatfish Group Limited of which Mr Kin Wai Lau is a director

² subsidiary of Animoca Brands Corporation Limited of which Mr Whiteman is a Non-Executive Director

Source: Company's share register

Other securities issued by iCandy are set out as follows.

Other securities as at 9 June 2021				
	Number of holders	Exercise price	Number of options	Cash raised on conversion
Listed options				
Listed options @ \$0.22 Expiry 15-Dec-2022	78	\$0.22	45,532,143	\$ -
Listed options @ \$0.25 Expiry 31-Dec-2022	57	\$0.25	40,602,150	-
	135		86,134,293	-
Unlisted securities				
Broker options @ \$0.08 Expiry 14-Jun-2021		\$0.08	6,851,050	-
Employee stock options @ \$0.06 Expiry 22-Jul-2022		\$0.06	216,666	13,000
Unlisted options @ \$0.05 Expiry 31-Dec-2022		\$0.05	26,444,444	1,322,222
Performance rights with 18, 30 and 36 months vesting periods		-	1,160,000	-
Performance options with 18, 30 and 36 months vesting periods		-	2,400,000	-
Employee stock options @ \$0.13 Expiry 31-Mar-2025		\$0.13	250,002	-
			37,322,162	1,335,222

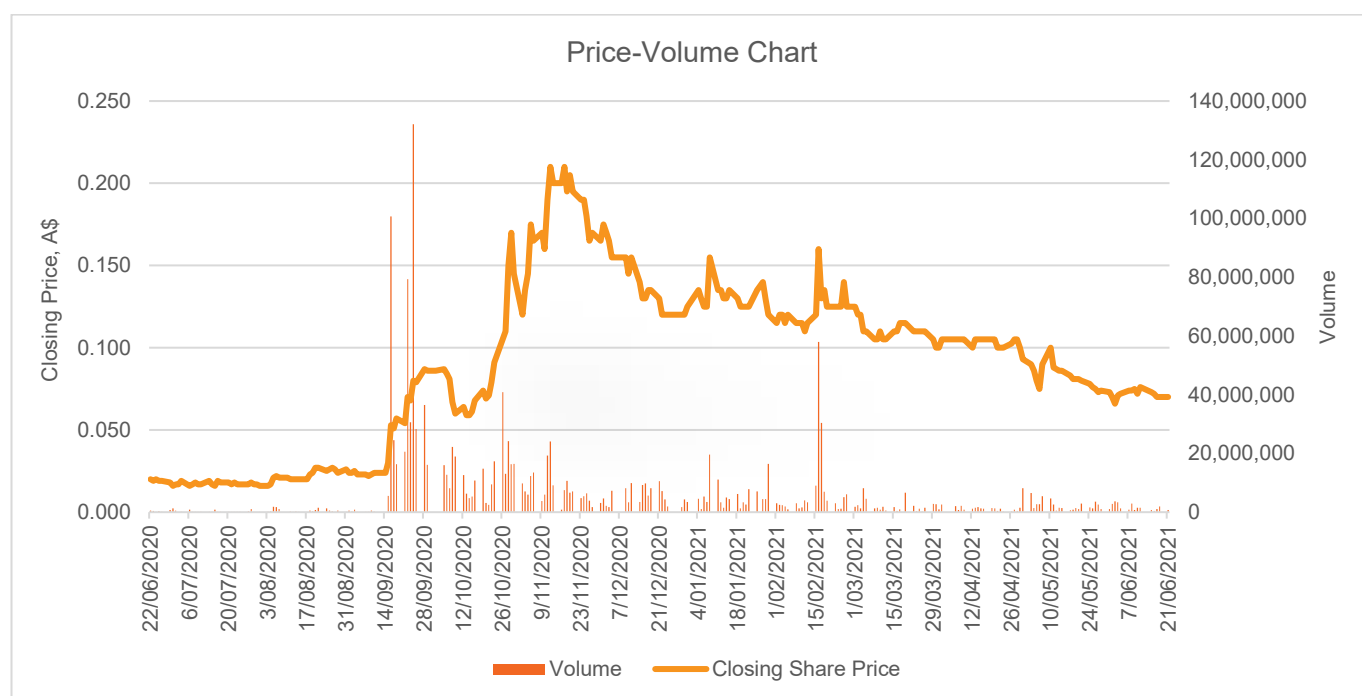
Source: Company's other securities register

If all of the above unlisted and listed options are exercised, the Company is expected to receive approximately \$22.1 million in cash. On a fully diluted basis (where all of the options are exercised), notwithstanding that they are out-of-the-money, the number of shares in the Company will increase by 123,456,455 to 708,527,709.

However, based on the current share price of iCandy, only three of the above option issues are in-the-money. If only in-the-money options are exercised, the cash raised by the Company would be approximately \$1.34 million and the number of shares in the Company will increase by 26,661,110 to 611,732,364.

2.5 Share price information

The historical share price movements and trading volumes for iCandy for the 12-month period up to the approximate date of this Report, or 21 June 2021, are shown in the graph below.



Source: ASX, Capital IQ

An analysis of the trading activity of the Company's shares for the 12-month period up to the approximate date of this Report, or 21 June 2021, is summarised in the table as follows.

Period	Volume weighted average price (VWAP)	Average number of shares outstanding (million)	Total shares traded over the period (million)	% of shares outstanding	% traded per week
1 week	\$0.0706	585.071	4.929	0.84%	0.84%
1 month	\$0.0723	584.995	34.943	5.97%	1.49%
2 months	\$0.0822	584.435	83.788	14.34%	1.59%
3 months	\$0.0883	583.090	113.949	19.54%	1.50%
6 months	\$0.1211	573.270	433.222	75.57%	2.91%
12 months	\$0.1058	496.298	1474.767	297.15%	5.71%

Source: Capital IQ, Bentleys Corporate Finance's analysis

From our analysis in the table above, we note that the percentage of the Company's shares traded per week varied over different periods. However, the percentage of shares traded per week over most of the periods was over 1% per week, and on this basis, we can reasonably consider that iCandy's share is a liquid stock.

We note that the top five shareholders hold approximately 47.9% of the total issued capital and the top 20 shareholders hold 57.8% of the total issued capital. A relatively low shareholder concentration and a large portion of iCandy shares being held by minority shareholders could also contribute to the liquidity of this stock.

2.6 Financial information

2.6.1 Statement of profit or loss and other comprehensive income

The table below summarises the historical audited statements of profit or loss and other comprehensive income (also referred to as 'income statement' or 'P&L') of iCandy and its subsidiaries ('the Group') for the financial years ('FY') ended 31 December 2018 ('FY18'), 31 December 2019 ('FY19') and 31 December 2020 ('FY20').

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Financial year ended 31-Dec-18 A\$	Financial year ended 31-Dec-19 A\$	Financial year ended 31-Dec-20 A\$
Revenue			
Revenue from continuing operations	2,815,704	2,237,230	3,592,855
Other Income	160,425	247,680	510,681
Cost of Sales	(1,507,858)	(1,805,479)	(1,476,277)
	1,468,271	679,431	2,627,259
Expenses			
Marketing expenses	(33,968)	(17,458)	(32,019)
Audit fees	(60,594)	(56,680)	(50,084)
Provision for doubtful debts	(2,759)	(6,183)	-
Legal and Professional fees	(224,342)	(247,390)	(270,140)
Share based payments	(457,457)	(111,625)	-
Occupancy expenses	(82,139)	(16,769)	(17,685)
Employee benefits expenses	(619,208)	(882,080)	(609,741)
Depreciation and amortisation expense	(1,100,703)	(1,090,949)	(1,067,993)
Impairment expense	(1,143,465)	(180,000)	(353,026)
Interest expense	-	(6,001)	-
Computer expense	(618)	(1,113)	(25,395)
Other expenses	(188,097)	(149,621)	(351,845)
Travel expenses	(30,898)	(48,250)	(4,228)

Consolidated Statement of Profit or Loss and Other Comprehensive Income	Financial year ended 31-Dec-18 A\$	Financial year ended 31-Dec-19 A\$	Financial year ended 31-Dec-20 A\$
Unrealised movement in fair value of intangibles	(1,004,304)	(94,621)	133,467
Share of net profits of associates and joint ventures	-	(82,756)	(22,616)
Loss before income tax	(3,480,281)	(2,312,065)	(44,046)
Tax expense / (benefit)	34,876	(10,970)	(2,224)
Loss for the year attributable to members of the company	(3,445,405)	(2,323,035)	(46,270)
Other Comprehensive Income:			
Exchange difference on translating foreign operations net of tax	15,537	120,353	(340,764)
Total Other Comprehensive Income for the year	(3,429,868)	(2,202,682)	(387,034)

Source: iCandy's audited financial statements for the years ended 31 December 2018, 31 December 2019 and 31 December 2020

We note the following in relation to the income statement of the iCandy group:

- Revenue grew 61% in FY20 from FY19 due to the successful launch of iCandy's game, 'Masketeers: Idle Has Fallen' in October 2020. Revenue of \$1 million was recorded in two months since the game's release.
- This contributed to the Group recording its first ever positive earnings before interest, tax, depreciation and amortisation ('EBITDA') of \$1.377 million in FY20.
- The Group plans to undertake various initiatives to continue to further drive revenue in the next financial year through the release of its new game 'Claw Stars' (which have demonstrated promising early trial results so far), expanding the distribution channels of iCandy's mobile games through its partnership with Ohayoo and joint venturing with global game animation and art studio, Lemon Sky Studios, to create three dimensional games with triple A visuals and animations.
- Impairment expenses are largely due to impairment of goodwill of its PT Joyseed Berhagi Sukses acquisition (\$283,862), impairment expenses recognised in IDPL (\$45,782) and other impairment expenses in iCandy.
- Unrealised movement in fair value of intangibles relate mostly to the revaluation of digital currencies which are measured at fair value by reference to the quoted price in an active digital currency market; and share of net profits of associates and joint ventures relate to IDPL's 17.04% investment in ESPL-Co.

2.6.2 Statement of financial position

The table below summaries the historical audited statements of financial position (also referred to as 'balance sheet') of iCandy as at 31 December 2018, 31 December 2019 and 31 December 2020.

Consolidated Statement of Financial Position	As at 31-Dec-18 A\$	As at 31-Dec-19 A\$	As at 31-Dec-20 A\$
Current assets			
Cash and cash equivalents	359,888	414,229	11,826,228
Trade and other receivables	159,777	352,513	1,454,978
Other financial assets	1,421,012	1,415,336	1,248,758
Other assets	8,070	70,817	228,424
Total Current Assets	1,948,747	2,252,895	14,758,388
Non-current assets			
Property, plant and equipment	115,217	124,273	112,518
Intangible assets	2,632,292	1,747,035	2,677,469
Investments accounted for using the equity method	-	22,806	-

Consolidated Statement of Financial Position	As at 31-Dec-18 A\$	As at 31-Dec-19 A\$	As at 31-Dec-20 A\$
Right-of-use assets	-	49,933	200,979
Total non-current assets	2,747,509	1,944,047	2,990,966
Total assets	4,696,256	4,196,942	17,749,354
Current liabilities			
Trade and other payables	929,822	1,009,471	1,609,160
Other financial liabilities	790,118	53,219	88,173
Lease liabilities	-	742,905	480,790
Current tax liabilities	1,528	1,539	-
Total current liabilities	1,721,468	1,807,134	2,178,123
Non-Current liabilities			
Deferred tax liabilities	8,816	7,937	3,342
Lease liabilities	-	-	113,792
Total Non-Current Liabilities	8,816	7,937	117,134
Total liabilities	1,730,284	1,815,071	2,295,257
Net assets	2,965,972	2,381,871	15,454,097
Equity			
Issued Capital	29,201,668	30,306,207	42,700,446
Reserves	(19,890,013)	(19,226,026)	(18,531,180)
Retained earnings	(6,345,683)	(8,572,973)	(8,852,411)
Equity attributable to owners of the parent entity	2,965,972	2,507,208	15,316,855
Non-controlling interest	-	(125,337)	137,242
Total Equity	2,965,972	2,381,871	15,454,097

Source: iCandy's audited financial statements for the years ended 31 December 2018, 31 December 2019 and 31 December 2020.

We note the following in relation to the statement of financial position of the iCandy group:

- Cash and cash equivalents as at 31 December 2020 increased as a result of cash inflows from the issue of new shares and the exercise of options, raising a total of \$13.5 million net of capital raising costs. Including 30,534,804 shares issued as consideration for acquisitions and another 1,833,333 shares issued to brokers as settlement of capital raising fees, a total of 210,123,205 new shares were issued in FY20.
- Intangible assets include the Group's games portfolio, computer software, research and development as well as cryptocurrency which are amortised and assessed for impairment losses each year.
- Right-of-use assets was recognised on 1 July 2019 on adoption of Australian Accounting Standards Board ('AASB') 16 to recognise lease liabilities in relation to leases which had previously been classified as operating leases under the principles of AASB 117. Lease liabilities were also correspondingly recognised.
- As a result of the Group's capital raising activities in FY20 which had increased cash and cash equivalents significantly in that financial year, total equity increased to \$15.454 million as at 31 December 2020.

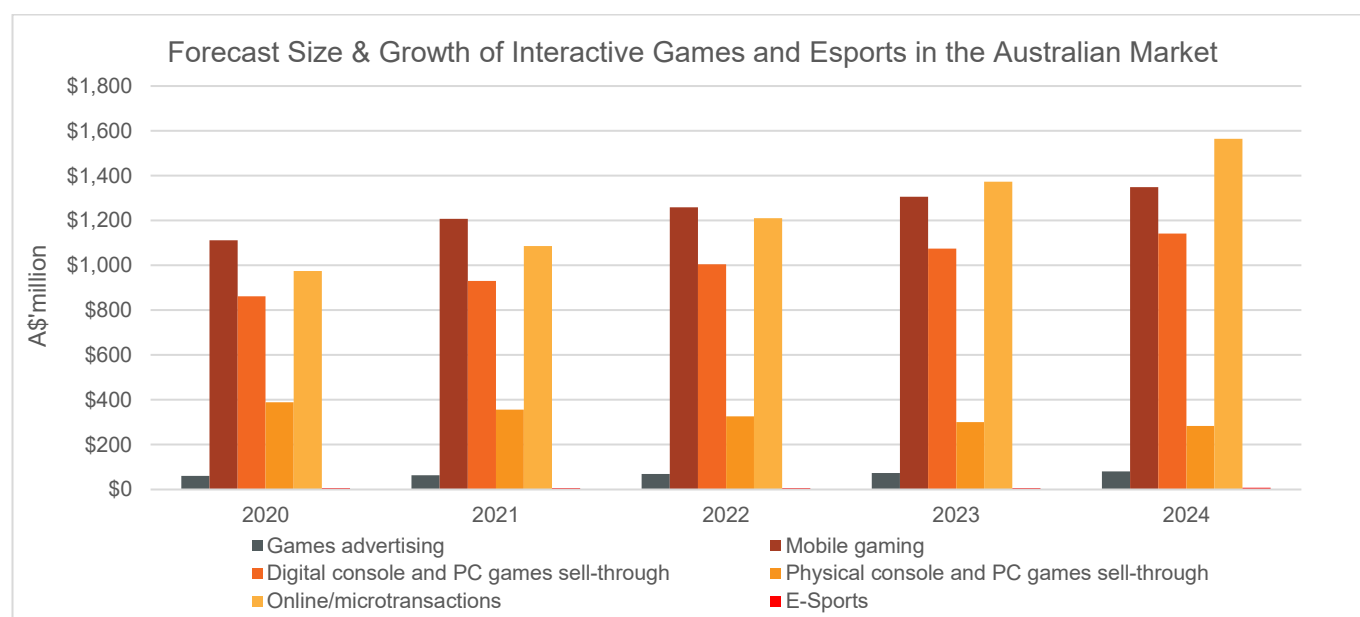
2.7 Industry sector

The worldwide games industry is the largest entertainment business in the world, generating more income than either film or music, with the global games market generating over US\$150 billion in annual sales in 2019. During the COVID-19 lockdown period, interactive games and esports provided a form of alternate entertainment globally. The interactive and mobile gaming sales industry is in the growth stage of its life cycle and the industry's contribution to the wider economy is projected to grow at an annualized 4.1% over the ten years through 2025-26 compared to the overall economy with real GDP expected to grow at an annualized 1.8% over the same period. Growth of the interactive games and esports market will be driven by ongoing product innovation and accessibility.

The expected growth in digital purchases of video games over the next five years is to increase due to the faster internet speeds and the increasing accessibility of online shopping channels. The completed rollout of NBN is anticipated to increase average internet speeds enhancing the industry's scope for growth. However, the online gaming industry will continue to face strong competition from the mobile gaming industry. The rollout of 5G mobile technology will provide higher speeds, offering a smoother and more consistent mobile gaming experience.

Console games have traditionally been the cornerstone of the video games market in Australia with the console market dependent on regular hardware updates to deliver higher-quality experiences and maintain consumer interest. The largest recent hardware launch was of the Nintendo Switch, which has reignited interest in the portable console market in the face of the growth of smartphone-based games. Sony and Microsoft have also continued to upgrade their existing home consoles further, including the launch of the next generation consoles, PlayStation 5 and Xbox Series S and X respectively. The release of these consoles during the pandemic period is also anticipated to be a significant driver for industry revenue growth.

While the console games market has continued to grow through the introduction of new consoles, app-based mobile games have been a significant growth driver in this market in recent years. This growth is fuelled through in-game microtransactions revenue, which is forecast to grow to \$1.565 billion in 2024. Australia's total esports revenue was comparable to other mid-tier markets such as Mexico, Spain and Brazil in 2019. However, the future growth in the Australian market is expected to be at a slower rate compared to these other similar sized markets. Nevertheless, this sector is still expected to reach \$8 million by 2024. Forecast size and growth of the interactive games and esports market in Australia is shown in the chart below.



Source: PwC 'Total Interactive Games and Esports Market' data, Bentleys Corporate Finance's analysis

Source: PwC Australian Entertainment and Media Outlook 2020 (Interactive games & esports section), IBISWorld 'Online Video Game Sales in Australia November 2020'

3 iCandy Digital Pte Ltd

3.1 The business

Wholly owned by iCandy, IDPL was incorporated in Singapore in 2009. IDPL has the intellectual property ownership of 26 mobile game titles developed on the iOS and Android platforms and owns a 17.04% stake in ESPL-Co to launch a global esports venture, ESPL, that it co-founded in October 2019 with a consortium of partners. ESPL is a global grassroots esports tournament network and technology platform with a presence across Asia, Europe and South America.

iCandy had invested an initial sum of Singapore Dollars ('S\$' or 'SGD') 100,000 (approximately AUD\$110,000) for a 42.55% founding interest in ESPL-Co. IDPL's shareholding in ESPL-Co was subsequently diluted to 23% following a pre-seed funding round pursuant to which ESPL-Co raised S\$2,200,000 (approximately AUD\$2,400,000) and further diluted to 17.04% following another round of capital raising by ESPL-Co in April 2021.

3.2 Intellectual property ownership

The intellectual property, in the form of publication rights, owned by IDPL is summarised in the table below.

Type	Application name	Application store	Application status
1 IP and publishing	Happy Pitch Monsters	Google Play	Published
2 IP and publishing	Calendar 2012	Google Play	Published
3 IP and publishing	Candy Café	Google Play	Removed
4 IP and publishing	Fashion Girl Power	Google Play	Published
5 IP and publishing	Friends Plus	Google Play	Removed
6 IP and publishing	Judi Knight	Google Play	Unpublished
7 IP and publishing	Lucky Fortune Cat	Google Play	Published
8 IP and publishing	Maneki-neko	Google Play	Published
9 IP and publishing	Mermaid Café	Google Play	Removed
10 IP and publishing	Party Guess	Google Play	Removed
11 IP and publishing	Perfect Match Dating	Google Play	Published
12 IP and publishing	Princess Story Maker	Google Play	Published
13 IP and publishing	Runway Girl	Google Play	Removed
14 IP and publishing	Runway Girl Seasons	Google Play	Removed
15 IP and publishing	Seven Dwarfs Café	Google Play	Removed
16 IP and publishing	Slot Poker	Google Play	Removed
17 IP and publishing	Snap Fanfic – Chat Stories	Google Play	Published
18 IP and publishing	Snap Shakespeare	Google Play	Published
19 IP and publishing	Snow White Café	Google Play	Removed
20 IP and publishing	Superhero Calculator	Google Play	Published
21 IP and publishing	Superstar Fashion Girl	Google Play	Published
22 IP and publishing	The Perfect Date	Google Play	Published
23 IP and publishing	Top Celebrity: 3D Fashion Game	Google Play	Removed
24 IP and publishing	Top Models: Sports Edition	Google Play	Removed
25 IP and publishing	Unit Converter	Google Play	Published
26 IP and publishing	Winter Wonderland	Google Play	Removed

Source: Share Sale Agreement

3.3 ESPL-Co (17.04% shareholding)

ESPL was launched in late 2019 with an expanded presence to 12 countries over four regions globally (Southeast Asia, South Asia, Europe and South America). ESPL hosted 136 tournaments in 2020 allowing more than 20,000 esports teams to register and participate in more than 19,000 esports matches across Indonesia, Malaysia, Singapore, India, Bangladesh, Pakistan, Turkey, Colombia, Ecuador, Mexico, Panama and Peru. A user reach and web impressions of 11.4 million and 23.5 million people respectively was achieved. ESPL plans to continue its mission to further expand its reach and capabilities and will continue to provide support to attract more esports players and enthusiasts to join its platform.

3.4 Financial information

3.4.1 Statement of financial performance

The table below summarises the historical unaudited statements of profit or loss and other comprehensive income (also referred to as 'income statement' or 'P&L') of IDPL for the financial years ended 31 December 2018 ('FY18'), 31 December 2019 ('FY19') and 31 December 2020 ('FY20').

Statement of Profit or Loss and Other Comprehensive Income	Financial year ended 31-Dec-18 A\$	Financial year ended 31-Dec-19 A\$	Financial year ended 31-Dec-20 A\$
Revenue			
Sales revenue	9,264	3,498	3,801
Other income	-	-	915,843
Cost of sales	(459)	(145,746)	(3,407)
	8,805	(142,248)	916,237
Expenses			
Audit, legal and professional fees	(29,258)	(1,529)	(6,305)
Employee benefits expense	(36,067)	(71,309)	(66,681)
Depreciation and amortisation expense	(371,023)	(394,573)	(300,819)
Impairment expense	-	48,504	(45,782)
Other expenses	(4,437)	(36,129)	(10,939)
Unrealised movement in fair value of intangibles	(203,585)	43,639	53,101
Share of net profits of associates and joint ventures	-	(82,755)	(22,616)
Profit/(Loss) before income tax	(635,565)	(636,400)	516,196
Income tax expenses	-	-	-
Profit/(Loss) after income tax	(635,565)	(636,400)	516,196

Source: iCandy's audited financial statements and consolidation workbook for the years ended 31 December 2018, 31 December 2019 and 31 December 2020.

We note the following in relation to the statement of financial performance of IDPL:

- IDPL generates minimal revenue from its smart phone and mobile game sales and the company expects these sales to continue to decline as there has been no refreshing of games under its 26 mobile game titles. As observed from section 3.2, a number of mobile game titles have been removed. Only 13 mobile game titles remain published.
- Other income in FY20 is a one-off recognition of income from the novation of loans within the group to its parent company, iCandy.
- Unrealised movement in fair value of intangibles relate largely to foreign exchange movements.
- Share of net profits of associates and joint ventures relate to IDPL's investment in ESPL, which had generated losses in FY19 and FY20.

- Due to the extraordinary income recognised from the novation of loans, IDPL recorded a net profit after income tax, without which, IDPL would have generated a net loss of almost \$0.4 million.

3.4.2 Statement of financial position

The table below summaries the historical unaudited statements of financial position (also referred to as 'balance sheet') of IDPL as at 31 December 2018, 31 December 2019 and 31 December 2020.

Consolidated Statement of Financial Position	As at 31-Dec-18 A\$	As at 31-Dec-19 A\$	As at 31-Dec-20 A\$
Current assets			
Cash and cash equivalents	5,748	2,456	3,739
Trade and other receivables	-	-	403
Total current assets	5,748	2,456	4,142
Non-current assets			
Investment - eSports Pte Ltd	-	22,806	-
Property, plant and equipment	507	235	-
Intangible assets	961,000	576,650	253,336
Total non-current assets	961,507	599,691	253,336
Total assets	967,254	602,148	257,478
Current liabilities			
Trade and other payables	7,277	45,500	89,639
Other liabilities	43,587	63,573	84,802
Total current liabilities	50,863	109,073	174,441
Non-current liabilities			
Borrowings	3,751,702	4,026,628	51,336
Total non current liabilities	3,751,702	4,026,628	51,336
Total liabilities	3,802,565	4,135,700	225,776
Net assets	(2,835,311)	(3,533,553)	31,701
Equity			
Issued capital	4,873	4,873	2,830,546
Reserves	(186,004)	(247,846)	(24,462)
Retained earnings	(2,654,179)	(3,290,579)	(2,774,383)
Total equity	(2,835,311)	(3,533,553)	31,701

Source: iCandy's audited financial statements and consolidation workbook for the years ended 31 December 2018, 31 December 2019 and 31 December 2020.

We note the following in relation to the statement of financial position of IDPL:

- Investment in eSports Pte Ltd relate to IDPL's investment in the entity whose primary asset is the ESPL platform. eSports Pte Ltd, or ESPL-Co, generated minimal revenue in FY20 and this investment was written down to nil as at 31 December 2020.
- Intangible assets relate to software supporting the 26 mobile game titles held by IDPL. This is amortised annually and the balance stood at \$253,336 as at 31 December 2020.
- Borrowings decreased substantially as at 31 December 2020 mostly due to the novation of loans from within the group to its parent company, iCandy.
- Part of the novation of loans to iCandy contributed to the increase in issued capital between 31 December 2019 and 31 December 2020.

3.5 Industry sector

Electronics sports (esports) comprise competitive leagues and tournaments organised for video game players, imitating the experience of viewing a professional sports event, where audiences watch video gamers compete against each other. Esports has gained widespread popularity and an explosion in growth because of the social component of live streaming and gaming. Driving factors such as increasing popularity of video games and growing awareness of esports have also fuelled the growth of the esports market. Video gaming-specific streaming platforms like Twitch and YouTube Gaming give fans a direct connection to the players and teams, while certain esports organisations, like FaZe Clan, are also moving aggressively into areas like merchandise, expanding their brand exposure to a greater audience than if they had stuck to esports alone.

In Australia, the closure of sporting venues and interruptions of major sporting competitions across the world due to the COVID-19 pandemic starved passionate live sport audiences of their regular sporting fix, which led to many sports streaming them online for audiences to watch early in the crisis. The COVID-19 pandemic introduced new audiences to esports with the introduction of new esports events.

Globally, total esports viewership is expected to grow at a 9% compound annual growth rate between 2019 and 2023, up from 454 million in 2019 to 646 million in 2023. The overall esports market is expected to grow from US\$694.2 million in 2017 to US\$2,174.8 million by 2023. As a result, the industry has seen a huge uptick in investment from venture capitalists, and more recently from private equity firms with a report from Deloitte identifying investments up to \$4.5 billion in 2018 from \$490 million the year before.

Major revenue streams for esports include:

Media rights

Media rights is currently the fastest growing revenue generator for the esports market due to the successful monetisation of rights through the network of partners and distributors. Media organisations pay huge sums of money to win exclusive broadcasting rights for the live streaming of top sporting events, resulting in the sale of broadcasting and media rights being the largest source of revenue for most of the esports organisers in recent times. The revenue generated is used in developing esports at the grassroots level, financing major sporting events and renovating stadiums among other things.

Tickets and merchandise

Ticket sales account for a small percentage of the overall revenue of the esports market given the audience size for the events organised every year rarely exceeds 10,000 per event and many esports fans may not always be willing to travel or pay to watch games played live, especially when they are available to watch for free on Twitch and YouTube. However, increasing construction of esports stadiums around the world is expected to attract larger audience and fuel the growth of ticket sales and merchandising overall.

Sponsorships and direct advertisements

Sponsorship and direct advertisement offer various opportunities to the brand owners to reach the game fans in an event directly. They offer a significant long-term engaging opportunity for esports organisers with their fans. On ground sponsoring such as booths, video displays, posters, freebies and interactive advertising is cheaper than an online advertisement, and tends to be influential, especially for companies offering products and services directly related to gaming. As awareness about esports increases around the world, the industry is likely to continue seeing growth in revenue through sponsorship and advertisements.

Publisher fees

Publishers collaborate with esports organisers to help them organise leagues and events around their franchises, enhancing the core value of the intellectual property of esports, while giving publishers an opportunity for revenue share, application programming interface fees, and strategic investments.

Source: Esports Ecosystem Report 2021: The key industry companies and trends growing the esports market which is on track to surpass \$1.5B by 2023, Markets and Markets - Esports Market by Revenue Stream

4 RightBridge Ventures AB

4.1 The company

RightBridge is an investment company based in Östermalm, Stockholm County, Sweden. It is dedicated to investing in companies that shape the future of esports and gaming as part of the digital entertainment industry. RightBridge operates as a subsidiary of Abelco and leverages on the experience of Abelco in working with entrepreneurs to scale up their business into global brands in the growing eSport and Gaming industry. It aims to open up investment opportunities to the wider investor community previously reserved to venture capitalists while offering the safeguards of a listed company.

The business model of RightBridge is to acquire an anchoring stake in companies, to create value by supporting the development of their businesses and then make the investment visible for public capital markets. RightBridge invest in scale up companies that have the potential to shape the eSport and Gaming value chain as part of the growing digital entertainment consumer trend, and does so by exploiting synergies among their portfolio companies and providing access to financing and capital.

On 7 April 2021, RightBridge announced its successful private placement of almost SEK 55 million, which was subscribed by several institutional investors including Modelio (www.modelioequity.com), Abelco Investment Group (www.abelco.se) and FatFish Internet Group (www.fatfish.co). The placement has also been subscribed by RightBridge's board independent directors as well as its management.

The proceeds will be used to carry out further investments, as well as to initiate the process of listing of RightBridge in a major Scandinavian listing location possibly in the current calendar year, 2021.

Once IDPL is acquired, RightBridge's portfolio will include tournament and media platforms ESPL (www.espl.gg) and Epulze (www.epulze.com), 26 casual games, as well as pro-esport organisation Lilmix (www.lilmix.gg). RightBridge has also announced collaboration with Scout Gaming Group AB (www.scoutgaminggroup.com) and Non-Violence Project Foundation (www.nonviolenceproject.com).

A brief description of RightBridge's key current investments and alliances is as follows.

Esports Pulze AB

RightBridge announced on 7 April 2021 that it had acquired a 10.7% stake in leading global esport platform Esports Pulze AB ('Epulze'). Epulze was founded in 2015 by brothers Mattias, Markus and Pontus Lövgren in Örebro, Sweden and the company is headquartered in Örebro (Sweden). Epulze has a subsidiary in Kuala Lumpur (Malaysia), office in Singapore, as well as regional teams in Kiev (Ukraine) and São Paulo (Brazil).

Epulze, which has a focus on leading PC-based titles, strives to be a springboard for amateurs trying to make it in the world of professional esports while also giving the everyday gamer a place to compete in a fun and friendly environment. Epulze's multi-national community includes grassroots enthusiasts winning and earning their way up to the big leagues, to the hardcore professionals, streamers, and companies that all share the common love for esports and its fantastic communities.

The Epulze platform has up to date more than 400,000 registered users, hosted over 1,000,000 matches and held over 53,000 tournaments, only on its first game, Dota 2. Epulze is rapidly expanding the platform by adding new games. Epulze expects that three out of the top five largest esports games will be available on the platform by end of the calendar year, 2021. Counter-Strike: Global Offensive (CS:GO) was beta-launched in December 2020, with a full roll-out in February 2021.

Lilmix Esports AB

On 12 March 2021, RightBridge announced its investment in Lilmix Esports AB ('Lilmix'), an esport organisation founded in 2018. The idea, for the founders of Lilmix, started as a fun 'thing' to participate in the Swedish Elitserien, the highest Counter Strike: Global Offensive league in Sweden. However, as fans and supporters increased at a

fast pace, Lilmix's esports grew quickly and gained sponsors and partners in different ways. With the help of their successful teams, live streamers and active social media, Lilmix was formed.

Lilmix's vision is to build up a brand around the different teams playing for them. When playing for Lilmix, you are not only participating as a team, you are a part of a family and included in #Lilfam, surrounded by Lilmix fans. The 'family' builds up a familiar and inclusion feeling when playing for them when competing in tournaments. Lilmix strives for a friendly and fun play style, against all forms of bullying and exclusion.

Lilmix has played over 230 official matches during 2020, winning over 65% of them.

Lilmix has become one of the best Counter Strike Global Offensive (CS:GO) teams in the Nordics with top pole positions in elite leagues. Lilmix is rapidly claiming elite positions in the world ranking. According to HLTVs world ranking (www.hltv.org), Lilmix is among top 50 best CS:GO teams in the world. Lilmix is not only climbing in the professional esports ranks and attracting thousands of fans (above 16 000 average peak viewers across the 55 matches recorded by esports charts – www.escharts.com).

Exclusive franchise licence to ESPL in the Nordics

On 25 February 2021, RightBridge announced the acquisition of ESPL's tournament and media platform exclusive rights for the Nordic countries (Sweden, Denmark, Finland, Norway) – ESPL Nordics. The ESPL platform promotes grassroots gaming in their path to professionalism. As part of its media offering, ESPL connects gamers and fans with value adding brands. As such, ESPL Nordics will offer matchmaking and tournaments with titles such as PUBG, Call of Duty Mobile, Valorant, League of Legends, accelerating brand equity development and activation for brands wishing to tap the growth of esports and gaming.

ESPL Nordics will be part of ESPL's global network of amateur online esports tournaments. With ESPL Nordics, ESPL has a global footprint across 16 countries, covering Asia, Europe, and the Americas.

Scout Gaming Group

On 25 February 2021, RightBridge announced that it is in negotiations with Scout Gaming Group AB ('Scout Gaming') to establish an esports fantasy league that leverages RightBridge's portfolio of investments and Scout Gaming's leadership in fantasy sports data analytics. We understand that Scout Gaming is recognised as the best fantasy sports provider in the Nordics, and one of the leading ones in the world. Esports Fantasy leagues are catalyst of data analytics, monetisation and brand exposure.

Scout Gaming Group is a licensed and regulated provider of B2B Daily Fantasy Sports and betting. The company offers a flexible and customizable network based Fantasy Sports solution with support for most sports and leagues through an in-house StatCenter which also provides real-time information to players. Local sports can be provided on request. The Group has approximately 80+ staff and is headquartered in Stockholm, Sweden with development and operations in Bergen, Norway and Lviv, Ukraine. Scout Gaming is listed at Stockholm Nasdaq First North.

Non-Violence Project Foundation

On 25 February 2021, RightBridge announced that it has joined forces with Non-Violence Project Foundation ("NVPF") to make esports and gaming a safer place through the 'KNOT OK' initiative. This is in response to statistics known to RightBridge that 68% of players have experienced severe harassment while playing games online, which includes physical threats, stalking and sustained harassment, while 81% of online multiplayer gamers have experienced some form of harassment.

NVPF, founded in 1993, is a Swiss based non-profit foundation promoting social change through education. NVPF has worked for more than 27 years, in 30 countries, inspiring, motivating and engaging youth to understand how to solve conflicts peacefully. NVPF has educated and training more than 9 million young people, students, teachers and sports coaches in topics such as conflict management, harassment, racism and bullying.

'KNOT OK' initiative intends to provide young people with references, tools and discussion spaces that empower them against toxic behaviours. The goal of the partnership is to empower young people, with special focus on female gamers and esports fans, to manage toxic behaviour in esports and gaming platforms.

4.2 Financial position

The statement of financial position of RightBridge as at 31 March 2021 is as follows. The values in Swedish Kroner, SEK, were converted to Australian Dollars, AUD, at the AUD/SEK exchange rate on 31 March 2021.

Statement of Financial Position	As at 31-Mar-21 SEK	As at 31-Mar-21 A\$
Current assets		
Cash and cash equivalents	53,716	8,092
Receivables	4,093	617
Total current assets	57,809	8,709
Non-current assets		
Shares in 1337 Esports AB	25,000	3,766
Shares in Lilmix Esports AB	1,250	188
Total non-current assets	26,250	3,954
Total assets	84,059	12,663
Current liabilities		
Accounts payable	3,490	526
Tax liabilities	41,623	6,270
Liabilities to Abelco Investment Group AB	800,000	120,518
Liabilities to Lilmix AB	1,250	188
Liabilities to FIPL	4,265	643
Other liabilities	169,962	25,605
Total current liabilities	1,020,590	153,750
Net assets	(936,531)	(141,087)
Equity		
Issued capital	500,000	75,324
Retained earnings	(1,150,810)	(173,368)
Current year profits	(285,721)	(43,043)
Total equity	(936,531)	(141,087)

Source: RightBridge's management accounts as at 31 March 2021

5 Fairness assessment

A proposed related party transaction is assessed to be 'fair' if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

5.1 Financial benefit provided to the related party

For this Proposed Transaction, the financial benefit to be provided by the entity to the related party is the value of IDPL as this is the entity being disposed of by iCandy.

5.2 Consideration provided by the related party

The value of the consideration being provided by the related party to the entity is the value of 17,296,000 shares in RightBridge and an option to purchase 2,178,682 additional RightBridge shares at nominal cost.

6 Valuation methodologies

Our valuation approach is based upon the guidance of RG 111. We considered a range of valuation methodologies in assessing the value of the asset to be disposed of, having regard also to paragraph 111.69 of RG 111 which sets out the following valuation methodologies to be considered:

- the discounted cash flow method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, and the estimated realisable value of any surplus assets;
- the amount that would be available for distribution to security holders on an orderly realisation of assets;
- the quoted price for listed securities should 100% of the securities be available for sale; and
- any recent genuine offers received.

We have classified the valuation methodologies set out under RG 111 under three main categories, namely:

- intrinsic value methodologies
- market based methodologies; and
- asset based methodologies.

Different methodologies apply more appropriately for different companies depending on their earnings or cash flow profile, the life span of the earnings or cash flows, the nature of activities or business of a company as well as the availability of information.

A description of the various valuation methodologies and their application is included in Appendix 3.

6.1 Valuation method adopted for the valuation of IDPL

We have assessed the equity value of IDPL using the sum-of-parts approach, our primary valuation methodology, which requires the aggregation of the fair market values of the various assets and liabilities of the company, where different valuation methodologies were adopted for different assets.

To obtain the equity value of IDPL, we aggregated the value of IDPL's 17.04% interest in ESPL-Co, IDPL's intellectual property of 26 mobile game titles and IDPL's other assets and liabilities using the sum-of-parts approach. IDPL's other assets and liabilities were valued on a net assets on a going concern value ('NAV') method.

The sum-of-parts approach we adopted provided us with the value of the equity of IDPL on a controlling interest basis. The value of the financial benefit to be provided by the entity to the related party is assessed on the basis of a controlling interest in IDPL.

Bentleys Corporate Finance engaged the services of an independent consultant, Valutech Pty Ltd ('Valutech') to undertake an independent valuation of the ESPL technology and the intellectual property of 26 mobile game titles owned by IDPL. We relied on the independent valuation report prepared by Valutech in determining the fair market value of the intellectual property of IDPL and its 17.04% investment in ESPL through ESPL-Co, which formed the basis of our sum-of-parts approach in valuing IDPL.

Valutech has provided its valuation report, 'Independent Specialist Report: Valuation of intellectual property of iCandy Digital Pte Ltd' dated 21 June 2021 ('Valutech Valuation Report') for this purpose. Dr Maurice Venning, the signatory of the report, has undertaken intangible asset valuations on behalf of Valutech for over 30 years.

In undertaking its independent valuation, Valutech has considered typical valuation approaches appropriate for valuing intangible assets and we are satisfied with the valuation methodology adopted by Valutech. Valutech has also performed the necessary cross check to its primary valuation methodology. Therefore, we have not conducted a further cross check by undertaking a secondary valuation methodology.

6.2 Valuation method adopted for the valuation of the Consideration

We have assessed the value of the Consideration, being RightBridge's shares, using the NAV approach, which is an appropriate valuation approach for investment holding companies. In section 4 above, we have noted that all the investments, as well as its capital raising, were made very recently. Therefore, it is not unreasonable to assume that the value of the investments, stated on its balance sheet, will not be materially different from its fair values if the investments were transacted on arms' length terms.

In valuing the Consideration, we considered whether the shares to be issued to iCandy should be assessed on a controlling interest or minority interest basis. We understand that the proposed issue of shares and options may bring iCandy's potential shareholding in RightBridge to approximately 25%, which is considered to be a controlling interest. Therefore, we have valued the Consideration on a controlling interest basis.

In addition to RightBridge shares to be issued to be iCandy, the Company will also be given an option to purchase 2,178,682 additional RightBridge shares at nominal cost. The consideration for the call option will be paid in cash and will be determined based on the issue price of RightBridge's most recent rights issue at the time of the exercise of the call option. We do not believe the value of the options, that are part of the Consideration, to be material since the option term is short (for a period of six months) and the exercise price is not expected to be materially different from the value of the RightBridge shares if it is to be determined based on the issue price of its most recent rights issue at the time of the exercise of the call option. Therefore, the value of the options was considered to be immaterial to the total value of the Consideration.

7 Valuation of IDPL

7.1 Value based on our primary valuation methodology

We assessed the equity value of IDPL using the sum-of-parts approach by aggregating its 17.04% interest in ESPL-Co, IDPL's intellectual property of 26 mobile game titles and IDPL's other assets and liabilities. The equity value of IDPL's 17.04% interest in ESPL-Co was determined by aggregating the fair value of the ESPL platform (based on the Valutech Valuation Report) with ESPL-Co's value of other assets and liabilities, using also the sum-of-parts approach.

Our estimate of the value of IDPL based on our primary valuation methodology is summarised in the table below.

Valuation	Reference	Low A\$	Preferred A\$	High A\$
Value of ESPL	7.1.1	8,899,610	10,626,400	12,486,020
Value of other assets and liabilities of ESPL-Co	7.1.2	1,542,038	1,542,038	1,542,038
Equity value of ESPL-Co		10,441,648	12,168,438	14,028,058
Value of IDPL's 17.04% interest in ESPL-Co		1,779,257	2,073,502	2,390,381
Value of IDPL's intellectual property	7.1.3	-	-	-
Value of IDPL's other assets and liabilities	7.1.4	(245,216)	(245,216)	(245,216)
Equity value of IDPL		1,534,041	1,828,286	2,145,165

Source: Bentleys Corporate Finance's analysis

We assessed that the equity value of IDPL, on a controlling interest basis, is in the range of A\$1.534 million to A\$2.145 million with a preferred value of A\$1.828 million.

The following sections set out the basis upon which we have arrived at our valuation.

7.1.1 Value of ESPL

We engaged Valutech to undertake an independent valuation of ESPL, a global grassroots esports tournament network and technology platform, that hosted 136 tournaments in 2020 allowing more than 20,000 esports teams to register and participate in more than 19,000 esports matches.

Valutech considered the following generally accepted valuation approaches as follows:

- Market approach;
- Cost approach; and
- Income approach.

Valutech used the income approach to form an opinion on the value of ESPL; with the cost approach for indicative purposes only. Due to the diversity of technology and little publicly available information on sales of similar technologies, the market approach was considered not suitable. In Valutech's opinion, the ESPL technology is already being commercialised and is already enabling the company to gain financial income since June 2020. The income approach will be able to take into account the recent expansion of users of the platform and the expansion into South American and European markets beyond just Asia Pacific.

The income approach focuses on the link between the subject intellectual property assets and economic returns or income. It is commonly used for technology assets and intellectual property valuation if the assets are already providing or about to provide commercial returns and are at the core of the commercial operation. The cost-based method provides a value based on either the reproduction cost to create an exact duplicate asset at current prices or the replacement cost to create a technology having equal utility to the technology being valued, at current prices.

Valutech has based its valuation on the expectation of ESPL-Co generating income from its ESPL technology over the next five years in the target markets of Asia Pacific, South Asia, South East Asia and South American markets, at a margin of 30% - 40% which may increase after breakeven. Valutech has not included forecasts beyond five years because of uncertainties about trends in the market and the possibility that new technology developments in the video gaming market over the next five years that could lead to major changes in consumer choice of tournament platforms in the future.

A summary of the valuation provided by Valutech in United States Dollars ('USD' or 'US\$') – is shown as follows. The values in United States Dollars, USD, were converted to Australian Dollars, AUD, at the AUD/USD exchange rates, on or around the approximate date of this Report, or 21 June 2021.

Valuation of the ESPL (100% basis)	Low US\$	Preferred US\$	High US\$
Income approach	6,700,000	8,000,000	9,400,000
Cost-based approach	200,000		300,000
Selected value (in USD)	6,700,000	8,000,000	9,400,000
Selected value (in AUD)	8,899,610	10,626,400	12,486,020

Source: Valutech Valuation Report

A copy of the Valutech Valuation Report is provided in Appendix 4 of this Report.

7.1.2 Other assets and liabilities of ESPL-Co

The net asset position of ESPL-Co as at 31 May 2021 is presented below. The values in Singapore Dollars, SGD, were converted to Australian Dollars, AUD, at the AUD/SGD exchange rate on 31 May 2021. The balance sheet of ESPL-Co did not include the value of ESPL.

Statement of Financial Position	As at 31-May-21 S\$	As at 31-May-21 A\$
Current assets		
Cash and cash equivalents	1,690,326	1,653,939
Trade and other receivables	317,051	310,226
Prepaid expenses	241,622	236,421
Total current assets	2,248,999	2,200,585
Non-current assets		
Property, plant and equipment	13,818	13,521
Total non-current assets	13,818	13,521
Total assets	2,262,818	2,214,106
Current liabilities		
Trade and other payables	426,351	417,173
Other liabilities	260,503	254,895
Total current liabilities	686,854	672,068
Total liabilities	686,854	672,068
Net assets	1,575,964	1,542,038

Source: ESPL-Co's management accounts as at 31 May 2021, Bentleys Corporate Finance's analysis

ESPL-Co recently undertook a capital raising to raise US\$1,760,798 through the issue of 1,759,478 preference shares which resulted in IDPL's shareholding in ESPL-Co diluted from 23% to 17.04% since the announcement of the Proposed Transaction in February 2021.

7.1.3 Value of IDPL's intellectual property

We engaged Valutech to undertake an independent valuation of the intellectual property of 26 mobile game titles. As noted in section 3.2 above, a number of mobile game titles have been removed. Only 13 mobile game titles remain published.

Valutech considered the generally accepted valuation approaches as described in section 7.1.1 above. Valutech considered both the income approach and the cost-based approach to form an opinion on the value of the 26 mobile game titles. Due to the diversity of technology and little publicly available information on sales of similar technologies, the market approach was considered not suitable.

The income approach focuses on the link between the subject intellectual property assets and economic returns or income. It is commonly used for technology assets and intellectual property valuation if the assets are already providing or about to provide commercial returns and are at the core of the commercial operation. The cost-based method provides a value based on either the reproduction cost to create an exact duplicate asset at current prices or the replacement cost to create a technology having equal utility to the technology being valued, at current prices.

Based on information provided, Valutech estimated that no more than US\$500,000 was spent to develop the 26 mobile game titles. However, Valutech's review indicate that the games are dated and are not meeting consumer expectations, and therefore, do not believe that a cost basis is a reasonable basis for valuing these assets. In Valutech's opinion, the lack of future commercialisation prospects indicate, using an income based approach, that no significant value could be attached to these 26 mobile game titles.

A summary of the valuation provided by Valutech is shown as follows.

Valuation of IDPL's intellectual property (100% basis)	Low US\$	Preferred US\$	High US\$
Income approach	No significant value	No significant value	No significant value
Cost-based approach	Less than 500,000	Less than 500,000	Less than 500,000
Selected value	-	-	-

Source: Valutech Valuation Report

7.1.4 Other assets and liabilities of IDPL

We made adjustments to the value of other assets and liabilities of IDPL that were not included in the Valutech Valuation Report analysis to arrive at the equity value of IDPL.

Other assets and liabilities	Notes	As at 31-Dec-20 A\$	Adjustments A\$	Adjusted value A\$
Current assets				
Cash and cash equivalents	1	3,739	411	4,150
Trade and other receivables	1	403	334	736
Total current assets		4,142	744	4,886
Non-current assets				
Investment - eSports Pte Ltd	2	-	-	-
Property, plant and equipment		-	(22)	(22)
Intangible assets	3	253,336	(253,336)	-
Total non-current assets		253,336	(253,358)	(22)
Total assets		257,477	(252,613)	4,864
Current liabilities				
Trade and other payables	1	89,639	17,831	107,470
Other liabilities	1	84,802	5,198	90,000
Total current liabilities		174,441	23,030	197,470
Non-current liabilities				
Borrowings	1	51,336	1,274	52,610
Total non current liabilities		51,336	1,274	52,610
Total liabilities		225,776	24,304	250,080
Net assets		31,701	(276,917)	(245,216)

Source: iCandy's audited financial statements and consolidation workbook for the year ended 31 December 2020, IDPL's management accounts as at 31 March 2021, Bentleys Corporate Finance's analysis

Note 1

Adjustments were made to reflect IDPL's cash position, trade and other receivables, trade and other payables, other liabilities and borrowings balances as at 31 March 2021.

Note 2

No value was recorded for IDPL's investment in ESPL-Co on the balance sheet. This value is separately valued in section 7.1.1 and 7.1.2 above and therefore excluded from other assets and liabilities.

Note 3

Intangible assets relate to software supporting the 26 mobile game titles held by IDPL. This is amortised annually and the balance stood at \$253,336 as at 31 December 2020. We removed this value from other assets and liabilities as it is separately valued in section 7.1.3 above.

The Company confirmed no material movement in IDPL's balance sheet since 31 March 2021.

7.1.5 Conclusion on value

The value of IDPL, on a controlling basis, is assessed to be in the range of A\$1.534 million to A\$2.145 million with a preferred value of A\$1.828 million.

8 Value of Consideration

8.1 Value of consideration to be received by IDPL

The value of the Consideration being provided by the related party to the entity is the value of 17,296,000 shares in RightBridge and an option to purchase 2,178,682 additional RightBridge shares at nominal cost.

We have assessed the value of the Consideration, being RightBridge's shares, using the NAV approach, which is an appropriate valuation approach for investment holding companies. As noted in section 6.2 above, all the investments, as well as its capital raising, were made very recently. Therefore, it is not unreasonable to assume that the value of the investments, stated on its balance sheet, will not be materially different from its fair values if the investments were transacted on arms length terms.

The net asset position of RightBridge as at 31 March 2021 is presented below. The values in Swedish Kroner, SEK, were converted to Australian Dollars, AUD at the AUD/SEK exchange rate on 31 March 2021.

Statement of Financial Position	As at 31-Mar-21 SEK	As at 31-Mar-21 A\$
Current assets		
Cash and cash equivalents	53,716	8,092
Receivables	4,093	617
Total current assets	57,809	8,709
Non-current assets		
Shares in 1337 eSports AB	25,000	3,766
Shares in Lilmix esport AB	1,250	188
Total non-current assets	26,250	3,954
Total assets	84,059	12,663
Current liabilities		
Accounts payable	3,490	526
Tax liabilities	41,623	6,270
Liabilities to Abelco Investment Group AB	800,000	120,518
Liabilities to Lilmix AB	1,250	188
Liabilities to FIPL	4,265	643
Other liabilities	169,962	25,605
Total current liabilities	1,020,590	153,750
Net assets	(936,531)	(141,087)

Source: RightBridge's management accounts as at 31 March 2021

There were a few material events subsequent to 31 March 2021 which we have adjusted for as follows.

Valuation	Notes	Low SEK	Mid SEK	High SEK
Net assets at 31 March 2021		(936,531)	(936,531)	(936,531)
Adjustments to net assets:				
Add: Net proceeds from 55 million SEK capital raising		55,000,000	55,000,000	55,000,000
Add: Movement in cash position since 31 March 2021		2,312,732	2,312,732	2,312,732
Add: Investment in eSports Pulze AB		16,064,934	16,064,934	16,064,934
Add: Investment in eSports Pte Ltd		2,962,755	2,962,755	2,962,755
Add: Net movement in other assets and liabilities		2,163,472	2,163,472	2,163,472
Adjusted net assets		77,567,361	77,567,361	77,567,361
Total number of shares post capital raising	1	93,675,439	93,675,439	93,675,439
Value per share on a control basis		0.8280	0.8280	0.8280
Provision for range variation	2	-5%	0%	5%
Value per share on a minority interest basis		0.7866	0.8280	0.8694
Number of shares for consideration	3	17,296,000	17,296,000	17,296,000
Value of consideration		13,605,034	14,321,088	15,037,142

Source: RightBridge's management accounts as at 31 March 2021 and 4 June 2021, Bentleys Corporate Finance's analysis

Note 1

The number of outstanding shares in RightBridge currently stands at 63,119,883. We adjusted for the number of shares (30,555,556 based on an issue price of SEK 1.8 per share) to be issued from the SEK 55 million capital raising which has been successfully raised but yet to be settled. This brings the total number of shares to 93,675,439.

Note 2

To provide a margin of variation, we applied a 5% reduction for the 'Low' value and a 5% increase for the 'High' value, and obtained a value range.

Note 3

The value of the consideration being provided by the related party to the entity is the value of 17,296,000 shares in RightBridge. As discussed in section 6.2 above, the value of the options was considered to be immaterial to the total value of the Consideration.

The value of the Consideration was converted from Swedish Kroner, SEK, to Australian Dollars, AUD, at the AUD/SEK exchange rate on or around the approximate date of this Report, or 21 June 2021 as follows.

Value of the Consideration	Low A\$	Mid A\$	High A\$
Value of the Consideration in SEK	13,605,034	14,321,088	15,037,142
AUD/SEK exchange rate (at 21 June 2021)	6.4315	6.4315	6.4315
Value of the Consideration in AUD	2,115,375	2,226,710	2,338,046

Source: Bentleys Corporate Finance's analysis

8.1.1 Conclusion on value

The value of the Consideration, on a controlling basis, is assessed to be in the range of A\$2.115 million to A\$2.338 million with a midpoint of A\$2.227 million.

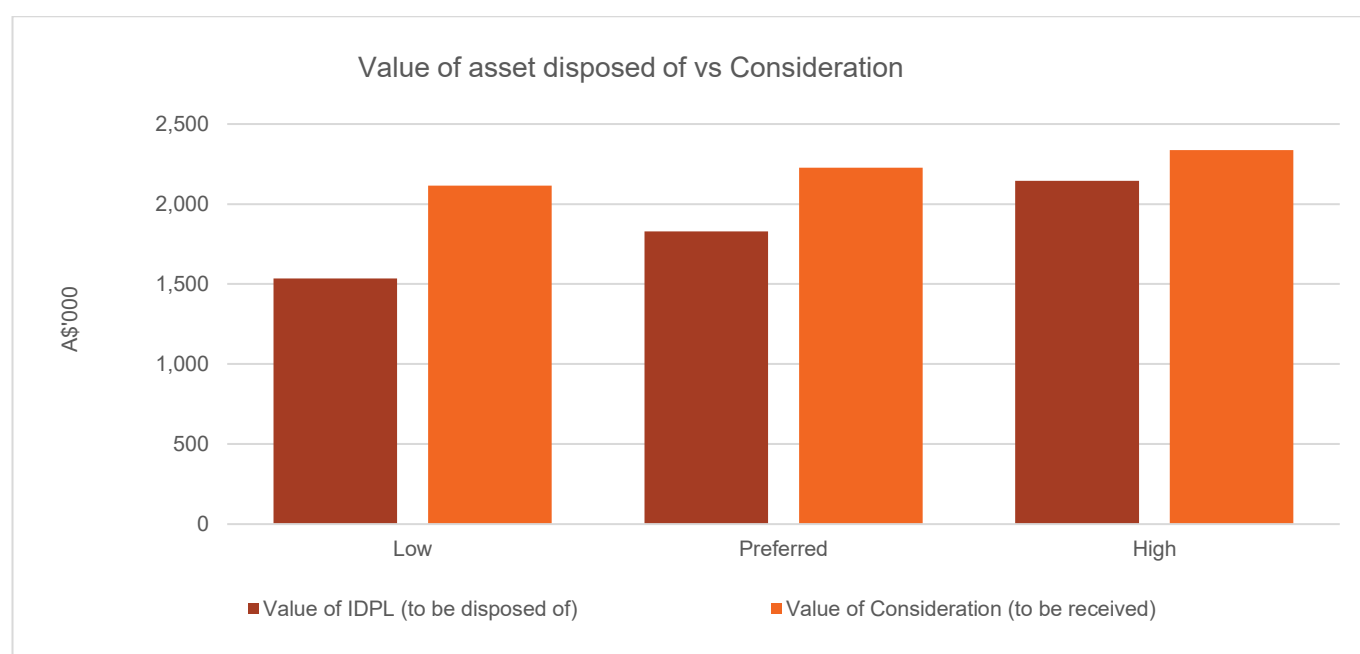
9 'Fair and reasonable' assessment

9.1 Fairness assessment

In the table and chart below, we note that the value of the Consideration to be received by iCandy for the disposal of IDPL is higher than the fair value of IDPL (on a controlling interest basis). Since the value of the Consideration to be received is greater than the value of the asset to be disposed of, being IDPL, we conclude that the Proposed Transaction is fair.

Fairness assessment	Low A\$	Preferred A\$	High A\$
Value of IDPL (to be disposed of)	1,534,041	1,828,286	2,145,165
Value of the Consideration (to be received)	2,115,375	2,226,710	2,338,046

Source: Bentleys Corporate Finance's analysis



Source: Bentleys Corporate Finance's analysis

9.2 Reasonableness assessment

In accordance with RG 111, an offer is reasonable if it is fair. As set out above, the Proposed Transaction is fair. Therefore, we conclude that the Proposed Transaction is reasonable.

We have also considered the advantages and disadvantages as well as the consequences of not approving the Proposed Transaction below.

9.2.1 Advantages

We consider the following advantages for Shareholders to approve the Proposed Transaction.

9.2.1.1 Allows iCandy to focus its resources on its current core business

iCandy's business plan is to develop and publish 'freemium' games for smartphones which are free-to-download and free-to-play but generate revenue instead through in-game purchases, mobile advertising, game merchandise sales and publishing of mobile interactive entertainment for multiple mobile operating system platforms.

The Proposed Transaction, if completed, will allow iCandy to focus its resources on its current core business including the management of its portfolio of growing new games, such as its smash hits 'Masketeers' and 'Claw Stars', the joint venture studio with Lemon Sky Studios and the strategic global partnership with Ohayoo.

The Company's recent success with iCandy's popular new game 'Masketeers: Idle Has Fallen' as well as the release of its new game 'Claw Stars' which has shown promising early trial results, makes it compelling for iCandy to focus its resources on these new games and new revenue initiatives. By comparison, whilst IDPL has the intellectual property ownership of 26 mobile game titles, only 13 mobile game titles remain published, and do not generate much income for IDPL.

ESPL is also at a start-up stage, which will demand a high level of resources and commitment from iCandy if it is to develop and grow.

9.2.1.2 RightBridge is better positioned to expose ESPL to the Nordic market

RightBridge is an esports focused investment company dedicated to investing in companies that shape the future of esports and gaming as part of the digital entertainment industry. RightBridge operates as a subsidiary of Abelco and leverages on the experience of Abelco in working with entrepreneurs to scale up their business into global brands in the growing eSport and Gaming industry.

Together with the expertise of its parent company, RightBridge is better positioned to create value by supporting companies in this industry in their growth and development, exploiting synergies among their portfolio companies and providing access to financing and capital.

As listed in section 4 above, RightBridge has already undertaken a number of investments and created alliances to drive the growth of its portfolio and start to add value to the eSport and Gaming value chain.

Therefore, RightBridge is better positioned to provide ESPL with a more in-depth exposure to a wider portfolio of esports companies via RightBridge's Nordic network. It is understood that the Nordic region is a foundation of innovation in this industry where many successful global gaming giants have emerged. These include but are not limited to Mojang (Minecraft), Supercell (Clash of Clans) and Rovio (Angrybird).

9.2.1.3 iCandy will continue to maintain an indirect equity exposure to ESPL

As a result of the Proposed Transaction, iCandy will also become a strategic major shareholder in RightBridge maintaining an indirect equity exposure to ESPL without having to commit resources to developing the market for ESPL themselves. iCandy may also, through the network of RightBridge, gain access to the Nordic market of esports and videogames.

There are also plans for RightBridge to seek an initial public offering to have its shares listed on a Swedish stock exchange in the near future, which is likely to provide more liquidity for RightBridge shares in time to come.

9.2.2 Disadvantages

9.2.2.1 Shareholders will no longer have a direct ownership of IDPL

The Proposed Transaction will result in iCandy (and its shareholders) no longer being the owner of IDPL. This means that the Company will no longer be able to control the decisions and direction of ESPL-Co and it will no longer be able to participate directly in the upside growth potential of ESPL-Co. Any potential return of investment in ESPL-Co will be obtained through RightBridge shares and this potential return will be 'diluted' or reduced as iCandy may only own up to 25% of RightBridge based on the current terms of the Proposed Transaction.

9.2.3 Owning shares in RightBridge may not fit the investment profile of iCandy shareholders

Shareholders will, through iCandy, own shares in RightBridge and gain exposure to the esports and gaming market through this channel. As RightBridge is planning to grow and expand its portfolio in the eSport and Gaming industry, its exposure to this market will be greater than just an investment in ESPL-Co. This presents a different risk exposure for iCandy's shareholders and that may no longer fit their investment profiles.

9.2.3.1 Liquidity of RightBridge shares

Whilst there are plans for RightBridge to seek an initial public offering to have its shares listed on a Swedish stock exchange in the near future, which is likely to provide more liquidity for RightBridge shares in time to come, there is no guarantee that the initial public offering will be successful. If the initial public offering is not successful, there will be no ready market through which RightBridge shares are publicly traded in an informed and liquid market.

10 Summary opinion

In our opinion, the Proposed Transaction is **fair and reasonable** to Shareholders in the absence of any alternative offers.

Appendices

Appendix 1: Glossary of terms

Reference	Definition
A\$ or \$ or AUD	Australian Dollars
\$m	Million dollars
%	Percent
AASB	Australian Accounting Standards Board
Abelco	Abelco Investment Group AB
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
Balance sheet	Statement of financial position
Bentleys Corporate Finance	Bentleys Corporate Finance (WA) Pty Ltd
Capitalisation of Earnings	Capitalisation of maintainable earnings
CAPM	Capital asset pricing model
the Company	iCandy Interactive Limited (ASX:ICI)
Consideration	17,296,000 shares in RightBridge and an option to purchase 2,178,682 additional RightBridge shares at nominal cost
Corporations Act	Corporations Act 2001 (Cth)
DCF	Discounted cash flow
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
ESPL	Esports Pro League
ESPL-Co	eSports Pte Ltd
Freenium	Free-to-download and free-to-play
FSG	Financial Services Guide
FY18	Financial year ended and as at 31 December 2018
FY19	Financial year ended and as at 31 December 2019
FY20	Financial year ended and as at 31 December 2020
iCandy	iCandy Interactive Limited (ASX:ICI)
IDPL	iCandy Digital Pte Ltd
Income statement	Statement of profit or loss and other comprehensive income
IPO	Initial public offering
m	million
NAV	Net assets on a going concern value
Notice of Meeting	Notice of meeting and explanatory memorandum to be distributed to the shareholders of iCandy
NPV	Net present value
NVPF	Non-Violence Project Foundation
our	Bentleys Corporate Finance (WA) Pty Ltd

Reference	Definition
P&L	Statement of profit or loss and other comprehensive income
Proposed Transaction	The proposed sale of iCandy Digital Pte Ltd to RightBridge Ventures AB for a consideration of 17,296,000 shares in RightBridge and an option to purchase 2,178,682 additional RightBridge shares at nominal cost
this Report	This independent expert's report prepared to provide an opinion on whether the Proposed Transaction is fair and reasonable to the non-associated shareholders of iCandy
RightBridge	RightBridge Ventures AB
RG 76	ASIC Regulatory Guide 76 Related party transactions
RG 111	ASIC Regulatory Guide 111 Content of expert reports
RG 112	ASIC Regulatory Guide 112 Independence of experts
S\$ or SGD	Singapore Dollars
SEK	Swedish Kroner
Share Sale Agreement	Conditional Share Sale Agreement dated 15 February 2021 between iCandy Interactive Limited and RightBridge Ventures AB to divest its 100% owned subsidiary, iCandy Digital Pte Ltd, for a consideration of 17,296,000 shares in RightBridge and an option to purchase 2,178,682 additional RightBridge shares at nominal cost
Shareholders	Non-associated shareholders of iCandy
Sum-of-Parts	The Sum-of-Parts analysis involves different business units or assets that are modelled individually and added together; or a variant of which is used when different business units or assets require the adoption of different valuation methodologies and requires the aggregation of the fair market values of the various assets and liabilities of the company
Trading History	Trading history analysis of quoted market price of securities
US\$ or USD	United States Dollars
us	Bentleys Corporate Finance (WA) Pty Ltd
Valutech	Valutech Pty Ltd
Valutech Valuation Report	The 'Independent Specialist Report: Valuation of intellectual property of iCandy Digital Pte Ltd' prepared by Valutech dated 21 June 2021
VWAP	Volume weighted average price
WACC	Weighted average cost of capital
we	Bentleys Corporate Finance (WA) Pty Ltd

Appendix 2: Important Notice

Sources of information

This Report has been based on the following information:

- Draft notice of meeting and explanatory memorandum;
- Conditional Share Purchase Agreement between iCandy and RightBridge dated 15 February 2021;
- Historical audited financial statements of iCandy for the past three years;
- Historical financial statements of IDPL for the past three years obtained through iCandy's audited financial statements and consolidation workbook for the years ended 31 December 2018, 31 December 2019 and 31 December 2020;
- Unaudited statement of financial position of IDPL as at 31 March 2021;
- Unaudited statements of financial position of ESPL-Co as at 31 March 2021 and as at 31 May 2021;
- Unaudited statements of financial position of RightBridge as at 31 March 2021 and as at 4 June 2021;
- Valutech Valuation Report dated 21 June 2021;
- Shareholder register, option register, shareholder range report and disclosure of associated / beneficial shareholders of iCandy;
- Subscription based information source including Capital IQ;
- Publicly available information; and
- Discussions with directors and/or management of iCandy.

Important notice to shareholders

This Report has been prepared specifically for the non-associated shareholders of iCandy, at the request of the directors of the Company, to assist the non-associated shareholders of iCandy in their decision whether or not to approve the Proposed Transaction.

This Report provides only general financial product advice and does not take into consideration the individual circumstances of Shareholders when making their decision whether or not to approve the Proposed Transaction, which is an individual matter. Shareholders should consider the advice in the context of their own circumstances, preferences and risk profiles. Shareholders should consult their own professional advisers (financial advisers and/or tax advisers) when considering these matters and how they relate to their own individual circumstances.

The Financial Services Guide provided by Bentleys Corporate Finance is included in this Report.

Independence

Bentleys Corporate Finance (WA) Pty Ltd has considered its independence in preparing this Report in accordance with ASIC's Regulatory Guide RG 112 and is of the opinion that it is independent of iCandy, IDPL and RightBridge and their associates.

Limitations, declarations and qualifications

Limitations

The procedures to be performed in relation to the independent expert's report is limited exclusively to those which are set out in this Report. Neither an audit nor a review has been conducted and, accordingly, no assurance has been expressed. This Report cannot be relied upon to disclose irregularities, including fraud, other illegal acts and errors that may occur. Bentleys Corporate Finance is also not implied to have conducted any due diligence procedures on behalf of the Company or Shareholders and provides no warranty or assurance in this regard.

Use of report

This Report has been prepared specifically for the non-associated shareholders of iCandy and we consent to the issue of this Report in the form and context to which it is included the Notice of Meeting, which will be distributed to all shareholders of iCandy. Apart from such use, this Report must not be used, whether wholly or in part, nor may any reference to them be included in or with, or attached to any document, statement or letter without our prior written consent which we may provide (conditionally or unconditionally) or withhold at our discretion.

Bentleys Corporate Finance does not take any responsibility for the contents of the Notice of Meeting other than this Report.

Neither Bentleys Corporate Finance, Bentleys (WA) Pty Ltd, Bentleys, nor any member or employee thereof, undertakes responsibility to any person, other than to the Company and the Shareholders, in respect of this Report, including any errors or omissions howsoever caused.

Unless used for the purpose specified herein, this Report (or any part of them) must not be distributed or disclosed to any other third party without our prior written consent.

Reliance

Where our engagement requires us to form or express an opinion, provide an analysis or provide advice, the opinion, analysis or advice will relate to the information, events and circumstances at the date on which it is given, unless we expressly state otherwise.

This Report will be provided solely for the purpose set out in this document and may not be relied upon by any other third party outside of the objectives of our engagement above.

While we are responsible for forming and expressing an opinion based on information that has been prepared and provided by the management of the Company, with the oversight of those charged with governance, it does not relieve management or those charged with governance of their responsibilities.

Our engagement has been conducted on the basis that the Company's management, and those charged with governance, acknowledge and understand that they have responsibility for the completeness and accuracy of the information supplied to us, and without the intention of providing misleading information, or information that a reasonable person would consider likely to mislead, so as to influence our opinion or analysis in any way.

The statements and opinions included in this Report are provided in good faith and in the belief that they are not false, misleading or incomplete. In preparing this Report, Bentleys Corporate Finance has relied upon and considered the information provided to us after due inquiry to be reliable and accurate. We have no reason to believe that any of the information supplied to us was false or that any material information had been withheld from us.

Forecasts

Any forecast information used in the formation of our opinion, analysis are based on assumptions about events and circumstances that have not yet occurred, having regard to information available at the date of the forecast. These events and circumstances will be expected to take place, but there cannot be any assurance that they will occur as anticipated or at all given that many of the events are outside of our control.

Whilst we may have reviewed such forecast information with a reasonable level of enquiry or rigour, we do not provide any assurance that the forecasts will be representative of the results that will ultimately be achieved or events that will occur. We disclaim any possible liability in respect of any forecast information.

Qualifications

Bentleys Corporate Finance holds an Australian Financial Services Licence to issue this Report. Bentleys Corporate Finance is owned by Bentleys (WA) Pty Ltd. The persons primarily involved in preparing and reviewing this Report were Evelyn Tan, Director and Representative of Bentleys Corporate Finance, and Chris Nicoloff, Authorised Representative of Bentleys Corporate Finance, and supported by other staff within Bentleys Corporate Finance. Both Evelyn and Chris have the necessary experience and professional qualifications appropriate for the preparation of this Report.

Appendix 3: Valuation methodologies

Intrinsic value methodologies

Discounted cash flow

Intrinsic value methodologies look at the inherent value of an asset or a business on its own. The most fundamental analysis used in assessing the inherent value of an asset or business is the discounted cash flow ('DCF') analysis.

The DCF analysis is used to place a value on an asset or a business based on the future free cash flows of the business. The future free cash flows are discounted to their present value at an appropriate discount rate. This approach is particularly applicable to assets or businesses with finite lives, experiencing growth, in a start-up phase, or experiencing irregular cash flows.

Usually, a cash flow forecast is provided for a limited period of time during the period of growth and uncertainty. Often, a terminal value for the asset or business may be calculated at the end of the forecast cash flow period, and is also discounted to its present value using the appropriate discount rate.

This discount rate, which is often called the weighted average cost of capital, represents the opportunity cost of capital, reflecting the expected rate of return that investors require from investments having equivalent risks. The weighted average cost of capital ('WACC') is commonly used in determining the market rates of return to both debt and equity holders.

The value obtained directly from the DCF analysis is a controlling interest value.

Sum-of-parts

At times, a sum-of-parts ('Sum-of-Parts') analysis is necessary for larger or more complex businesses where different business units or assets are modelled individually and added together.

A variant of the sum-of-parts analysis is also used when different business units or assets require the adoption of different valuation methodologies (not all necessarily valued using the DCF analysis) and requires the aggregation of the fair market values of the various assets and liabilities of the company.

The value obtained directly from the Sum-of-Parts analysis is usually a controlling interest value if all individual values modelled separately and added together are also on a controlling interest basis.

Market based methodologies

Market based methodologies estimate the fair market value of an asset or a business using precedent transactions, trading history or comparable company analyses. Market based methodologies are a form of relative valuation. They include:

- Capitalisation of maintainable earnings analysis;
- Trading history analysis of quoted market price of securities; and
- Precedent transactions analysis.

Capitalisation of maintainable earnings

The capitalisation of maintainable earnings ('Capitalisation of Earnings') analysis places a value on the business by estimating the maintainable earnings of a business, capitalised at an appropriate rate or earnings multiple, which reflects the business outlook, business risk, investor expectations, future growth prospects and other entity specific factors.

The Capitalisation of Earnings methodology is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

Maintainable earnings used in the valuation can be based on net profit after tax, earnings before interest and tax ('EBIT') or earnings before interest, tax, depreciation and amortisation ('EBITDA'). The capitalisation rate or earnings multiple is adjusted to reflect which base is used for the maintainable earnings. This approach relies on the availability and analysis of comparable market data.

The value obtained from the Capitalisation of Earnings analysis is usually a controlling interest value if based on EBITDA or EBIT maintainable earnings and multiples.

Trading history

Trading history analysis of quoted market price of securities ('Trading History') is used where there is a ready market through which securities are publicly traded in an informed and liquid market. The most recent trading history of such securities provides evidence of the fair market value of the securities of a company and, in an efficient and liquid market, reflects all publicly available information.

The quoted market prices of securities used in the Trading History analysis usually reflect a minority interest value of a security.

Precedent transactions

Precedent transactions analysis is a form of relative valuation where the sale price evidence of other businesses or assets that have been recently sold or acquired in the same industry is used to place a value on a business or asset. As the sale prices obtained under this approach tend to represent the 'en-bloc' value of a business or asset, it may not be as applicable for larger and more complex businesses or businesses and assets that are not identical. Sale price evidence from precedent transactions can also become dated and may no longer reflect the current market over time.

Sale prices used in the precedent transactions analysis usually reflect a take-over premium and a controlling interest value.

Asset based methodologies

Asset based methodologies estimate the fair market value of a company based on the realisable value of its identifiable net assets. They include:

- Orderly realisation of assets method;
- Liquidation of assets method; and
- Net assets on a going concern method.

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to security holders after payment of all liabilities (including realisation costs and taxation charges that may arise), assuming that the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except that the liquidation method assumes that the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate.

The 'net assets on a going concern basis' method estimates the market values of the net assets of an entity but does not take into account any realisation costs. The 'net assets on a going concern basis' approach is usually appropriate where the majority of the assets are cash, passive investments or for investment holding companies. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Appendix 4: Independent Valuation Report by Valutech



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21 June 2021

The Directors,
iCandy Interactive Limited
Level 4, 91 William Street
MELBOURNE VIC 3000

Ms E. Tan
Director
Bentleys Corporate Finance (WA) Pty Ltd
London House
Level 3, 216 St Georges Terrace
PERTH WA 6000

Dear Sirs,

**INDEPENDENT SPECIALIST REPORT:
VALUATION OF INTELLECTUAL PROPERTY OF ICANDY DIGITAL PTE LTD**

1. INTRODUCTION

iCandy Interactive Limited (iCandy') is proposing divestment of its 100% owned subsidiary, iCandy Digital Pte Ltd ('IDPL') to Sweden-based RightBridge Ventures AB and has engaged Bentleys Corporate Finance (WA) Pty Ltd ('Bentleys') to provide an independent experts report on the proposed transaction under ASX Listing Rule 10.1 and Chapter 2E of the Corporations Act 2001(Cth). This report will provide an opinion on whether the proposed transaction is fair and reasonable to the non-associated shareholders of iCandy.

This report will involve the valuation of IDPL and, in particular, its intellectual property associated with software in 26 mobile game titles and in its 17% share in iCandy's esports venture, Esports Players League ('ESPL') which includes a software-based tournament engine that manages a tournament network and technology platform. To assist in the preparation of this report, Bentleys has requested Valutech Pty Ltd to prepare a valuation of IDPL's intellectual property assets in the form of a report that could be attached to the Independent Expert's Report assessing the fairness and reasonableness of the proposed acquisition.

This report is provided by us in our capacity as a specialist in the assessment and valuation of intangible assets including intellectual property. The information and comments it contains are to be used by Bentleys, the independent expert, as part of its assessment as to whether the proposed transaction is fair and reasonable to iCandy shareholders.

For the purposes of our assessment, fair market value is defined as being a price within a range of prices available in an open and unrestricted market which might be negotiated between informed, prudent parties acting at arm's length and under no compulsion to act, expressed in terms of money or money's worth. We have taken into account the current plans of IDPL for utilising and developing its assets and associated products as well as the financial history and current financial projections of IDPL.

2. RESTRICTIONS

This report will be included as an Appendix to Bentleys' Independent Expert's Report and is not to be used by iCandy or IDPL for any other purpose or in another context without our prior written approval. In the event that we provide written approval to the issue of the report in another context, we will need to approve the form in which it is released and be satisfied as to the context of its release. We may also require the report to be issued under a suitable covering letter from our firm.

3. BACKGROUND: IDPL TECHNOLOGY LIMITED, ITS TECHNOLOGY AND ITS MARKET

IDPL is a wholly owned subsidiary of iCandy and was incorporated in Singapore in 2009. It holds the intellectual property rights to 26 mobile gaming titles developed predominantly on the Android mobile platform and owns a 17% stake in iCandy's Esports Players League ('ESPL') which it co-founded in 2019.

ESPL is a global esports tournament and platform provider that is developing an integrated and open ecosystem for tournaments, with a focus on the grassroots gamer community and digital interactivity. It has a global footprint across 16 countries in Asia, Europe and Latin America and an exclusive partnership in one country with one tournament partner. It has a hybrid online and on-ground model with an emphasis on interactive engagement with a worldwide audience mainly at the novice and less-than-elite level where costs of participation in tournaments is not high. ESPL's online platform ESPL.gg has gained significant traffic during the global pandemic lockdown and continues to provide ongoing engagement with global grassroots esports athletes and brands tapping the potential of the esports and gaming industry.

ESPL is seen as one of the world's fastest growing esports platforms and has organised 312 tournaments in 16 countries across five regions, Middle East North Africa (MENA), Europe, South Asia, Latin America and South East Asia¹. It has generated grassroots participation that includes:

- Registration of more than 35,000 esports teams
- Completion of more than 28,500 esports matches
- Viewing of tournaments by 11.6 million esports enthusiasts
- More than 23.6 user impressions².

ESPL is the most organised gaming platform at the grassroots end of the market which is currently dominated by a gaming industry focussed on elite players and high profile tournaments. As a result, ESPL does not see itself as participating or competing in the elite end of the market and feels that it can gain sufficient players to survive without resorting to high value tournaments. At present, it considers it has few competitors at the non-elite end of the market and these are mainly new entrants in a very fluid, expanding but ill defined market.

Prior to its development of ESPL, IDPL had developed a number of mobile gaming apps applicable predominantly to the Android mobile platform. These are listed in Attachment A and are the 26 mobile game titles referred to in the Introduction. These apps were available on the Google Play or Apple App store without cost but with in-app purchases if needed. They were developed mainly before 2015 and have not been updated in recent years with changes necessary to keep pace with improvements in mobile operating systems. As a result, many have shown their age by being less accessible, subject to faults and prone to providing unfavourable consumer responses in reviews. While many of the apps are accessible through URLs to Google Play and other sites, many appear to have been withdrawn from access through Google Play according to advice from IDPL.

¹ Grassroots Esports Platform ESPL Raises Fresh Funding from RightBridge Ventures, Genting Ventures, Warner Music. Games Press 5/11/2021

² An impression is when a user on a device sees an advertisement. It occurs any time a user opens an application and an advertisement comes into the user's view of the screen. It is used to determine how advertisers are charged and how developers are paid for their inventory.

3.1 The Market

3.1.1 Gaming, Esports and Tournaments

Esports or competitive video gaming has become a mainstream internet activity in recent years, transforming from a niche attracting many video gamers to a central form of entertainment around the world. Esports attracts not only amateur and elite gamers who can earn substantial prize money, but also spectators who are prepared to watch the competition in action. Esports viewership is expected to grow at a 9% compound annual growth rate between 2019 and 2023 from around 454 million in 2019 to around 646 million in 2023 suggesting that the esports audience is doubling over the six year period from 2017 to 2023³. This is because competitive video games has integrated into popular culture and this is influencing global investors, brands, media outlets and consumers to become involved.

Video gaming-specific streaming platforms like Twitch and YouTube Gaming enable fans to have a direct connection to players and teams and mainstream social media platform have allowed these connections to flourish and some esports organisations have moved into merchandising to gain increased profile and returns. This in turn has led to increased interest from venture capitalists and private equity firms. The number of investments in esports doubled in 2018 from 34 to 68, or from US\$ 490 million to US\$ 4.5 billion⁴, representing a compound annual growth rate of 103.1% over the previous four years.

Other observers of the commercialisation of the esports market note the range of revenue sources from media rights, live event ticket sales, merchandise sales and in-game purchases. But most of the revenue (around 69%) comes from sponsorships and advertising. According to Statista which collects and analyses market and consumer data, the global eSports market was valued at just over US\$ 1.08 billion in 2021, an almost 50% increase over the previous year. As well, the eSports industry's global market revenue is forecast to grow to US\$ 1.6177 billion in 2024 with Asia and North America being the largest markets and China alone accounting for almost a fifth of the market⁵. Another observer of the industry, Newzoo has projected that the global esports economy will generate revenues of US\$ 1.1 billion (revised due to Covid down to US\$ 980.3 million) in 2021.⁶ Of these revenues, 61% come from sponsorships, 17% from media rights, 11% from publisher fees, 6% from merchandising and tickets and the remaining 4% from digital and streaming fees.

With the growth in the esports industry overall, there has been a significant growth in sports tournament prize money and player earnings. In 2019, the total prize money for 5,288 tournaments was US\$ 234 million (up 42% on the previous year) so the mean tournament prize pool was US\$ 36,000. With over 27,000 active players at these tournaments, the mean earnings per player was around US\$ 8,600. However, with Covid, these mean earnings have halved although there are a number of players who have earned more than US\$ 1 million.

Asia-Pacific, North America and Europe are the top three esports markets in terms of audience and revenue. APAC accounts for 57% of global esports viewership, with America gaining about 30% and Europe 14%.

In the market, there are a large number games available for playing but only a few are suitable for the tournament format. The three most popular competitive games are Counter Strike: Global Offensive (CS:GO) where teams compete against each other for map dominance, League of Legends (LoL) where teams compete in a real-time strategy game and Dota 2 a multiplayer online battle arena (MOBA) real time strategy game in which two teams try to take each other's base.

There are a large number of tournament platforms that provide these video games as well as many others organised into a tournament arrangement with ranking of players and teams to provide the most

³ Esports Ecosystem Report 2021: The key industry companies and trends growing the esports market which is on track to surpass US\$ 1.5 billion by 2023. <https://www.businessinsider.com/esports-ecosystem-market-report?r=AU&IR=T> Mariel Solo Reyes 6 Jan 2021

⁴ The rise of esports investments. Deloitte Corporate Finance LLC and The Esports Observer April 2019

⁵ <https://www.statista.com/statistics/490522/global-esports-market-revenue/> Christina Gough 20 May 2021

⁶ 2020 Global Esports Market Report, Newzoo 2020

competitive associations of players and teams for maximum player and audience satisfaction. The major tournaments providing the above games include⁷:

- ESL, the Electronic Sports League which is one of the best known tournament providers in Germany offering ESL ONE CS:GO, ESL ONE DOTA 2, ESL Intel Extrem Masters (IEM). At its tournaments, it can gain up to 15,000 daily spectators in an arena as well as more than 180,000 viewers watching online.
- League of Legends Championship Series (LCS), North American LoL Championship Series (NALCS), LoL World Championship run by Riot Games in Germany, North America or across different continents, countries and cities.
- The International, a Dota2 tournament with the largest prize money at stake, up to US\$ 25.5 million dollars

The industry is still in a fluid state as it gradually builds a commercial structure, but different models of structure exist. At the top of the industry are the software publishers. Some publishers like Riot own the League of Legends and keeps control of events. A rival platform like Valve, which publishes games like CS:GO, allows third parties like ESL to run events. Beneath the platforms and games are the organisations that own and manage teams, which then compete online and on stage in tournaments around the world. In addition to ESL, there are a number of tournament platforms but because of the developing nature of the industry, it is often difficult to provide effective comparison.

Following are a few tournament platforms⁸

- CMG or Check Mate Gaming is a leading esports platform that offers online ladders, tournaments and daily challenges to gamers across North America, Canada, Europe and Mexico. It differentiates its platform from the rest of the market by offering faster payouts of prizes
- gamebattles.majorleaguegaming.com which is part of the Major League Gaming (MLG) network and is one of the largest and longest online esports services for cash prize tournaments and ladders. It has more than 10 million registered players and supports cross platform integration of consoles. It offers a variety of features such as free ladder tournaments with small cash prizes and offers leader board standings
- UMGgaming.com is a well known platform having held events in over 18 cities. It has approximately 2.2 million registered users and in excess of 17.7 million matches played with tournaments on multiple console platforms. It allows participation in free games as well as cash tournaments with simple and free sign up to play alone or create a team.
- gamersaloon.com facilitates skill-based video game tournaments online with over 1.4 million members and awarding US\$ 75 million in prizes
- battlefy.com is a well established platform with offices all over the world and having organised more than 100,000 tournaments online. It offers a large amount of competitions every day and makes it possible for individuals to organise their own tournaments.
- Smash.gg was established to enable bottom-up growth of competitive gaming communities with its own free to use software with tournament organising tools for event organisers. This platform has been acquired by Microsoft in 2020 enabling it to expand.
- Mogul.gg is an advanced pure-play gaming platform which was founded in Australia with a focus on local content and Southeast Asia. It is able to send instant challenges facilitating moves through

⁷ esports Tournaments - Do They Really Fill Stadiums? <https://en.owayo.com/magazine/esports-tournaments-popular-woen.htm>

⁸ Top 12 Platforms for Esports Tournaments Online, Setgamers 1 June 2021

tournament rounds and it also has a social media style lobby that facilitates linkup with friends during the tournament

This is not an exhaustive list as there are many other competitors including ivpl.co.id, twitch.tv, destream.net, streamcommunity.com, playvalorant.com, talkesport.com, megplay.com, zleague.gg and esportsflag.com. In addition to these tournament platforms, there is a host of grass roots platforms operating in each country providing tournament structures for gaming at a regional level or between schools and colleges. These are covered in detail in separate publications⁹.

3.1.2 Mobile Application Market

The global mobile application market size was valued at US\$ 106.27 billion in 2018 and is projected to reach US\$ 407.31 billion by 2026, growing at a CAGR of 18.4% in that period. Mobile applications are the different types of software applications that are designed to run on various smartphones, tablets and computer tablets to provide users with similar services in to those accessed on personal computers¹⁰.

The mobile application market trends include an increase in adoption of the internet of variable devices and the rise in the customer base for the e-commerce industry which are the major factors driving the growth of the market. In addition continuous growth in enterprise apps, increased focus on apps specifically used for health and fitness as well as high downloads and in-app purchases for gaming apps fuel the growth of the market.

Lack of high speed connectivity in developing and underdeveloped regions and uncertainty of enterprises in developing their own applications could impede the mobile application market growth. In addition, growth in investment in digitisation and increases in adoption of internet of things technologies and mobile connected smart objects are expected to provide major opportunities for the growth of the market.

The gaming segment dominates the mobile application market and is projected to maintain its dominance for the next decade due to the rise in the number of mobile gaming applications in developing nations such as China and India which drive the growth of the market. The areas of the mobile application market relevant to the mobile game applications developed by IDPL will remain relatively stable with few growth prospects.

4. ASSETS OF ICANDY DIGITAL PTE LIMITED

Discussions with IDPL and a subsequent review of company material indicates that the company has the following intangible assets which have relevant value:

- 26 mobile game titles and associated software developed for mobile computing platforms as listed in Attachment A
- Software in the form of copyright material or material subject to copyright in the tournament management engine software product developed for iCandy's esports venture, Esports Players League ('ESPL').

5. COMMERCIALISATION APPROACH

5.1.1 Gaming, Esports and Tournaments

The major commercialisation emphasis for ESPL will be continuing the process which commenced in 2019. By the end of 2020, regular user numbers had increased to 114,000 and there has been a 40% further increase by May 2021. The company is expecting to achieve a significant compound annual rate of growth of over the next five or ten years from a relatively small base at around the CAGR for the industry in the last four years. The company is also expecting a significant levelling off in support costs and increasing margins, as well as

⁹ The Grassroots Game: Players, Participants and Infrastructures in Esports from the Ground Up. Foundations of Digital Games, August 2017.

¹⁰ Global Mobile Application Market: Opportunities and Forecast 2019-2026. Allied Market Research. Nov 2019

the commencement of a subscription or premium service commencing in 2022 and significant increases in revenues from advertising and sponsorship commencing in 2022. These projections will depend on consolidation of the platform in the Asia/Pacific market and continuing expansion into China, South Asia, MENA and Europe with increasing revenues not only from consumers, but advertising and sponsorship as well.

The commercial model for the company is relatively well established and the growth of the company will be supported by growth in the industry and its continuing focus on introducing subscribers at the novice and amateur end of the market to grass roots tournaments as other users graduate from regional grass roots tournaments to more national and international based tournaments in line with industry expansion in this sector of the gaming market. The company will have significant competition from other new entrants to the market which could include some of the tournament platforms noted in Section 3.1.1 as well as new companies entering the market and looking at the novice and less-than-elite gamer end of the market for early traction. These competitions could be direct competitors of ESPL like Battlefy, Garena and PVP Esports¹¹ but could also be new companies like Miggster's new competitive social gaming platform¹² launched by Emerge Gaming and claims 500,000 registered subscribers, Mogul following its deal with Walmart¹³ or Skirmiish a new gaming tech start-up¹⁴.

The fact that ESPL has already gained a significant profile in a very competitive market and particularly in the APAC gaming market indicates that it has a reasonable expectation of gaining substantial growth in subscribers and users in the next five years and as growth projections are met, margins improve enabling more viable and lucrative tournaments to be arranged. The APAC market is particularly important in that it has a large number of potential users at the novice or less-than-elite end but in addition, it is a major source for elite players playing at the top tournament levels ensuring that there is a potential useful commercial route for the company if it can provide a pathway of development from amateur through to elite level.

5.1.2 Mobile Application Market

It is clear from reviewing the 26 mobile game titles listed in Attachment A that IDPL sees little commercial advantage in remaining in this sector of the market. Many titles have been removed from app stores or retain limited functionality or expansion capability if retained. Furthermore most titles have been offered at no cost with some opportunity for in-app purchases. If applications are not regularly updated and refreshed for an increasingly demanding market, this is not a suitable model for commercialisation. It therefore seems reasonable the IDPL does not commit any further resources to maintaining its intellectual property in this area.

6. ADVANTAGES AND RISKS

ESPL's platform has many advantages in that it is already in the market and has gained a good profile in terms of tournaments organised, teams formed on its platform, user engagements, user reach and user impressions. This provides a favourable environment for growth provided all avenues for consumer engagement are followed in terms of games offered, tournament organisation, selection and promotion of advertisers and prizes and sponsorships offered.

However, while the esports market is experiencing rapid growth at present, the structure of the industry is still not clear with some publishers arranging tournaments and other publishers accepting third parties organising tournaments. However, the nature of the tournament offering in the market is not yet clear cut and there are many new entrants in the market that are offering existing games or new games for offer to the market with a wide range of organisation from amateur to highly professional in terms of setting ladders,

¹¹ <https://www.owler.com/company/espl3#competitors>

¹² <https://www.mynewsdesk.com/crowd1-network-ltd/pressreleases/miggster-mobile-a-new-social-gaming-tournament-platform-3050018>

¹³ <https://stockhead.com.au/tech/esports-mogul-scores-new-platform-deal-with-walmart-backed-gaming-tournament/>

¹⁴ <https://www.mcvuk.com/business-news/new-gaming-tech-start-up-skirmiish-enters-the-online-tournament-market/>

arranging rankings and determining suitable match ups based on new technologies such as artificial intelligence¹⁵. In this environment, consumer trends can cause dramatic changes in player, team and audience expectations and this can have a dramatic effect on audience and user projections with an associated impact on the bottom line.

There are no further technical developments which have to be made to the current ESPL platform for it to be effective in target markets, so there are no technical risks that could hamper commercialisation at this stage. It is expected that future developmental hurdles likely to occur in the market such as an increasing need for improved and timely ranking systems for tournaments or the offer of new games will have to be managed carefully through continuing market research.

On the other hand, the ESPL has been very effective in tapping into the amateur and less-than-elite part of the market and this will require good management and market analysis to modify consumer expectations if it is to carve out an increasing profile in this market and to handle continuing technological evolution in a lucrative but very rapidly changing market.

Even though ESPL is a complete tournament product already undergoing commercialisation, and deployable at relatively low cost, it is likely that current expectations for sales will not be met due to the offering of alternative solutions by many other tournament platforms in the market. As a result, we consider that there are risks associated with the commercialisation and expansion of the ESPL platform in target markets.

7. VALUATION OF INTANGIBLE ASSETS INCLUDING INTELLECTUAL PROPERTY

The assets to be valued are the intellectual property associated with the 26 software games described in Attachment A of this report and the tournament management engine software in the ESPL esports platform which is currently being offered in MENA, Europe, Latin America and Asia.

For these assets to be valued, they must

- Be specifically identifiable and recognisable
- Be subject to legal existence and production
- Be subject to the right of private ownership, which is legally transferable
- Have tangible evidence of existence
- Be created at an identifiable time or as the result of an identifiable event
- Be subject to being destroyed or to a termination or existence
- Confer a commercial benefit to the owner of the asset.

Our review of the material referred to in Section 4 above indicates that the listed assets meet these requirements.

For the valuation of these assets, there are three general approaches that might be employed: the market approach, the cost approach and the income approach.

While some technology assets can be readily appraised by all three approaches, the indications of value resulting from each approach are often assigned different weights in arriving at a conclusion of value, based on the quantity and quality of data supporting each approach.

7.1 Market-Based Approaches

A reasonable approach to valuing intellectual property assets is to look for market comparisons, based on the widely held belief that the market (i.e. the economic environment where arm's length transactions between unrelated parties occur) is typically the best indicator of the value of an asset. This involves a search of the appropriate exchange market to obtain information on sale transactions, listings and offers to purchase or licence comparable assets that are similar to the subject in terms of characteristics such as technology type, technology use, industry in which the technology functions, date of sale and so forth. Allowance must then be made for the differences in the technology and the nature of the environment for any previous sale of technology.

¹⁵ <https://www.esportznetwork.com/why-artificial-intelligence-should-be-the-primary-focus-of-esport/>

In the case of the valuation of intellectual property in the software defined gaming market and gaming management market, there are some basic problems with the market approach to valuation in that the market for such technology is very diverse and there is little publicly available information on sales of similar technologies to that of IDPL, other than what is made available by parties wishing to promote the value of their assets.

An alternative approach to market valuation would be to consider the market value of IDPL based on recognised rules of thumb for the valuation of private companies. However, this company is on the threshold of entering new markets with new products and this approach may not be a reliable approach for the valuation of IDPL assets considering that previous business operations have been restricted to the current market without consideration of expansion into North American and European markets. Certainly the proliferation of games similar to the 26 titles referred to in Section 4 indicates that the values of these titles could be relatively small if no significant market penetration can be demonstrated. On the other hand, the size of the tournament gaming market and the size of the Global Esports Management Software Market estimated at around US\$ 870.8 million in 2019¹⁶ and growing at almost 21% annually indicates that tournament management software gaining a significant profile in the market could command significant value although we have found no evidence in the market of a marketplace for the sale of tournament engines.

7.2 Cost-Based Approaches

With regard to cost based valuation approaches, the most common types of cost based valuations that are used for technology and other intellectual property asset valuation purposes are reproduction cost and replacement cost. Reproduction cost is the total cost, at current prices, to create an exact duplicate asset or technology using the same scientific research, design and development methods used to create the original technology.

The replacement cost is the total cost to create, at current prices, a technology having equal utility to the technology being valued. However, the replacement technology would be created with contemporary technical research, contemporary software code, design and development methods. Accordingly, the replacement technology may have greater utility in terms of commercial potential and technological accomplishment than the subject property.

Replacement cost of the technology as new technology typically establishes the maximum amount that a prudent investor would pay for a fungible, or replaceable, asset. However, in some cases, the technology may be so unique that it is not replaceable and in these circumstances, replacement cost as new may not establish the maximum amount that a buyer would pay for the subject asset.

To the extent that an asset is less than an ideal replacement for itself, the value of the subject technology may need to be adjusted for losses in economic value due to functional obsolescence, technological obsolescence and economic obsolescence.

In the case of IDPL's gaming software assets, we would estimate the average replacement cost of each of the assets would be no more than US\$ 20,000 indicating that the total replacement cost of all the 26 titles would be no more than US\$ 500,000. However, as is clear from our review of this gaming software, the games are dated and are not meeting consumer expectations and we do not believe that a cost basis is a reasonable basis for valuing these assets.

Where there are clear indications as to what has been spent to develop the intellectual property as is the case with the ESPL tournament engine, this can form the basis for a valuation approach. The technology is currently in a mature form and does not require any further development for commercialisation. As a result, all of the funds have been used to overcome limitations or risks that the technology might not meet expectations. IDPL has indicated that up to 30 April 2021, SG\$295,000 (US\$ 222,000) was spent to develop its technology. In view of the fact that the company has gained a significant profile in a competitive market,

¹⁶ eSports Management Software Market by Application (Tournament Organizers and Game Publishers) by types (On-Premise and Cloud Based), by geographic scope and forecast. Verified Market Research September 2020.

the funds spent to develop the technology could be considered as a reasonable indicator of the base value of the technology. This approach to valuation can only be indicative without clearer market information to support a valuation of the asset.

7.3 Income-Based Approaches

In situations where there is a clear link between the subject intellectual property asset and economic returns or income, a valuation based on an income approach is usually preferred. There are a number of measures of economic income that may be relevant to the various income approach methods, including:

- Gross or net revenues
- Gross income or gross profit
- Net operating income,
- Net income after tax
- Operating cash flow
- Net cash flow
- Margins attributable to intellectual property such as licensing income or its equivalent.

Several categories of income approach methods are listed below:

1. Methods that quantify incremental levels of economic income (i.e. the owner of the intellectual property or asset will benefit from a greater level of economic income by owning the technology than by not owning it).
2. Methods that quantify decremental levels of economic cost (i.e. the owner will benefit from lower levels of costs as a result of ownership)
3. Methods that estimate a relief from a hypothetical royalty or rental payment (i.e. the amount of a royalty that the owner would be willing to pay to a third party in order to obtain the use of and rights to the intellectual property) (Note: this approach ignores benefits that can be gained by internalising costs or applying the intellectual property to other products).
4. Methods that quantify the difference in value of an overall business enterprise as the result of owning the subject technology or intellectual property
5. Methods that estimate the value of the intellectual property as a residual from the value of an overall business enterprise or as a residual from the value of an overall estimation of the total intangible value of a business enterprise.

Income approach methods of valuation are commonly used with regard to technology assets and intellectual property valuation if the assets are already providing or about to provide commercial returns and are at the very core of the commercial operation. In the case of the ESPL tournament engine, the technology is already being commercialised and is already enabling the company to gain financial income since June 2020 although this has not covered operating costs. With this observation, valuation of the intellectual property on the basis of past income is likely to provide only a low value but this does not take into account the recent expansion of users of the platform and the expectation that the business will be break even in coming months.

With regard to the 26 software gaming titles of IDPL, we have been advised that revenues are projected at less than US\$ 2,000 in the current year. Because of this any valuation of the software based on an income approach would conclude that the software titles have no significant value.

In our review of the intangible assets of IDPL and their valuation, we concluded the following:

1. The major asset held by IDPL is its share of the software in the ESPL tournament platform. We consider that much of the value is in the software developed because the final product is complete, has been used to develop a substantial market of customers in Asia and forms the basis of a new sales

and marketing campaign to generate significant revenues not only in the Asia Pacific market but also in South America and Europe.

2. As the technology is predominantly software, value forms a significant percentage of revenues generated from sales of the platform.

In view of the above, we could value the ESPL tournament software using a cost approach for indicative purposes only, but an income approach would be more suitable as commercialisation is currently in process. The same approach could be applied to the valuation of the 26 gaming titles, but as projected revenues from commercialisation of these titles is significantly less than the cost to create, the cost approach is not indicative of value and an income approach is the only suitable approach.

8. VALUATION OF IDPL INTELLECTUAL PROPERTY ASSETS

The following sets out our views on the valuation on the intellectual property of IDPL as listed in Section 4 of this report.

A review of available material indicates that many of 26 mobile game titles listed in Attachment A have been published but are generating very little revenue. Many have been withdrawn from the mobile platform app stores and there is little evidence that IDPL is updating the apps published to meet changing consumer expectations. While we estimate that no more than US\$ 500,000 was spent to develop these titles, we would value them on the basis of an income approach at no significant value.

With regard to the ESPL tournament platform, SG\$295,000 (US\$ 222,000) was spent to develop the software and associated intellectual property to the current stage. The software platform has gained significant traction in the Asia Pacific gaming market, has expanded to South Asia and South America suggesting that the platform has viability in all target markets. A cost-based valuation incorporating some premium for the international interest in the product would provide an indicative base value for the intellectual property of between US\$ 200,000 and US\$ 300,000.

The subject intellectual property assets are already being commercialised so a more appropriate valuation approach would be an income-based approach based on assessing the background of past sales and making some assessment of sales into the future, allowing for a royalty rate equivalent on future sales and discounting future projected income based on the technical and commercial risks over a set period for commercialisation.

In the last year ESPL has built up a reasonable market presence through consumer use of its tournament software with 312 tournaments organised across 16 countries in the Asia Pacific, South Asia, South East Asia, South America, MENA and Europe. ESPL is currently in the process of rapidly expanding its users to around 200,000 with 1 million users projected in the next year.

We have reviewed the sales projections of ESPL related to its expansion in target markets, move to subscriber income and revenues from advertising and sponsorship. We consider them as a reasonable basis for use in an income based intellectual property valuation. We have reviewed projections over five and ten year periods allowing for a slower uptake by the platform.

In making our assessments, we have noted the following:

- The target markets are substantial and expanding rapidly and there is a strong demand for the tournament platform offered by ESPL
- The ESPL Platform is technically complete and requires minimal improvement to access the projected markets,
- The ESPL Platform has already gained a significant profile in target markets
- There are few or no technical risks in developing the platform further to meet market needs

- There are commercial risks associated with expanding in a dynamic and rapidly developing market where the normal operating structures are not yet fully worked out and where the advent of new technologies could lead to rapid changes in accessible markets
- The sales projections of ESPL for the Asia Pacific, South Asia, South East Asia and South American markets are achievable if the overall market continues to expand at the current rate. These projections have been used to look at the business model moving forward. We have used these discounted projections as the basis for our valuation calculation taking into account current projections and some delay in developing the market.

We have valued the intellectual property assets associated with the tournament software noted in Section 4 of this report based on the expectations of the company over the next five years in the target markets allowing for some delays up to a ten year period. As a royalty rate equivalent on product sales we have used a margin of 30-40% noting that after the company breaks even, its margins will be an equivalent amount or more. We have considered conservatively projected sales over a five year period because of uncertainties about trends in the market and the possibility that new technology developments in the video gaming market over the next five years could lead to major changes in selection of tournament platforms in the future. We have also used a discounted cash flow analysis over the five year period of projected sales of 7.7% to 8.9% after tax and the selection of this range which represents a moderate commercial risk (beta of 1) to take into account the fact that the product is technically complete, is already commercial and generating revenues.

On the basis of these assumptions, we have valued the intellectual property assets of ESP's tournament software in the range of US\$6.7–9.4 million with our preferred value at \$8.0 million.

9. DISCLOSURE OF BASES AND SOURCES

In forming our opinion of the value of the assets of IWG, we have reviewed and relied upon the following discussions and documents:

- Discussions with Mr Eugene Khoo Sheng Chuan, Senior Manager Corporate Finance, iCandy
- Discussions with technical solutions architects and chief information officers of various companies.
- Publicly available material.

10. CONCLUSIONS

Two approaches to the valuation of the intellectual property assets of IDPL were considered: cost and income-based approaches. A market-based valuation approach was not used because there is little publicly available information on sales of similar intellectual property to that of IDPL. The valuation ranges gained using the two approaches is summarised in the following table.

Intellectual Property Item	Cost Based Valuation Range	Income Based Valuation Range
26 gaming titles	Less than US\$500,000	No Significant Value
ESPL tournament software engine	US\$200,000 to US\$300,000	US\$6.7-9.4 million

For the computer game titles, the lack of future commercialisation prospects indicated that an income based approach should be preferred and as a result no significant value could be attached to the intellectual property associated with these 26 games.

With regard to the ESPL tournament platform and associated software, a cost based approach could only indicate a base value. However because the assets are already generating significant revenues, an income-based approach was preferred. This valued the intellectual property associated with the tournament engine in the range of US\$6.7–9.4 million with our preferred value at US\$8.0 million.

11. QUALIFICATIONS AND DECLARATIONS

Valutech Pty Ltd is a company specialising in market research on high technology products and the valuation and assessment of identifiable intangible assets including intellectual property from a wide range of industries. It was established in 1992 by Dr Maurice Venning who has a background of over 30 years in technology assessment and advisory roles with the Federal Government, large companies, consulting companies and universities. Dr Venning has been undertaking intangible asset valuations on behalf of Valutech and other companies for over thirty years.

Valutech has undertaken a number of valuations in the past related to intellectual property, copyright and other identifiable intangible assets of companies operating in the computer software and computer and communications networks industries.

Valutech has not undertaken work for iCandy, IDPL or ESPL in the past and has no interest in iCandy, IDPL, ESPL or related companies.

12. DISCLAIMER

This assessment represents solely the expression by Valutech of its opinion as to a fair market valuation for assets of IDPL in June 2021. This assessment is based upon information submitted to us as well as external sources and we do not imply nor should it be construed that we have carried out any form of audit or verification of the information and records supplied to us.

We have no reason to believe that any material facts have been withheld or misstated and have no reason to doubt the reasonableness of judgements made. However, Valutech cannot underwrite or guarantee the achievability of the financial forecasts.

Yours sincerely,



Maurice Venning
Director

ATTACHMENT A - INTELLECTUAL PROPERTY - LIST OF SOFTWARE APP TITLES

Number	App Name	Platform	URL	Status
1	Happy Pitch Monsters	Android	https://play.google.com/store/apps/details?id=com.smg.google.hpmonsters&hl=en	Published
2	Calendar 2012	Android	https://play.google.com/store/apps/details?id=com.outblazeventures.calendar2012&hl=en	Published
3	Candy Cafe	Android		Removed
4	Fashion Girl Power	Android	https://fashion-girl-power.en.uptodown.com/android	Published
5	Friends Plus	Android		Removed
6	Judi Knight	Android		Unpublished
7	Lucky Fortune Cat	Android	https://play.google.com/store/apps/details?id=com.animocabrands.google.fortunecat&hl=en	Published
8	Maneki-neko	Android	https://play.google.com/store/apps/details?id=com.skyboard.google.manekineko	Published
9	Mermaid Cafe	Android	https://play.google.com/store/apps/details?id=com.animocabrands.google.mermaidcafe&hl=en_AU&gl=US	Removed
10	Party Guess (HK market only)	Android & iOS	https://apps.apple.com/hk/app/party-guess/id994058563?l=en https://m.apkpure.com/party-guess/com.animocabrands.google.lookups	Removed
11	Perfect Match Dating	Android	https://play.google.com/store/apps/details?id=com.sumogames.google.perfectmatchdating1	Published
12	Princess Story Maker	iOS	https://apps.apple.com/us/app/id1223954895	Published
13	Runway Girl	Android	https://play.google.com/store/apps/details?id=com.thirtysixyougames.google.runwayGirl&hl=en_AU&gl=US	Published (Removed from Google Play?)
14	Runway Girl Seasons	Android		Published (Removed from Google Play?)
15	Seven Dwarfs Cafe	Android	https://play.google.com/store/apps/details?id=com.basaltgames.google.snowWhiteCafe&hl=en_AU&gl=US	Published (Removed from Google Play?)
16	Slot Poker	Android	https://play.google.com/store/apps/details?id=com.aurum.google.slotpoker&hl=en_US&gl=US	Published (Removed from Google Play?)

Number	App Name	Platform	URL	Status
17	Snap Fanfic Chat Stories	Android	https://play.google.com/store/apps/details?id=com.sumogames.google.snapfanfic&hl=en&gl=US	Published
18	Snap Shakespeare	Android	https://play.google.com/store/apps/details?id=com.sumogames.google.snapspeare&hl=en&gl=US	Published
19	Snow White Cafe	Android	https://play.google.com/store/apps/details?id=com.animoca.google.snowwhitecafe&hl=en&gl=US	Published (Removed from Google Play?)
20	Superhero Calculator	Android	https://play.google.com/store/apps/details?id=com.ab.google.superherocalc&hl=en_AU&gl=US	Published
21	Superstar Fashion Girl	Android & iOS	https://apps.apple.com/us/app/superstar-fashion-girl/id778416978 https://play.google.com/store/apps/details?id=com.animocacollective.google.superstarFashionGirl&hl=en&gl=US	Published
22	The Perfect Date	Android	https://play.google.com/store/apps/details?id=com.thirtysixyougames.google.theperfectdate&hl=en&gl=US	Published
23	Top Celebrity:3D Fashion Game	Android	https://play.google.com/store/apps/details?id=com.skyboard.google.topCelebrity&hl=en&gl=US	Published (Removed from Google Play?)
24	Top Models: Sports Edition (Top Models)	Android & iOS	https://play.google.com/store/apps/details?id=com.animoca.google.topModelSportsEdition&hl=en&gl=US https://apps.apple.com/us/app/top-models/id506228590	Removed
25	Unit Converter	Android	https://play.google.com/store/apps/details?id=com.skyboard.google.unitconverter&hl=en	Published
26	Winter Wonderland	Android	https://play.google.com/store/apps/details?id=com.animoca.google.winterwonderland&hl=en	Published (Removed from Google Play?)

APPOINTMENT OF PROXY FORM

ICANDY INTERACTIVE LIMITED ACN 604 871 712

GENERAL MEETING

I/We

of:

SRN/HIN

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at **3:00pm (AEST) on 30 July 2021 at Level 4, 91 William Street, Melbourne Vic 3000** and at any adjournment thereof.

Authority for Chair to vote undirected proxies on Remuneration Related Resolutions

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 IS connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

Chair's Voting Intention in relation to undirected proxies

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report			
Resolution 2	Re-election of Director – Mr Robert Kolodziej			
Resolution 3	Election of Director – Mr Christopher Whiteman			
Resolution 4	Approval of 10% Placement Capacity			
Resolution 5	Ratification of Prior Issue of Placement Shares (LR 7.1)			
Resolution 6	Ratification of Prior Issue of Placement Shares (LR 7.1A)			
Resolution 7	Ratification of Prior Issue of Placement Options (LR 7.1)			
Resolution 8	Ratification of Prior Issue of Broker Options (LR 7.1)			
Resolution 9	Approval to issue Placement Shares and Placement Options to Related Party – Mr Kin Wai Lau			
Resolution 10	Approval to Issue Placement Shares and Placement Options to Faffish Group Limited			
Resolution 11	Ratification of Nextgamer Consideration Shares			
Resolution 12	Approval for Disposal of iCandy Digital Pte Ltd			
Resolution 13	Approval for Disposal of iCandy Digital Pte Ltd to Associate of a Related Party and Substantial Holder			

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Shareholder 2

Shareholder 3

Sole Director/Company Secretary

Director

Director/Company Secretary

Date:

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail: YES ☐ NO ☐

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director, who is also the sole company secretary, that person must sign. Where the company (pursuant to section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to iCandy Interactive Limited, PO Box 253 Collins Street West, VIC 8007;
 - (b) in person to Level 4, 91 William Street, Melbourne; or
 - (c) Via email to jiahui@dwaccounting.com.au,

so that it is received not later than **3:00pm** (EST) on 28 July 2021.

Proxy Forms received later than this time will be invalid.