



**iCandy Interactive Limited**  
(ACN 604 871712)  
Level 4, 91 William Street  
Melbourne, VIC 3000  
Australia

20 September 2021

## **ASX and Media Announcement**

# **iCandy Acquires Significant Shareholding in ASX-listed Game Developer Mighty Kingdom (MKL)**

iCandy Interactive Limited ("**iCandy**" or the "**Company**") is pleased to announce that it has acquired **11,781,362 shares, or 7.78%** of the ordinary share capital in ASX-listed game development company Mighty Kingdom Ltd. ("**Mighty Kingdom**").

The acquisition is completed at A\$0.135 per Mighty Kingdom ordinary share, costing a total of A\$1.59 million and is funded by existing cash reserves of iCandy.

## **Potential Cooperation Between The Companies**

Mighty Kingdom is one of the largest Australian-headquartered game developers that develops and publishes games, much like iCandy. The nature of business of both companies are largely similar.

The acquisition fits with iCandy's strategy of expanding its reach within the gaming sector in the region; driving value through collaboration and partnerships with strategic partners.

iCandy views the team, existing portfolio and the forward pipeline at Mighty Kingdom favourably and believes that potential business synergies can be explored through leveraging iCandy's expertise in game development and distribution, especially into high value gaming markets in Asia.

## **Attractive Propositions to iCandy**

The Company believes that Mighty Kingdom's valuation is attractive when compared to regional peers, given that only a handful of gaming companies are listed on the ASX. As such, the acquisition of a significant shareholding in Mighty Kingdom at the price paid per share represents a compelling value opportunity for shareholders.

On the same basis, iCandy had recently announced, on 17 September 2021, an On Market Share Buy Back Program of the company's own shares in line with shareholder value maximisation.



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Following successes of the Company's launch of game titles **Claw Stars** on 30 June 2021 and **Masketeers: Idle Has Fallen** on 8 October 2020, as well as significant capital raising in the year 2020, iCandy's Board is of the opinion that it is well positioned to source growth opportunities through mergers and acquisitions to supplement its ongoing organic development program.

Going forward, the Company will continue to review value-adding acquisitions within the sector whilst maintaining momentum within its internal development pipeline, including the release of hyper-casual game platform and games under **Nextgamer**, as well as the soon-to-be released game from the joint venture with Lemon Sky Studios - **Sky Candy**.

The Sky Candy joint venture is a 50/50 arrangement with one of Southeast Asia's pre-eminent game studios, Lemon Sky Studios. Lemon Sky Studios is a global leading game art and animation business with extensive AAA game track-records, having worked on many AAA game titles that include StarCraft: Remastered, Command & Conquer Remastered, Marvel's Avengers, Marvel's Spider-man, Warcraft 3: Reforged and many others.

iCandy's Chairman, Kin Wai Lau, commented: "The synergies between iCandy and Mighty Kingdom are clear and straightforward. We see the acquisition of a significant stake in Mighty Kingdom as a potential starting point of various opportunities to drive value for both companies."

### **About Mighty Kingdom**

Mighty Kingdom designs games and gaming experiences from the ground up for Console, PC and Mobile platforms.

Since its formation in 2010, Mighty Kingdom has released more than 50 games that have been played by over 50 million players worldwide. The company has previously worked alongside international brands such as Disney, LEGO, the Australian Red Cross, Moose Toys, Funcom, Rogue and Snapchat.

Mighty Kingdom listed on the ASX in April 2021, raising A\$18m priced at \$0.30 per share.

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

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### **About iCandy Interactive**

iCandy Interactive Limited (ASX: ICI) is an Australian publicly traded company that has its core business in the development and publishing of mobile games and digital entertainment for a global audience. iCandy Interactive runs a portfolio of mobile games that have been played by over 350 million mobile gamers worldwide and has won multiple awards in various coveted international events.

### **For more details, please contact:**

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