



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

25 January 2022

#### ASX and Media Announcement

## Updates on Lemon Sky Studios (LSS) Acquisition - LSS Reports Strong Better-Than-Expected FY2021 Results

#### Highlights:

- Lemon Sky Studios reports unaudited financial results to iCandy and delivers stronger than expected revenue of A\$15.5 million and profit after tax of A\$2.7 million in FY2021
- Lemon Sky Studios will kick off year 2022 with a strong cash balance of A\$6.1 million
- Shareholders approved acquisition of Lemonsky Studios in a recent EGM for A\$44.5 million in cash and shares. Management expects to complete the transaction soon upon completing documentation process
- iCandy and Lemon Sky Studios have begun working closely together, leveraging on their combined expertise to co-design and execute an FY2022 game plan

iCandy Interactive Ltd ("iCandy" or the "Company") is pleased to announce that iCandy has received notification from Lemon Sky Animation Sdn Bhd ("Lemon Sky Studios") that it has recorded unaudited revenue of **A\$15.5 million** (RM46 million) for its financial year ending 31 December 2021 (FY2021), which is **21% higher than** forecast presented by the management of Lemon Sky Studios during the due diligence stage.

iCandy understands that Lemon Sky Studios achieved a higher-than-expected revenue due to very strong and growing demand for its high-quality game art and animation services from its blue-chip global clientele.

iCandy notes that most of Lemon Sky Studios' costs are fixed costs and overheads. As such, much of the increase in revenue is expected to translate into a strong **Profit After Tax (PAT) of approximately A\$2.7million in FY2021**.

Lemon Sky Studios has also closed the financial year with a much stronger than expected balance sheet, recording a **cash balance of A\$ 6.1 million** as at 31 December 2021.



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

To recap, iCandy shareholders approved the acquisition of Lemon Sky Studios at an extraordinary general meeting on 13 January 2022. The acquisition is expected to complete within the next 2 weeks.

Ahead of completion, the management of iCandy and Lemon Sky Studios have begun working very closely to chart out a game plan for FY2022, which includes building an extensive pipeline of games for the metaverse concept in AAA-quality format.

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

— END —

#### **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 360 million mobile gamers worldwide and has won multiple awards in various coveted international events.

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

[ir@icandy.io](mailto:ir@icandy.io) or visit [www.icandy.io](http://www.icandy.io)