



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

31 October 2023

## **ASX and Media Announcement**

# **Quarter Ended 30 September 2023 - Cash Flow Turned Positive and Up 28%**

iCandy Interactive Ltd (ASX: ICI) (“**iCandy**” or the “**Company**”) is pleased to provide the quarterly summary of its activities for the quarter ended 30 September 2023 (“**Quarter**”).

During the Quarter, iCandy demonstrated noteworthy financial progress, recording a cash receipt of A\$7.7 million, signifying a robust **28% cash receipt increase** relative to the A\$6.0 million recorded in the previous quarter. This is attributed to higher revenue and receipts.

Furthermore, a corporate wide cost review and right-sizing initiative was successfully executed during this Quarter. This strategic measure played a pivotal role in enabling iCandy to achieve a **positive cash flow** for the Quarter.

## **The Launch of Legend of the Mara by Yugalabs**

iCandy Interactive Ltd proudly reports on our role as a co-development partner of Yugalabs for a newly introduced Web3 game Legend of the Mara (LOTM). LOTM's beta was launched in late September 2023.

LOTM is a collection based 2D strategy game that is part of the broader Otherside metaverse game in development at Yugalabs. Players can choose to assign their in-game character to begin working and collecting resources to evolve, or battling for special treasures in the game. Yugalabs is the renowned global company behind the Bored Ape Yacht Club franchise.

iCandy Interactive Ltd looks forward to further milestones in our role as a co-development partner, shaping the future of metaverse gaming experiences.



### **Listing Rule 4.7C.1**

In accordance with Listing Rule 4.7C.1, a summary of the net cash operating cash outflows for the quarter ended 30 September 2023 are as follows:

Receipts from customers	\$7,746,000
Interest received	\$34,000
Payments for:	
Product manufacturing and operating costs	\$576,000
Advertising and marketing	\$53,000
Staff costs	\$4,433,000
Administration and corporate costs	\$889,000
Interest and other costs of finance paid	\$26,000
Income taxes paid	\$1,068,000

### **Listing Rule 4.7C.3**

In accordance with Listing Rule 4.7C.3 under Item 6 of the Company's Appendix 4C of the cash flow report for the quarter, it has been reported that payments to Related Parties are approximately \$36,000. This was payment of Directors' fees.

The Company's Appendix 4C statement is herein attached at the back of this announcement.

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

— END —

### **About iCandy Interactive**

iCandy Interactive Limited (ASX:ICI) is an award-winning, publicly traded video games company that has been listed on the Australian Securities Exchange since 2016.

With headquarters in Melbourne, Australia, and offices across Malaysia, Singapore, Indonesia, and Germany, we are one of the largest independent game developers in the region. Our team of more than 650 full-time game developers, artists, and engineers has delivered more than 350 mobile, console, PC, and Web 3.0 titles. The Company has worked with some of the biggest names in the business on some of the most widely known titles and iconic franchises in video games history. For more information, please visit our website at <https://icandy.io/>.

iCandy Group is supported by a strong network of strategic shareholders, including Animoca Brands, Fattfish Group, Baidu, Singtel, SK Square, AIS, IncubateFund, as well as several Australian and international funds.

For more details, please contact: [ir@icandy.io](mailto:ir@icandy.io)

**Appendix 4C**  
**Quarterly cash flow report for entities**  
**subject to Listing Rule 4.7B**

**Name of Entity**

ICANDY INTERACTIVE LIMITED
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**ABN**

87 604 871 712
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**Quarter ended ("current quarter")**

30 SEPTEMBER 2023
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<b>Consolidated Statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	7,746	17,599
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(576)	(3,829)
(c) advertising and marketing	(53)	(501)
(d) leased assets	-	-
(e) staff costs	(4,433)	(15,781)
(f) administration and corporate costs	(889)	(4,131)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	34	164
1.5 Interest and other costs of finance paid	(26)	(156)
1.6 Income taxes paid	(1,068)	(1,813)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from/(used in) operating activities</b>	<b>735</b>	<b>(8,448)</b>

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(1,727)
(d) investments	-	(1,695)
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	23
<b>2.6 Net cash from/(used in) investing activities</b>	<b>-</b>	<b>(3,399)</b>

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	1,366	7,826
3.6 Repayment of borrowings	(1,141)	(6,200)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other - payments for share buyback	-	(15)
<b>3.10 Net cash from/(used in) financing activities</b>	<b>225</b>	<b>1,611</b>

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>4. Net increase/(decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	7,037	18,177
4.2 Net cash from /(used in) operating activities (item 1.9 above)	735	(8,448)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	-	(3,399)
4.4 Net cash from /(used in) financing activities (item 3.10 above)	225	1,611
4.5 Effect of movement in exchange rates on cash held	(162)	(106)
4.6 Effect on deconsolidation of subsidiaries that have been deemed investment entities	-	-
<b>4.7 Cash and cash equivalents at end of period</b>	<b>7,835</b>	<b>7,835</b>

	Current quarter \$A'000	Previous quarter \$A'000
<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts.</b>		
5.1 Bank balances	7,835	7,037
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,835</b>	<b>7,037</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
36
-

**Appendix 4C**

**Quarterly cash flow report for entities subject to Listing Rule 4.7B**

7. <b>Financing Facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-

**7.5 Unused financing facilities available at quarter end** -

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. <b>Estimated cash available for future operating activities</b>	\$A'000
8.1 Net cash from/(used in) operating activities (item 1.9)	735
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,835
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	7,835
<b>8.5 Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)</b>	<b>10.66</b>

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not ?

N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis ?

N/A

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

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#### Compliance Statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by: By the Board of Directors

#### Notes:

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the {name of board committee - eg *Audit and Risk Committee*}". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system risk management and internal control which is operating effectively.