



**APPENDIX 4E
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Lodged with the ASX under Listing Rule 4.3A

Contents

Results for announcement to the market

Net tangible assets

Control over other entities

Preliminary financial statements

Compliance statement

Company Details



Name of reporting entity: iCandy Interactive Limited
ABN: 87 604 871 712
Reporting period: 1 January 2024 - 31 December 2024
Prior corresponding reporting period: 1 January 2023 - 31 December 2023

Results for announcement to the market

Revenue from ordinary activities	Down	3%	from	26,105,408	to	25,369,775
Loss from ordinary activities	Down	108%	from	(14,184,178)	to	1,088,672
Net loss for the period attributable to members	Down	103%	from	(13,180,640)	to	381,564

Revenue from ordinary activities decreased by 3% to \$25,369,775 from last year's revenue of \$26,105,408.

Net profit attributable to members \$381,564 compared to last year's loss of \$13,180,640.

Profit per share of 0.029 cent compared with last year's loss of (1.01 cents).

Diluted profit per share of 0.029 cent compared with last year's loss of (1.01 cents).

Review of Operations

The consolidated profit for the twelve month period ended 31 December 2024 was \$1,088,672. (2023 loss: \$14,184,178)

The net assets of the Group as at 31 December 2024 was \$66,960,024. (31 December 2022: \$64,700,972)

The table below reflects the Adjusted EBITDA for the Group during the financial year. The table takes into account once-off items and unrealised movement on investment at fair value.

	FY 24	FY 23
Profit before income tax	2,294,600	(12,884,270)
Add Backs:		
Depreciation & Amortisation	3,735,028	4,659,264
Finance costs	229,204	371,376
Unrealised movement in fair value of digital currencies	(35,209)	1,077,539
Impairment expense	480,183	7,460,729
Loss on sale of investment	219,268	-
	4,628,474	13,568,908
Adjusted EBITDA	6,923,074	684,638

Net tangible assets

Net tangible asset backing per ordinary share at 31 December 2024 1.38 cents, and at previous corresponding period, 1.54 cents.

Control over other entities

Name of entity: N/A
Date of control gained: N/A

PRELIMINARY STATEMENT OF CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

		Group	
		2024	2023
		(unaudited)	
	Note	\$	\$
Continuing operations			
Revenue	2	25,369,775	26,105,408
Other income	2	689,368	3,814,282
Cost of sales		(9,615,838)	(13,774,270)
		<u>16,443,305</u>	<u>16,145,420</u>
Unrealised foreign currency gain/(losses)		10,827	(140,570)
Unrealised movement in digital currencies		35,209	(1,077,539)
Marketing expenses		(141,359)	(397,482)
Audit fees		(198,335)	(157,966)
Legal and professional fees		(806,654)	(1,898,258)
Occupancy expenses		(516,557)	(775,881)
Employee benefits expense		(6,213,266)	(8,296,038)
Depreciation and amortisation expense		(3,735,028)	(4,659,264)
Impairment expense		(480,183)	(7,460,729)
Computer expenses		(283,944)	(310,558)
Share based payments		-	(108,266)
Loss on sale of investment		(219,268)	-
Other expenses		(841,496)	(864,185)
Travel expenses		(437,181)	(547,110)
Bad debt expense		(92,266)	(1,964,468)
Finance costs		(229,204)	(371,376)
Profit/(Loss) before income tax		<u>2,294,600</u>	<u>(12,884,270)</u>
Tax expense		(1,205,928)	(1,299,908)
Net loss for the year		<u>1,088,672</u>	<u>(14,184,178)</u>
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations, net of tax		1,512,526	(3,059,488)
Fair value increase/(decrease) in investment holdings		(465,008)	(1,046,498)
		<u>1,047,518</u>	<u>(4,105,986)</u>
Total other comprehensive income/(loss) for the year		<u>1,047,518</u>	<u>(4,105,986)</u>
Total comprehensive income for the year		<u>2,136,190</u>	<u>(18,290,164)</u>
Net profit attributable to:			
Owners of the parent entity		381,564	(13,180,640)
Non-controlling interest		707,108	(1,003,538)
		<u>1,088,672</u>	<u>(14,184,178)</u>
Total comprehensive income attributable to:			
Members of the parent entity		2,834,257	(18,418,204)
Non-controlling interest		(698,067)	128,040
		<u>2,136,190</u>	<u>(18,290,164)</u>
Earnings per share			
From continuing and discontinued operations:			
Basic and diluted earnings per share (cents)	11	0.03	(1.01)

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

		Group	
		2024	2023
		(unaudited)	
	Note	\$	\$
Assets			
Current Assets			
Cash and cash equivalents		4,167,914	6,383,581
Trade and other receivables	3	2,172,376	4,059,767
Other financial assets	4	1,379,895	954,383
Current tax assets		74,206	4,580
Other assets		3,874,205	4,087,747
Total Current Assets		11,668,596	15,490,058
Non-Current Assets			
Financial Assets - Fair value OCI	5	377,753	1,117,357
Property, plant and equipment	6	12,965,545	11,422,732
Intangible assets	7	49,267,807	44,635,075
Right-of-use assets		745,505	1,302,229
Deferred tax assets		131,673	129,683
Total Non-Current Assets		63,488,283	58,607,076
Total Assets		75,156,879	74,097,134
Liabilities			
Current Liabilities			
Lease liabilities		712,973	853,914
Trade and other payables	8	3,022,267	1,715,484
Borrowings	9	3,858,788	3,779,878
Other financial liabilities		602,827	537,192
Current tax liabilities		-	-
Total Current Liabilities		8,196,855	6,886,468
Non-Current Liabilities			
Lease liabilities		-	306,166
Borrowings	9	-	2,203,528
Total Non-Current Liabilities		-	2,509,694
Total Liabilities		8,196,855	9,396,162
Net Assets		66,960,024	64,700,972
Equity			
Issued capital	10	115,447,623	115,238,761
Reserves		(24,083,564)	(25,743,149)
Retained earnings		(24,558,556)	(24,940,120)
Equity		66,805,503	64,555,492
Non-controlling interest		154,521	145,480
TOTAL EQUITY		66,960,024	64,700,972

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

	Issued Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Reserves Financial Assets Reserve	Transactions with non- controlling interest	Digital Assets Revaluation Reserve	Other Components of Equity	Subtotal	Non-controlling interests	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Consolidated Group											
Balance at 1 January 2023	115,296,721	(12,389,953)	801,093	963,792	(4,438,008)	(3,266,363)	-	(15,047,428)	81,919,854	1,020,978	82,940,832
Comprehensive income											
Loss for the year	-	(13,180,640)	-	-	-	-	-	-	(13,180,640)	(1,003,538)	(14,184,178)
Other comprehensive income for the year	-	-	(3,187,528)	-	(1,046,498)	-	-	-	(4,234,026)	128,040	(4,105,986)
Total comprehensive income for the year	-	(13,180,640)	(3,187,528)	-	(1,046,498)	-	-	-	(17,414,666)	(875,498)	(18,290,164)
Transactions with owners, in their capacity as owners, and other											
Shares issued during the year	500	-	-	-	-	-	-	-	500	-	500
Shares bought back during the year	(58,460)	-	-	-	-	-	-	-	(58,460)	-	(58,460)
Vesting of performance rights and options during the year	-	-	-	108,264	-	-	-	-	108,264	-	108,264
Options expired during the year	-	630,473	-	(630,473)	-	-	-	-	-	-	-
Total transactions with owners and other transfers	(57,960)	630,473	-	(522,209)	-	-	-	-	50,304	-	50,304
Balance at 31 December 2023	115,238,761	(24,940,120)	(2,386,435)	441,583	(5,484,506)	(3,266,363)	-	(15,047,428)	64,555,492	145,480	64,700,972
Balance at 1 January 2024	115,238,761	(24,940,120)	(2,386,435)	441,583	(5,484,506)	(3,266,363)	-	(15,047,428)	64,555,492	145,480	64,700,972
Comprehensive income											
Profit for the year	-	381,564	-	-	-	-	-	-	381,564	707,108	1,088,672
Other comprehensive income for the year	-	-	2,210,593	-	(465,008)	-	-	-	1,745,585	(698,067)	1,047,518
Total comprehensive income for the year	-	381,564	2,210,593	-	(465,008)	-	-	-	2,127,149	9,041	2,136,190
Transactions with owners, in their capacity as owners, and other											
Shares issued during the year	122,862	-	-	-	-	-	-	-	122,862	-	122,862
Vesting of performance rights and options during the period	86,000	-	-	(86,000)	-	-	-	-	-	-	-
Total transactions with owners and other transfers	208,862	-	-	(86,000)	-	-	-	-	122,862	-	122,862
Balance at 31 December 2024	115,447,623	(24,558,556)	(175,842)	355,583	(5,949,514)	(3,266,363)	-	(15,047,428)	66,805,503	154,521	66,960,024

The above statement should be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2024

	Group	
	2024	2023
	(unaudited)	
	\$	\$
Cash flows from Operating Activities		
Receipts from customers	28,800,946	29,244,835
Interest received	140,492	212,905
Payments to suppliers and employees	(23,252,460)	(35,340,929)
Finance costs	(191,184)	(371,376)
Income tax paid	(1,205,928)	(1,299,908)
Net cash used in operating activities	<u>4,291,866</u>	<u>(7,554,473)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,727,071)	(4,559,410)
Purchase of intangibles	(1,950,101)	(1,321,748)
Proceeds from sale of investments	113,104	(6,400)
Purchase of investments	-	(1,105,901)
Net loan to related parties	-	1,812,383
Net cash used in investing activities	<u>(3,564,068)</u>	<u>(5,181,076)</u>
Cash flows from financing activities		
Repayment of lease liabilities	(686,226)	(690,093)
Share buy-back payment	-	(58,460)
Proceeds from borrowings	1,956,476	4,826,961
Repayment of borrowings - other	(3,879,925)	(3,317,923)
Net cash provided by financing activities	<u>(2,609,675)</u>	<u>760,485</u>
Net (decrease)/increase in cash held	(1,881,877)	(11,975,064)
Cash and cash equivalents at beginning of financial year	6,383,581	18,177,415
Effect of exchange rates on cash holdings in foreign currencies	(333,790)	181,230
Cash and cash equivalents at end of financial year	<u><u>4,167,914</u></u>	<u><u>6,383,581</u></u>

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 1: Summary of Significant Accounting Policies

Other than the following, there have been no material change in the Company's application of its significant accounting policies as presented in the Company's financial statements for the year ended 31 December 2023. Readers of this report should refer to Note 1: Summary of Significant Accounting Policies in the afore-mentioned financial statements for details of those accounting policies.

Note 2: Revenue and Other Income

	Group	
	2024	2023
	(unaudited)	
	\$	\$
Sales revenue		
- sale of in-app applications	319,050	511,343
- ads and sponsorships	75,185	159,814
- publishing income	17,143	573,306
- services - games	19,620,925	17,844,227
- services - animations	5,337,472	7,016,718
	<u>25,369,775</u>	<u>26,105,408</u>
Other revenue		
- interest received	140,492	212,905
- other income	404,405	80,431
- grant received	113,536	3,368,904
- realised foreign exchange gain	30,935	73,578
- realised loss from investments	-	(6,399)
- unrealised gain from investments	-	84,863
	<u>689,368</u>	<u>3,814,282</u>

Note 3: Trade and Other Receivables

	Group	
	2024	2023
	(unaudited)	
	\$	\$
<i>Current</i>		
Trade receivables	2,860,656	4,414,410
Provision for impairment	(741,373)	(772,475)
	<u>2,119,283</u>	<u>3,641,935</u>
Other receivables	27,263	373,846
Tax refundable	25,830	43,986
Total current trade and other receivables	<u>2,172,376</u>	<u>4,059,767</u>

Note 4: Other Financial Assets

	Group	
	2024	2023
	(unaudited)	
	\$	\$
<i>Current</i>		
Amount receivable from:		
- other related parties	1,096,469	163,301
- others	178,031	6,675
	<u>1,274,500</u>	<u>169,976</u>
Other short-term investments	105,395	784,407
	<u>1,379,895</u>	<u>954,383</u>

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 5: Financial Assets - Fair value OCI

	Group	
	2024	2023
	(unaudited)	
	\$	\$
<i>Non-Current</i>		
Fair assets - Fair value OCI	377,753	1,117,357
	<u>377,753</u>	<u>1,117,357</u>
(a) Financial assets - Fair value OCI		
<i>Non-Current</i>		
Listed and unlisted investments at fair value		
- shares in listed corporations	17,873	498,160
- shares in unlisted corporations	359,880	619,197
	<u>377,753</u>	<u>1,117,357</u>
Listed Corporations		
- Financial Assets - Fair value OCI's listed corporations have been valued using quoted prices in active markets.		
Opening Balance	498,160	1,514,858
Disposal of investment	(480,287)	-
Movement in fair value of financial assets - fair value OCI	-	(1,124,719)
Movement in foreign currency	-	<u>108,021</u>
	<u>17,873</u>	<u>498,160</u>
Unlisted Corporations		
- Financial Assets - Fair value OCI's unlisted corporations have been valued using the market approach. The valuation techniques uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities		
Opening Balance	619,197	755,303
Movement in fair value of financial assets - fair value OCI	(307,481)	-
Movement in foreign currency	<u>48,164</u>	<u>(136,106)</u>
	<u>359,880</u>	<u>619,197</u>

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 6: Property, Plant and Equipment

	Group	
	2024	2023
	(unaudited)	
	\$	\$
Land and Buildings		
Building		
At cost	10,225,566	9,044,366
Accumulated depreciation	(940,135)	(657,970)
Total Land and Buildings	9,285,431	8,386,396
Plant and Equipment		
Plant and equipment		
At cost	3,355,289	2,788,184
Accumulated depreciation	(1,991,952)	(1,352,277)
	1,363,337	1,435,907
Leasehold improvements		
At cost	3,217,962	1,674,165
Accumulated depreciation	(1,563,775)	(890,236)
	1,654,187	783,929
Signage		
At cost	1,834	1,623
Accumulated depreciation	(1,535)	(1,196)
	299	427
Furniture and fittings		
At cost	891,687	702,657
Accumulated depreciation	(651,659)	(428,850)
	240,028	273,807
Motor Vehicles		
At cost	1,267,728	1,139,863
Accumulated depreciation	(845,465)	(597,597)
	422,263	542,266
Total plant and equipment	3,680,114	3,036,336
Total Property, plant and equipment	12,965,545	11,422,732

Reconciliation

	Building	Plant and Equipment	Leasehold Improvements	Signage	Furniture and Fittings	Motor Vehicles	Total
Opening net book value	8,386,396	1,435,907	783,929	427	273,807	542,266	11,422,732
Additions	-	304,561	1,325,150	-	97,360	-	1,727,071
Disposals	-	(3,600)	-	-	-	-	(3,600)
Write-off	-	(44,742)	-	-	(90)	-	(44,832)
Depreciation expense	(180,512)	(479,276)	(512,626)	(169)	(153,436)	(163,732)	(1,489,751)
Movement in foreign currency	1,079,547	150,487	57,734	41	22,387	43,729	1,353,925
	9,285,431	1,363,337	1,654,187	299	240,028	422,263	12,965,545

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 7: Intangible Assets

	Group						
	2024	2023					
	(unaudited)						
	\$	\$					
<i>Goodwill</i>							
Cost	44,222,843	43,252,432					
Accumulated impairment losses	(4,939,441)	(7,539,441)					
Net carrying amounts	39,283,402	35,712,991					
<i>Computer software</i>							
Cost	839,478	770,053					
Accumulated amortisation and impairment losses	(812,179)	(606,668)					
Net carrying amounts	27,299	163,385					
<i>Research and Development</i>							
Cost	7,366,995	5,993,023					
Accumulated amortisation and impairment losses	(5,103,763)	(3,522,108)					
Net carrying amounts	2,263,232	2,470,915					
<i>Gaming Platform</i>							
Cost	1,467,528	1,333,863					
Accumulated amortisation and impairment losses	(538,094)	(355,697)					
Net carrying amounts	929,434	978,166					
<i>Digital Assets</i>							
Cost	320,133	320,408					
Accumulated amortisation and impairment losses	-	-					
Net carrying amounts	320,133	320,408					
<i>Work in progress</i>							
Cost	6,444,307	4,989,210					
Accumulated amortisation and impairment losses	-	-					
Net carrying amounts	6,444,307	4,989,210					
Total intangible assets	49,267,807	44,635,075					
<i>Reconciliation</i>							
	Goodwill	Computer Software	Research and Development	Gaming Platform	Digital Assets	Work in progress	Total
Opening net book value	35,712,991	163,385	2,470,915	978,166	320,408	4,989,210	44,635,075
Additions	-	-	219,437	-	-	1,730,664	1,950,101
Reclassification	-	-	861,620	-	-	(861,620)	-
Amortisation charge	-	(145,998)	(760,487)	(138,170)	-	-	(1,044,655)
Write-off	-	-	(191,586)	-	-	-	(191,586)
Movement in fair value	-	-	-	-	35,209	-	35,209
Movement in foreign currency	3,570,411	9,912	(336,667)	89,438	(35,484)	586,053	3,883,663
	39,283,402	27,299	2,263,232	929,434	320,133	6,444,307	49,267,807

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 8: Trade and Other Payables

	Group	
	2024	2023
	(unaudited)	
	\$	\$
Current		
<i>Unsecured liabilities</i>		
Trade payables	153,980	(328,214)
Sundry payables and accrued expenses	2,868,287	2,043,698
	<u>3,022,267</u>	<u>1,715,484</u>

Note 9: Borrowings

	Group	
	2024	2023
	(unaudited)	
	\$	\$
Current		
<i>Secured liabilities - amortised cost:</i>		
Other loans	3,858,788	3,018,190
Bank loans	-	761,688
	<u>3,858,788</u>	<u>3,779,878</u>
Non-Current		
<i>Secured liabilities - amortised cost:</i>		
Other loans	-	2,203,528
Bank loans	-	-
	<u>-</u>	<u>2,203,528</u>

Note 10: Issued Capital

(a) Share Capital

The share capital of iCandy Interactive Limited (the Company) consists of 1,280,407,298 fully paid ordinary shares as at 31 December 2024.

(b) Movements in ordinary share capital

Movements in the ordinary share capital of the Company during the past two years were as follows:

	No. of Shares	Amount
		\$
Opening balance at 1 January 2023	1,306,185,684	115,296,721
Shares issued during the year	20,000	500
Less: share buy-backs	-	(58,460)
Closing balance at 31 December 2023	<u>1,306,205,684</u>	<u>115,238,761</u>
Opening balance at 1 January 2024	1,306,205,684	115,238,761
Shares issued during the year	2,635,284	208,862
Shares cancelled during the year	(28,433,670)	-
Closing balance at 31 December 2024	<u>1,280,407,298</u>	<u>115,447,623</u>

NOTES TO THE PRELIMINARY FINANCIAL STATEMENTS

For the year ended 31 December 2024

Note 11: Earnings per share

Earnings used to calculate basic and dilutive EPS	381,564	(13,180,640)
	Number	
	2024	2023
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,300,401,721	1,306,203,102
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	1,300,401,721	1,306,203,102
Basic/diluted loss per share (cents)	0.03	(1.01)

Note 12: Segment Information

The Group has three operating segments, being, Provision of Creative Art, Game Development and Publishing and All Other Segments.

Note 13: Events Subsequent to Reporting Date

There are no events subsequent to reporting date.

Note 14: Interest in Subsidiaries

(a) Information about Principal Subsidiaries

Name of subsidiary	Country of Incorporation	Ownership interest held by the Group		Proportion of non-controlling interest	
		2024	2023	2024	2023
Appxplore (iCandy) Limited	British Virgin Island	100%	100%	-	-
Appxplore (iCandy) Sdn Bhd	Malaysia	100%	100%	-	-
Inzen (iCandy) Pte Ltd	Singapore	100%	100%	-	-
PT Joyseed Berhagi Sukses	Indonesia	67%	67%	33%	33%
Beetleroar Sdn Bhd	Malaysia	80%	80%	20%	20%
iCandy Games Limited	British Virgin Island	100%	100%	-	-
iCandy Media Limited	British Virgin Island	100%	100%	-	-
PT Joyseed Nusantara Sukses	Indonesia	95%	-	5%	-
iCandy Digital Pte Ltd	Singapore	-	100%	-	-
iCandy Play Limited	British Virgin Island	-	100%	-	-
Hashcode Studio Sdn Bhd (formerly known as Flying Sheep Studios GmbH)	Malaysia	63%	60%	38%	40%
Lemon Sky Holdings Limited	Germany	60%	60%	40%	40%
	British Virgin Island	100%	100%	-	-
Lemon Sky Animation Sdn Bhd	Malaysia	100%	100%	-	-
Lemon Sky Seed Sdn Bhd	Malaysia	100%	100%	-	-
Lemon Sky Candy Sdn Bhd	Malaysia	100%	-	-	-
Sky Candy Sdn Bhd	Malaysia	100%	100%	-	-
Visual Art Workshop Sdn Bhd	Malaysia	100%	100%	-	-
Lemon Sky North Sdn Bhd	Malaysia	100%	100%	-	-
Lima Games Sdn Bhd	Malaysia	100%	-	-	-
Lemon Sky Studios Pte Ltd	Singapore	100%	100%	-	-
Lemon Sky International Limited	British Virgin Island	100%	100%	-	-
Digital Games International Pte Ltd	Singapore	100%	100%	-	-
AF Opportunity Sdn Bhd	Malaysia	100%	0%	-	-

(b) Significant Restrictions

There are no significant restrictions over the Group's ability to access or use assets, and settle liabilities, of the Group.

COMPLIANCE STATEMENT

For the year ended 31 December 2024

COMPLIANCE STATEMENT

The financial information provided in Appendix 4E is based on the annual financial report which is being prepared in accordance with Australian Accounting Standards or standards acceptable to ASX.

The report and the account upon which the report is based use the same accounting policies.

In the Directors' Opinion, this report gives a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited.

The financial report is not likely to be the subject of dispute or qualification.

Kin Wai Lau
Director
Dated: 28 February 2025