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FATFISH INTERNET GROUP LIMITED (ASX:FFG)
(FORMERLY ATECH HOLDINGS LIMITED)
(ABN 88 004 080 460)
AND ITS CONTROLLED ENTITIES



Annual Report

June 2014



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FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2014

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Dear Shareholders,

The financial year ended 30 June 2014 was uneventful, as the company was still in a dormant mode seeking for new business. The seed of transformation, however, has been sewn for the period under review.

New Business

On 22nd July 2014, the company successfully completed the acquisition of Singapore based Fatfish Internet Group, renamed itself to its present name and re-quoted onto the Australian Stock Exchange (ASX)

Together with the new business, I came onboard and joined the Board of Directors as a director and the CEO of the company. The re-quotation on ASX marks a very important milestone for the Company.

I only realized shortly before joining the Board that the company was founded in 1919! This year we celebrate our 95th anniversary as a company and I am proud and excited to be given a chance to lead a company with such a long heritage and history. It would be a monumental task to fully trace back the long history of the company, although it appears that the company was at the forefront of the industrial revolution in Australia in the manufacturing of hosiery and garments on a mass scale.

Charting The Course Forward

With the new business we have acquired in July 2014, the company is now at the forefront of the largest and fastest business revolution mankind has ever seen - the Internet revolution!

We are now well positioned, as an Internet ventures investor and accelerator owning a portfolio of internet businesses in high-growth areas, that we have domain expertise therein. It will be truly an exciting time moving forward. I hope to develop our business further in the coming year and bring positive impact to the company.

In closing, let me express my appreciation to my fellow Board members for their commitment and for giving their time to complete the re-quotation process that marks the new beginning for the exciting business the company is now in.

Thank you,

Kin-Wai, Lau
CEO, Fatfish Internet Group Ltd.

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CORPORATE INFORMATION

Directors

Dato' Larry Nyap Liou Gan (appointed 1 September 2014)
Kin Wai Lau (appointed 21 July 2014)
Donald Han Low
Hao Chen Pang (appointed 21 July 2014)
Jeffrey Tan
George Karafotias (resigned 8 August 2014)

Secretaries

Donald Han Low (appointed 8 August 2014)
George Karafotias (resigned 8 August 2014)

Registered Office

47 Coppin St
Richmond Vic 3121

Auditors

Grant Thornton Audit Pty Ltd
Chartered Accountants
Level 30, 525 Collins Street
Melbourne, Victoria, 3000

Principal Share Register

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

Principal Bankers

Westpac Banking Corporation
National Australia Bank

**FATFISH INTERNET GROUP LIMITED
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CORPORATE GOVERNANCE STATEMENT**

Fatfish Internet Group Limited's Corporate Governance Arrangements

The objective, of the Board of Fatfish Internet Group Limited is to create and deliver long-term shareholder value through a range of diversified business activities.

The Board considers there to be an unambiguous and positive relationship between the creation and delivery of long-term shareholder value and high-quality corporate governance. Accordingly, in pursuing its objective, the Board has committed to corporate governance arrangements that strive to foster the values of integrity, respect, trust and openness among and between board members, management and stakeholders.

Fatfish Internet Group Limited and its subsidiaries operate as a single economic entity with a unified Board and management. As such, the Board's corporate governance arrangements apply to all entities within the economic group.

Fatfish Internet Group Limited is listed on the Australian Securities Exchange (ASX). Accordingly, unless stated otherwise in this document, the Board's corporate governance arrangements comply with the recommendations of the ASX Corporate Governance Council (including the 2010 amendments) as well as current standards of best practice for the entire financial year ended 30 June 2014.

Board Composition

The Board has a broad range of relevant financial and other skills, experience and expertise to meet its objectives. The current Board composition with details of individual Director's background is set out in the Directors Report on pages 5 to 8.

An independent director is a non-executive director who is not a member of management and who is free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of their judgment. For a director to be considered independent, they must meet all of the following materiality thresholds:

- not hold, either directly or indirectly through a related person or entity, more than 10% of the company's outstanding shares;
- not benefit, either directly or through a related person or entity, from any sales to or purchases from the company or any of its related entities; and
- derive no income, either directly or indirectly through a related person or entity, from a contract with the company or any of its related entities.

Ethical Standards

The Code of Conduct policy requires all directors and management to at all times:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with both the letter and spirit of the law;
- encourage the reporting and investigation of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the Code of Conduct.

Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure that the Board's core governance values are not compromised in any decisions the Board makes.

Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent.

Share Ownership and Share Trading Policy

Details of directors' individual shareholdings in Fatfish Internet Group Limited are provided in the remuneration report. At the 30 June 2014 no director was a shareholder in Fatfish Internet Group Limited or its subsidiaries.

**FATFISH INTERNET GROUP LIMITED
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CORPORATE GOVERNANCE STATEMENT**

Directors and key management personnel (KMP) are prohibited from limiting risk attached to incentives paid in the form of options or rights by use of derivatives or other means.

Board Committees

There are currently no Board committees. Fatfish did not comply with ASX recommendation on Board committees as at 30 June 2014, but has since that time implemented appropriate separate Board committees to be effective and add value.

Nomination, Appointment and Retirement of Directors

Recommendations for nominations of new directors are made by the Board. Those nominated are assessed on a range of criteria including background, experience and personal and professional skills. If the Board appoints a new director during the year, that person will stand for election by shareholders at the next annual general meeting. Due to the size of the Board, the Board does not consider there is any advantage to shareholders in creating a nomination committee. Fatfish's Constitution provides that one third of directors must retire each year. Eligible directors who retire in each year may offer themselves for re-election by shareholders at the next annual general meeting.

Directors Access to Information

All directors' have unrestricted access to company records and information and receive regular financial and operational reports. Fatfish's company secretary provides directors with ongoing guidance on issues such as corporate governance, the company Constitution and the law. The Board and each director individually have the right to seek independent professional advice at Fatfish's expense to help them carry out their responsibilities.

Performance Evaluation

Performance evaluations for individual directors, the Board were conducted during the reporting period ending 30 June 2014 in accordance with the above process.

Board Roles and Responsibilities

The Board is accountable to the shareholders for creating and delivering shareholder value through governance of the company's business activities. The discharge of these responsibilities is facilitated by the Board delivering to shareholders timely and balanced disclosures about the company's performance.

As a part of its corporate governance arrangements, the Board has established a strategy for engaging and communicating with shareholders that includes:

- regular meetings with overseas shareholders;
- half yearly reporting to all shareholders; and
- actively encouraging shareholders to attend and participate in the company's Annual General Meeting.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. The Board actively encourages shareholders to attend and participate in the Annual General Meetings of Fatfish Internet Group Limited, to lodge questions to be responded by the Board and are able to appoint proxies.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to creating and delivering long-term shareholder value. The intention is to enable risks to be balanced against appropriate rewards. Due to the current size of the company and its limited operations it is not appropriate to maintain a formal risk management structure.

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CORPORATE GOVERNANCE STATEMENT**

An assessment of the business's risk profile is undertaken and reviewed by the Board each year covering all aspects of the business from the operational level through to strategic level risks. The company secretary has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly. The uncertain economic environment has emphasised the importance of managing and reassessing its key business risks.

Remuneration Policy

Directors' remuneration is determined under the constitution and the shareholders. Fatfish does not currently pay its directors a fixed remuneration. The directors are reimbursed for expenses incurred by them in the course of their duties. The company secretary is paid on an hourly basis and is also reimbursed for expenses incurred on behalf of the company.

The amount of remuneration for all Key Management Personnel ("KMP") for the company, including all monetary and non-monetary components, is detailed in the remuneration report under the heading "Key Management personnel remuneration policy". All remuneration paid is valued at the cost to the company and expensed.

There were no payments of bonuses, options or other incentive payments to the Board.

Corporate responsibility and sustainability

The aims of the Board are to manage the company's business in a way that produces positive outcomes for all stakeholders and maximises economic, social and environmental values simultaneously.

Code of Conduct

The company does not have a formal Code of Conduct that applies to all directors and key management personnel, however the directors' believe their core values of teamwork, integrity and performance ensure ethical outcomes and the alignment of shareholders and Board interests. The Board is acutely aware of the ASX recommendations and endeavours at all times to act ethically in line with its obligations under the ASX Corporate Governance Principles and Recommendations, the Corporations Act and the ASX Listing Rules.

Insider Trading Policy

All directors and employees of a Corporation are subject to restrictions under the law relating to dealing in certain financial products including shares in a company, if they are in possession of inside information. Inside information is information that is not generally available and, if it were generally available, a reasonable person would expect it to have a material effect on the price or value of the securities of the company.

Market disclosure Policy and Practices

The company secretary has responsibility for ensuring compliance with the continuous requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, shareholders and other interested parties. The company is committed to giving all shareholders access to information about its activities and to fulfil its continuous disclosure obligations. Fatfish maintains its own website and relies on communication via this medium regarding all ASX Announcements.

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT

The directors of Fatfish Internet Group Limited present their report on the consolidated entity ("Group"), consisting of Fatfish Internet Group Limited and the entities it controlled at the end of and during the financial year ended 30 June 2014.

DIRECTORS

The following persons were directors of Fatfish Internet Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dato' Larry Nyap Liou Gan (appointed 1 September 2014)
Kin Wai Lau (appointed 21 July 2014)
Hao Chen Pang (appointed 21 July 2014)
Donald Han Low
Jeffrey Hua Yuen Tan
George Karafotias (resigned 8 August 2014)

INFORMATION ON DIRECTORS

Director **Dato' Larry Nyap Liou Gan (Non-Executive Chairman)**

Qualifications Qualified Accountant since 1978. He is a Fellow of Association of Certified Chartered Accountants in 1992 and Certified Management Consultant.

Experience Appointed as a Board Member on 1 September 2014.

Dato' Larry held leadership roles with Accenture over a 26 year career including as managing partner for Asia. He also spent four years of his tenure overseeing the firm's multibillion dollar Venture Fund, managing investments throughout Australasia.

More recently Dato' Larry was a founding director of ASX-listed iProperty Group Limited which owns and operates a range of real estate websites and investments throughout Asia.

Interests in Shares 207,506 ordinary shares (direct interest)
2,700,000 ordinary shares (held via Planetbiz Investments Ltd).

Interests in Options 2,500,000 unlisted options

Directorships in other listed companies.

Non-Executive Chairman Rev Asia Berhad (formerly known as Catcha Media Berhad listed on Bursa Malaysia)
Non-Executive Director Tanjong Public Limited Company (listed on Bursa Malaysia)
Non-Executive Director AMMB Holdings Berhad (listed on Bursa Malaysia)
Non-Executive Chairman Cusapi Berhad (listed on Bursa Malaysia)
Executive Director Formis Resources Berhad (listed on Bursa Malaysia)
Non-Executive Director Graphene Nanochem Plc (listed on AIM)

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

INFORMATION ON DIRECTORS

Director	Kin Wai Lau (CEO and Executive Director)
Qualifications	Bachelor of Engineering (First Class) - University of Manchester, United Kingdom
Experience	Appointed as a Board Member on 21 July 2014.

A serial tech-entrepreneur, Mr Lau founded his first tech company when he was 23. Since then, Mr Lau has made progress as an entrepreneur across three disparate verticals, i.e. telecom software, online media and biotech.

At the start of his career Mr Lau was the co-founder and Managing Director of Viztel Solutions Berhad (**Viztel**), a telecom and mobile internet software startup that grew into a major regional player. Mr Lau was, at the time, one of the youngest ever managing directors of a publicly traded company in Malaysia.

Mr Lau has also led a group of investors to a successful take-over of the Oriented Media Group Berhad (**Omedia**), a publicly traded digital media company, of which he was later appointed Executive Chairman. In 2007, Mr Lau co-founded Cellsafe Biotech Group (**Cellsafe**), a regional biotechnology business group that focuses on marketing and research and development activities in the non-controversial technologies for harvesting and cryogenic preservation of stem cells. Cellsafe has since become a leading stem cell bank network in Southeast Asia, with operations across four different countries, serving more than 15,000 clients. In his various personal and corporate capacities, Mr Lau has invested and advised numerous technology startups in the region. Notably, he was a director and advisor of MXR Corporation Pte Ltd, a leading augmented reality technology spun-out from the National University of Singapore's Mixed Reality Lab. Mr Lau also currently serves as an advisor to the WIR Global Group, a leading Indonesian branding and technology delivery company.

Interests in Shares 15,209,609 ordinary shares.

Interests in Options 15,209,609 unlisted options

Directorships in other listed companies.

Chairman Oriented Media Group Berhad (listed on Bursa Malaysia)

Director Donald Han Low (/Non-Executive Director)

Qualifications B.Econs, University of Western Australia

Experience Appointed as a Board Member on 8 April 2008.

Mr. Low has extensive experience in corporate advisory/finance and management in various sectors including, but not limited to, plantations, telecommunications, manufacturing, infrastructure development and financial services.

Mr. Low has served on many boards of both private and publicly listed companies in Asia and Europe. He was formerly the Acting Chief Executive Officer & Executive Director of Anglo-Eastern Plantations Plc, a fully listed company on the London Stock Exchange.

Interests in Shares Nil ordinary shares

Interests in Options Nil options

Directorships in other listed companies: Nil

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

INFORMATION ON DIRECTORS

Director Jeffrey Hua Yuen Tan (Non - Executive Director)

Qualifications B. Business Univ SA

Experience Appointed as a Board Member on 12 October 2011.

Mr Tan has 17 years' experience in equities and derivatives markets and client portfolio advisory roles and has also facilitated resource and property projects in China and Vietnam. Mr Tan is a director of Fraden Projects Australia Pty Ltd, a company of foreign project management consultants that facilitated the development of the USD \$300 million Yen So Project with the local government and Gamuda Berhad. As Director he has also facilitated the acquisitions and development of private ventures in China's Heilongjiang and Jilin Provinces.

Interests in Shares Nil ordinary shares

Interests in Options Nil options

Directorships in other listed companies: Nil

Director Hao Chen Pang (Non-Executive Director)

Qualifications Bachelor of Mechatronics Engineering (Hon), University of Leeds, England
Master of Science (Operations Management), Manchester Business School, England.

Experience Appointed as a Board Member on 21 July 2014.

Mr Pang was the other co-founder and the Chief Operating Officer of Viztel, where he was responsible for corporate finance and compliance activities of the public-listed group. He successfully raised more than RM 20 million of the private and public funding that was required to fund the expansion and the research and development activities of Viztel. He was also the other co-founder of CellSafe, of which he is currently an Executive Director.

Interests in Shares 10,094,873 ordinary shares.

Interests in Options 10,094,873unlisted options

Directorships in other listed companies: Nil

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

INFORMATION ON DIRECTORS

Director	George Karafotias (Non - Executive Director)
Qualifications	B. Com. University of Adelaide
Experience	Resigned 8 August 2014. George has been heavily involved in the corporate sector as both a business proprietor and corporate consultant. In this capacity, he has developed specific expertise in providing specialist advice to both listed and unlisted entities in the areas of corporate restructuring, refinancing and debt and equity raisings.
Interests in Shares	Nil ordinary shares
Interests in Options	Nil options
Directorships in other listed companies	Perpetual Resources Limited

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

INTERESTS IN CONTRACTS

None of the above directors have any personal interests in the contracts entered into by Fatfish Internet Group Limited or its controlled entities other than those mentioned above and in Note 16 Related Party Transactions.

COMPANY SECRETARY

Mr Donald H Low is the Company Secretary of the entity (Mr George Karafotias - 1 July 2013 to date of resignation 8 August 2014).

MEETINGS OF DIRECTORS

During the financial year, meetings of directors (including committees of directors and circular resolutions passed) were held. Attendances were:

	Directors' Meetings	
Name of Director	Number eligible to attend	Number attended
Larry Gan	-	-
Kin Wai Lau	-	-
Hao Chen Pang	-	-
Mr Donald Han Low	5	5
Mr Jeffrey Tan	5	5
Mr George Karafotias	5	5

PRINCIPAL ACTIVITY

The principal activity of the consolidated entity during the financial year was the investment of cash.

OPERATING RESULTS

The consolidated loss of the consolidated entity after providing for income tax amounted to \$184,242 [2013: \$189,560].

DIVIDENDS PAID OR RECOMMENDED

It is not recommended that a dividend be declared and no dividends were paid or declared since the end of the previous financial year.

REVIEW OF OPERATIONS

During the year the consolidated entity invested in cash and this was the only source of the entity's revenue.

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

FINANCIAL POSITION

The net assets of the consolidated entity have decreased by \$184,242 during the financial year. The entity has a net asset surplus as at the year end.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as disclosed elsewhere in this report there was no significant change in the state of affairs of the consolidated entity.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Change of Name

The company changed its name from Atech Holdings Limited to Fatfish Internet Group Limited on 17 July 2014.

Acquisition of Fatfish Group

On 18 July 2014 Atech Holdings Limited acquired all of the issued shares in Fatfish Internet Pte Ltd and 50% of shares in Fatfish Capital Ltd (collectively the "Fatfish Group") for consideration of \$18,000,000, comprising:

- 90,000,000 ordinary shares at a deemed issue price of \$0.20; and
- 90,000,000 free attaching consideration options on the basis of 1 option for every ordinary share issued.

In addition, the company issued 17,297,860 shares, each with 1 free attaching option, at \$0.20 per share raising gross cash proceeds of \$3,459,572, in accordance with the prospectus released on 22 April 2014 amended by supplementary releases.

As the existing group ("Atech") did not meet the definition of a business, the transaction cannot be accounted for as business combination under AASB 3 Business Combinations. In accordance with IFRS Interpretations Committee guidance, the transaction should be accounted for in accordance with AASB 2 Share based payments, but much of the guidance in paragraphs B19-B27 of AASB 3 for reverse acquisitions should also be applied.

Therefore, and based on the independent expert's report of the fair value of the Fatfish Group dated 14 October 2013 and subsequent accounting information available to the directors, the following estimated impacts on the financial report of the group for the year ending 30 June 2015 are provided:

	\$
Estimated fair value of Fatfish Internet at date of acquisition	9,500,000
Estimated fair value of Fatfish Capital at date of acquisition	1,200,000
Total estimated fair value of Fatfish Group	<u>10,700,000</u>
Estimated fair value of consideration transferred from existing Fatfish Group shareholders (as acquirer), being 30.57% of Fatfish Internet & 15.28% of Fatfish Capital	3,083,000
Less: Estimated fair value of assets of Atech acquired (including cash from capital raise) attributable to existing Fatfish Group shareholders	(2,355,000)
Estimated cost of listing to be recognised as a result of transaction	<u>728,000</u>

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DIRECTORS' REPORT (CONT'D)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (CONT'D)

The financial effects of the above transaction have not been brought to account as at 30 June 2014. As a result of applying the guidance in paragraphs B19-B27 of AASB 3 for reverse acquisitions, the impact the financial report for the year ending 30 June 2015 are expected to be:

- Comparative information for the year ended 30 June 2014 will be replaced with that of the existing Fatfish Group, and book values of the Fatfish Group will be assumed in the consolidated accounts as at 18 July 2014;
- The existing net assets of Atech at fair value (which equates to their current carrying values) will be consolidated into those of the existing Fatfish Group from 18 July 2014;
- Issue of 17,297,860 shares increasing cash by \$3.5m and issued capital by the same amount, less estimated transaction costs of \$0.1m; and
- Recognition of the cost of listing as determined above of \$0.7m, being expensed to profit or loss, and credited to issued capital.

No goodwill arising from the transaction will be recognised as a result of the above.

Acquisition of AppXplore Sdn Bhd

On 12 September 2014, the Group announced that its subsidiary, High Joyful International Limited (a 70% owned subsidiary of Fatfish Internet Pte Ltd, which the group acquired a 100% interest in subsequent to year end - refer above), acquired a 70% interest in AppXplore Sdn Bhd for RM 550,000 (AUD \$192,250) to be paid RM 250,000 (AUD \$87,500) in cash upon the execution of the Share Sale Agreement and the balance to be paid over six months. Given the proximity of the announcement to the signing date of these financial statements, no determination of the accounting treatment and resultant estimate on the financial report of the group for the year ending 30 June 2015 has yet been made.

FUTURE DEVELOPMENTS

Other than information disclosed elsewhere in this financial report, likely developments in the operations of Fatfish Internet Group Limited and the expected results of those operations in future financial years have not been included as the inclusion of such information is likely to result in unreasonable prejudice to the company.

ENVIRONMENTAL ISSUES

The economic entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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DIRECTORS' REPORT (CONT'D)

AUDIT / NON AUDIT SERVICES

Auditors' remuneration is disclosed in Note 12. No non-audit services have been provided by the auditor or their related practices.

INDEMNIFICATION OF OFFICERS AND AUDITORS

An indemnity has been given by the company in favour of the directors to the extent that the *Corporations Act 2001* allows. No payment or agreement has been given in relation to a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

No other insurance premium or indemnity has been paid or provided in respect of any directors or auditors.

SHARE OPTIONS

No options were granted over unissued shares or interests during or since the financial year by the company or a controlled entity to directors or other persons. No options over unissued shares existed at balance date.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court under section 237 of the *Corporations Act 2001*, to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not party to any such proceedings during the year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is attached on page 15.

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

REMUNERATION REPORT (Audited)

This remuneration report sets out remuneration information for non-executive directors, executive directors, other key management personnel and the five highest remunerated executives of the group and the company.

Remuneration Policies

The remuneration policy was determined as follows:

No directors' fees were paid.

There are no schemes for retirement benefits.

The directors are reimbursed for expenses incurred by them in the course of their duties as directors of the company. There is no link between the provision of any non-monetary benefits and performance of the company.

Key management personnel remuneration policy

The key management personnel of the company are represented by the directors and company secretary. The key management personnel remuneration policy is therefore the same as the directors' remuneration policy.

Directors and executives disclosed in this report

Name (current directors)	Position Held
Mr Donald Han Low	Chairman / Non-Executive Director
Mr Jeffery Tan	Non-Executive Director

Name (former directors)	Position Held
Mr George Karafotias	Non-Executive Director/Company Secretary

denotes the person being both a key management of the group and also among the five most highly remunerated company or group executives, as required to be disclosed under the Corporations Act 2001.

2014 Key management personnel of the group and other executives of the company and the group

	Cash Salary	Non-monetary benefits	Superannuation	Total
	\$	\$	\$	\$
Directors				
Mr Donald Han Low	-	568	-	568
Mr George Karafotias	-	-	-	-
Mr Jeffery Tan	-	-	-	-
Secretary				
Mr George Karafotias	-	-	-	-
Total	-	568	-	568

**FATFISH INTERNET GROUP LIMITED
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DIRECTORS' REPORT (CONT'D)

REMUNERATION REPORT (Audited) - continued

2013 Key Management Personnel of the group and other executives of the company and the group

	Cash Salary And Fees	Non-monetary benefits	Superannuation	Total
	\$	\$	\$	\$
Directors				
Donald Han Low	-	3,066	-	3,066
George Karafotias (resigned 8 August 2014)	-	-	-	-
Jeffrey Tan	-	-	-	-
Secretary				
Donald Han Low	-	-	-	-
George Karafotias (resigned 8 August 2014)	-	-	-	-
Total	-	3,066	-	3066

No post-employment benefits were paid to the directors. The directors do not participate in any incentive programs.

This marks the end of the audited remuneration report.

This report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



.....
Donald H Low
Director

Dated this 19th day of September 2014



Grant Thornton

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**Auditor's Independence Declaration
To the Directors of Fatfish Internet Group Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Fatfish Internet Group Limited for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 19 September 2014

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**FATFISH INTERNET GROUP LIMITED
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	Consolidated Entity 2014 \$	2013 \$
Revenue	3	3,169	6,392
Accounting fees		(12,800)	(3,464)
Audit fees		(20,563)	(26,649)
Consulting fees		-	(80,000)
Fringe benefits expense		(568)	(3,066)
Exchange losses		-	(6,036)
Interest expense		-	(51)
Legal fees		(39,087)	-
Motor vehicle expenses		(6,762)	(8,426)
Secretarial fees		(20,000)	(36,533)
Share registry fees		(77,625)	(20,531)
Travel & accommodation expenses		(2,107)	(5,713)
Other expenses		(7,899)	(5,483)
Loss before income tax expense		(184,242)	(189,560)
Income tax expense	4	-	-
Loss for the year attributable to members of the company		(184,242)	(189,560)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to members of the company		(184,242)	(189,560)
Basic loss (cents) per share	13	(0.83)	(0.85)
Diluted loss (cents) per share	13	(0.83)	(0.85)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014**

	Note	Consolidated Entity 2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	5	2,595,617	274,941
Trade and other receivables	6	173,515	8,880
Total Current Assets		2,769,132	283,821
Total Non-Current Assets		-	-
Total Assets		2,769,132	282,749
Current Liabilities			
Trade and other payables	7	2,737,181	67,628
Total Current Liabilities		2,737,181	67,628
Total Liabilities		2,737,181	67,628
Net Assets		31,951	216,193
Equity			
Issued capital	8	4,487,232	4,487,232
Accumulated losses		(4,455,281)	(4,271,039)
Total Equity		31,951	216,193

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

**FATFISH INTERNET GROUP LIMITED
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30 JUNE 2014**

	Contributed Equity \$	Accumulated Losses \$	Total \$
<u>Consolidated Entity</u>			
At 1 July 2012	4,487,232	(4,081,479)	405,753
Total comprehensive income for the year			
Loss for the year	-	(189,560)	(189,560)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(189,560)	(189,560)
Transactions with owners in their capacity as owners	-	-	-
At 30 June 2013	4,487,232	(4,271,039)	216,193
Total comprehensive income for the year			
Loss for the year	-	(184,242)	(184,242)
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	(184,242)	(184,242)
Transactions with owners in their capacity as owners	-	-	-
At 30 June 2014	4,487,232	(4,455,281)	31,951

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	Consolidated Entity 2014 \$	2013 \$
Cash flows from operating activities			
Payments to suppliers and employees		(185,560)	(174,809)
Interest received		3,169	6,392
Net cash outflow from operating activities	14	(182,391)	(168,417)
 Cash flows from financing activities			
Share application monies		2,503,067	-
Repayment of loans		-	50,000
Net cash from financing activities		2,503,067	50,000
 Net decrease in cash and cash equivalents		2,320,676	(118,417)
Cash and cash equivalents at beginning of financial year		274,941	393,358
Cash and cash equivalents at end of financial year	5	2,595,617	274,941

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 1: CORPORATE INFORMATION

The consolidated financial statements of Fatfish Internet Group Limited for the year ended 30 June 2014 were authorised for issue in accordance with a resolution of the directors on September 2014 and covers the consolidated entity consisting of Fatfish Internet Group Limited and its controlled entities as required by the Corporations Act 2001.

Fatfish Internet Group Limited is a listed public company, incorporated and domiciled in Australia.

The financial statements are presented in the Australian currency.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Separate financial statements for Fatfish Internet Group Limited as an individual entity are no longer presented as a consequence of a change to the Corporations Act 2001. However, limited financial information for Fatfish Internet Group Limited as an individual entity is included in Note 10.

The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The accounting policies set out below have been consistently applied to all years presented.

Except for cash flow information, the financial statements have been prepared on an accrual basis and are based on historical costs.

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements:

(a) Principles of Consolidation

The Fatfish Internet Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2014. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying assets is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Income Tax

Any charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the Balance Sheet date.

Deferred tax assets and liabilities are recognised for all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax benefits. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is accounted for in the profit or loss except where it relates to items that may be accounted for directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and will continue to comply with the conditions of deductibility imposed by the law.

Deferred tax assets and deferred tax liabilities are not recognised for temporary differences between the carrying and tax bases of investments in subsidiaries, where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the difference will not reverse in the foreseeable future.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

(d) Trade and Other Receivables

Trade and other receivables are recorded initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairments. Collectability of trade receivables is assessed on an ongoing basis. Debts which are uncollectable are written off.

(e) Trade and Other Payables

Trade and other payables are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services. These amounts are unsecured and have 30-60 day payment terms. Trade and other payables are carried at amortised cost however due to their short term nature they are not discounted.

(f) Other Financial Assets

All investments and other financial assets are initially stated at cost, being the fair value of consideration given plus acquisition costs. Purchases and sales of investments are recognised on trade date which is the date on which the consolidated entity commits to purchase or sell the asset. Accounting policies for each category of investments and other financial assets subsequent to initial recognition are set out below.

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Other Financial Assets (cont'd)

Other financial assets are held at cost, less any impairment losses.

(g) Earnings Per Share

Basic earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) after income tax attributable to members of the company, excluding any costs of servicing equity (other than dividends), by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares. The weighted average number of shares used is adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

(h) Revenue

Interest revenue is recognised as interest accrues using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Trade and other receivables and trade and other payables in the balance sheet are shown inclusive of GST. Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(j) Impairment

At the end of each reporting date, the company assesses whether there is objective evidence that individual assets have been impaired. If such an indication of impairment exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the comprehensive income statement.

(k) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group. There are no significant accounting estimates or judgments in the preparation of these financial statements.

NOTE 3: REVENUE

	Consolidated Entity	
	2014	2013
	\$	\$
Interest	<u>3,169</u>	<u>6,392</u>
	<u>3,169</u>	<u>6,392</u>

NOTE 4: INCOME TAX

(a) Numerical reconciliation of income tax expense to prima facie tax expense

Loss before income tax expense	<u>184,242</u>	<u>189,560</u>
Prima facie expense at tax rate of 30% (2013: 30%)	<u>55,273</u>	<u>56,868</u>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Current year tax losses not brought to account	<u>(55,273)</u>	<u>(56,868)</u>
Income tax expense	<u>-</u>	<u>-</u>

(b) Deferred tax assets not brought to account

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 2(b) occur:

Temporary differences	-	-
Tax Losses:		
Operating Losses	<u>2,006,644</u>	<u>1,822,402</u>
	<u>2,006,644</u>	<u>1,822,402</u>

Potential tax benefit @ 30%	<u>-</u>	<u>546,721</u>
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As Fatfish Internet Group no longer passes the COT and SBT tests subsequent to year end, carried forward tax losses are no longer able to be utilised.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Consolidated Entity

2014 2013
\$ \$

NOTE 5: CASH AND CASH EQUIVALENTS

Cash at bank and in hand	13,893	55,895
Deposits at call	2,581,724	219,046
	<u>2,595,617</u>	<u>274,941</u>

The effective interest rate on deposits at call was 0.4% (2013: 2.2%); the deposits have an average maturity of 90 days.

NOTE 6: TRADE AND OTHER RECEIVABLES

CURRENT

Unsecured

Accrued income and other receivables 56,386 8,880

Capital raising costs 117,128

Amounts receivable from related parties:

- director (a)	-	-
- director related entities (b)	-	-
- director related entities (c)	-	417,369
Less: provision for impairment (d)(i)	-	(417,369)

173,514 8,880

Due to short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Consolidated Entity
2014 2013
\$ \$

NOTE 7: TRADE AND OTHER PAYABLES

CURRENT

Unsecured Liabilities:

- Trade and other payables
- Share application monies

186,596	67,628
2,550,585	-
2,737,181	67,628

Due to short term nature of these payables, their carrying amount is assumed to approximate their fair value.

For terms and conditions relating to related party payables refer to note 15.

NOTE 8: CONTRIBUTED EQUITY

Issued Capital

22,327,406 Fully paid ordinary shares (2013: 22,327,406) 4,487,232 4,487,232

(a) Ordinary Shares

Balance at beginning of the financial year

Number Number
22,327,406 22,327,406

Shares issued during the period

- -

Balance at end of the financial year

22,327,406 22,327,406

(b) At 30 June 2014, the company had no options on issue (2013: nil).

(c) Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(d) The company does not have limited authorised capital and shares have no par value.

Capital Management

The Board's policy is to maintain a sufficiently strong capital base so as to maintain investor, creditor, and market confidence and to sustain future progress on the consolidated entity's programs. As the consolidated entity is still in the phase of investigating business opportunities, no dividends are yet paid as capital is conserved for assessment of business options.

As the consolidated entity has not yet reached the point of deriving sufficient income from its programs to generate net profits, it has not assessed a return on capital target, nor can a return on capital yet be adequately calculated. The consolidated entity does not have a defined share buy-back plan, or other proposal for the purchase on-market of its own shares.

There were no changes to the consolidated entity's approach to capital management during the year. Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 9: CONTROLLED ENTITIES

	Country of incorporation	Percentage Owned	
		2014 %	2013 %
Parent Entity: Fatfish Internet Group Limited	Australia		
Subsidiaries of Fatfish Internet Group Limited:			
SEAA (151 Sturt St, South Melbourne) Pty Limited	Australia	100	100
SEAA (Boronia) Pty Limited	Australia	100	100
Voting power in these entities is in proportion to ownership interest. All interests are in the ordinary shares of the subsidiaries.			

NOTE 10: PARENT ENTITY INFORMATION

The following details information related to the parent entity, Fatfish Internet Group Limited, at 30 June 2014. The information presented here has been prepared using consistent accounting policies as per Note 1.

	Fatfish Internet Group Limited	
	2014	2013
Current assets	2,769,132	283,821
Non-current assets	12	12
Total assets	2,769,144	283,833
Current liabilities	3,869,087	1,199,534
Non-current liabilities	-	-
Total liabilities	3,869,087	1,199,534
Contributed equity	4,487,232	4,487,232
Accumulated losses	(5,587,175)	(5,402,933)
Total equity	(1,099,943)	(915,701)
Loss for the year	(184,242)	(189,560)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(184,242)	(189,560)

(a) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2014.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION

The directors of Fatfish Internet Group Limited during the financial year were Mr Donald Han Low, Mr George Karafotias and Mr Jeffery Tan and are key management personnel of the entity. Details of remuneration of the persons who represent directors and key management personnel of Fatfish during the financial year are represented in the Remuneration Report contained within the Directors' Report. Other transactions with directors and key management personnel are detailed in Note 16 - Related Parties Transactions. The following table summarises the remuneration of directors and key management personnel.

(a) Key management personnel compensation

	Consolidated Entity	
	2014	2013
	\$	\$
Other short-term benefits	-	-
Non-monetary benefits	568	3,066
	<u>568</u>	<u>3,066</u>

The following amounts paid for secretarial services are included in short-term benefits above:

-	-
<u>-</u>	<u>-</u>

(b) KMP Options and Rights Holdings

No options were granted to KMP of the company and the consolidated entity.

(c) KMP Shareholdings

There were no changes to the number of ordinary shares in Fatfish Internet Group Limited held by each KMP of the consolidated entity during the financial year.

(d) Loans to key management persons

There were no loans to key management personnel during the year.

(a) Other transactions with key management personnel

There were no other transactions with key management personnel during the year.

NOTE 12: AUDITOR'S REMUNERATION

Remuneration of the auditor for:

- Audit and review of the financial report	<u>23,000</u>	<u>23,200</u>
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**FATFISH INTERNET GROUP LIMITED
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AND ITS CONTROLLED ENTITIES**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

Consolidated Entity
2014 2013
\$ \$

NOTE 13: EARNINGS PER SHARE

(a) Reconciliation of earnings used in calculating earnings per share

Earnings used to calculate basic EPS

(184,242) (189,560)

Earnings used in the calculation of dilutive EPS

(184,242) (189,560)

(b) Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS

22,327,406 22,327,406

(c) As there are no potential dilutive instruments, diluted earnings per share is the same as basic earnings per share (0.83 cents).

NOTE14: CASH FLOW INFORMATION

(a) Reconciliation of loss after income tax to net cash flow from operating activities

Loss for the year

(184,242) (189,560)

Change in operating assets:

- Increase trade and other receivables

(37,937) (5,014)

- Decrease in trade and other payables

39,788 26,157

Net cash outflow from operating activities

(182,391) (168,417)

NOTE 15: RELATED PARTY TRANSACTIONS

(a) Transactions with directors

There are no transactions with directors during the year

- -

(b) Transactions with director related entities

There are no transactions with director related entities during the year

- -

(c) Key management personnel compensation

Key management personnel compensation is disclosed in Note 11.

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 16: SEGMENT INFORMATION

During the years ended 30 June 2014 and 30 June 2013, the economic entity derived income from the investment of cash within Australia. As it invests primarily in cash in Australia only, it does not operate in any segments and therefore there are no further disclosures provided.

NOTE 17: FINANCIAL INSTRUMENTS

a) Financial risk management

The directors are responsible for Fatfish Internet Group's risk management strategy and management is responsible for implementing the directors' strategy. A risk management program focuses on the unpredictability of finance markets and seeks to minimise potential adverse effects on financial performance. Fatfish Internet Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case on interest rate and market risk. Fatfish Internet Group does not use derivatives.

The consolidated entity's financial instruments consist of deposits with banks and accounts receivable and payable. The main purpose of non-derivative financial instruments is to raise finance for group operations.

- i. Financial Risks
The main risks the group is exposed to through its financial instruments is interest rate risk and credit risk.
- ii. Market Risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, and equity prices will affect the economic entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.
The economic entity is only exposed to interest rate risk.
- iii. Interest Rate Risk
The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates, is limited to the risk associated with its cash holdings. The risk is managed by having investments with fixed interest rate and entities subject to the Government Guarantee Fund. The entity maintains between 90% and 100% of investments on fixed interest rates.
- iv. Credit Risk
The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the consolidated entity's maximum exposure to credit risk, without taking account of the value of any collateral or other security obtained.

Concentration risk is the risk of loss because of the concentration of exposure to a specific instrument.
- v. Liquidity Risk
The Directors monitor the funding requirements of the economic entity, however the liquidity risk management is only carried out when the entity requires funds. At present, funds are raised primarily through share issue and the economic entity does not have any credit facilities.
- vi. Terms and conditions of cash holdings
Cash holdings are held as term deposits. Term deposits are entered into for one and/or three monthly periods depending on the cash flow requirements of the economic entity and at the discretion of the directors.

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 17: FINANCIAL INSTRUMENTS

b) Maturity analysis of financial assets and liabilities

All financial assets and liabilities are short term and have a maturing of less than 12 months.

c) Sensitivity Analysis

The group has performed a sensitivity analysis relating to its exposure to interest rate risk and foreign exchange risk at balance date. This sensitivity analysis demonstrates the effect on the current year results which could result from a change in this risk.

At 30 June 2014, the effect on profit as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Consolidated Entity	
	2014	2013
	\$	\$
Change in profit:		
- Increase in interest rate by 1%	1,585	2,905
- Decrease in interest rate by 1%	(1,585)	(2,905)

NOTE 18: ACCOUNTING STANDARDS ISSUED NOT YET EFFECTIVE

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

AASB 9: Financial instruments - addresses the classification, measurement and de-recognition of financial instruments. The standard only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. The standard is applicable for annual reporting period commencing 1 January 2018. The Group has not yet decided when to adopt AASB 9. Management has not yet made an assessment of the impact of these amendments.

NOTE 19: COMPANY DETAILS

The registered office and principal place of business:

Fatfish Internet Group Ltd
47 Coppin St
Richmond Vic 3121

The company is incorporated in Australia.

NOTE 20: CONTINGENT LIABILITIES

Estimates of the maximum amount of contingent liabilities that may become payable is \$Nil [2013: Nil].

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 21: EVENTS AFTER BALANCE SHEET DATE

(a) Change of Name

The company changed its name from Atech Holdings Limited to Fatfish Internet Group Limited on 17 July 2014.

(b) Acquisition of Fatfish Group

On 18 July 2014 Atech Holdings Limited acquired all of the issued shares in Fatfish Internet Pte Ltd and 50% of shares in Fatfish Capital Ltd (collectively the "Fatfish Group") for consideration of \$18,000,000, comprising:

- 90,000,000 ordinary shares at a deemed issue price of \$0.20; and
- 90,000,000 free attaching consideration options on the basis of 1 option for every ordinary share issued.

In addition, the company issued 17,297,860 shares, each with 1 free attaching option, at \$0.20 per share raising gross cash proceeds of \$3,459,572, in accordance with the prospectus released on 22 April 2014 amended by supplementary releases.

As the existing group ("Atech") did not meet the definition of a business, the transaction cannot be accounted for as business combination under AASB 3 Business Combinations. In accordance with IFRS Interpretations Committee guidance, the transaction should be accounted for in accordance with AASB 2 Share based payments, but much of the guidance in paragraphs B19-B27 of AASB 3 for reverse acquisitions should also be applied.

Therefore, and based on the independent expert's report of the fair value of the Fatfish Group dated 14 October 2013 and subsequent accounting information available to the directors, the following estimated impacts on the financial report of the group for the year ending 30 June 2015 are provided:

	\$
Estimated fair value of Fatfish Internet at date of acquisition	9,500,000
Estimated fair value of Fatfish Capital at date of acquisition	1,200,000
Total estimated fair value of Fatfish Group	<u>10,700,000</u>
Estimated fair value of consideration transferred from existing Fatfish Group shareholders (as acquirer), being 30.57% of Fatfish Internet & 15.28% of Fatfish Capital	3,083,000
Less: Estimated fair value of assets of Atech acquired (including cash from capital raise) attributable to existing Fatfish Group shareholders	<u>(2,355,000)</u>
Estimated cost of listing to be recognised as a result of transaction	<u>728,000</u>

**FATFISH INTERNET GROUP LIMITED
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE 21: EVENTS AFTER BALANCE SHEET DATE (CONT'D)

(b) Acquisition of Fatfish Group (cont'd)

The financial effects of the above transaction have not been brought to account as at 30 June 2014. As a result of applying the guidance in paragraphs B19-B27 of AASB 3 for reverse acquisitions, the impact the financial report for the year ending 30 June 2015 are expected to be:

- Comparative information for the year ended 30 June 2014 will be replaced with that of the existing Fatfish Group, and book values of the Fatfish Group will be assumed in the consolidated accounts as at 18 July 2014;
- The existing net assets of Atech at fair value (which equates to their current carrying values) will be consolidated into those of the existing Fatfish Group from 18 July 2014;
- Issue of 17,297,860 shares increasing cash by \$3.5m and issued capital by the same amount, less estimated transaction costs of \$0.1m; and
- Recognition of the cost of listing as determined above of \$0.7m, being expensed to profit or loss, and credited to issued capital.

No goodwill arising from the transaction will be recognised as a result of the above.

(c) Acquisition of AppXplore Sdn Bhd

On 12 September 2014, the Group announced that its subsidiary, High Joyful International Limited (a 70% owned subsidiary of Fatfish Internet Pte Ltd, which the group acquired a 100% interest in subsequent to year end - refer above), acquired a 70% interest in AppXplore Sdn Bhd for RM 550,000 (AUD \$192,250) to be paid RM 250,000 (AUD \$87,500) in cash upon the execution of the Share Sale Agreement and the balance to be paid over six months. Given the proximity of the announcement to the signing date of these financial statements, no determination of the accounting treatment and resultant estimate on the financial report of the group for the year ending 30 June 2015 has yet been made.

NOTE 22: CAPITALS & LEASING COMMITMENTS

There were no capitals or leasing commitments at 30 June 2014.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements comprising the statement of Profit and Loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards and the Corporations Regulations 2001; and
 - b. give a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date
2. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
3. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
4. The remuneration disclosures set out on pages 13 and 14 of the directors' report (as part of the audited remuneration report), for the year ended 30 June 2014, comply with section 300A of the *Corporations Act 2001*.
5. Given the small size of the company, there is no requirement for a Chief Executive Officer and a Chief Financial Officer. A director of the company has signed the declarations on behalf of the Board of Directors.

This declaration is made in accordance with a resolution of the Board of Directors.

Director



Donald H Low

Dated this 19th day of September 2014
Melbourne

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

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**Independent Auditor's Report
To the Members of Fatfish Internet Group Limited**

Report on the financial report

We have audited the accompanying financial report of Fatfish Internet Group Limited (the "Company"), which comprises the consolidated statement of financial position as at 30 June 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of Fatfish Internet Group Limited is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Report on the remuneration report

We have audited the remuneration report included in pages 13 to 14 of the directors' report for the year ended 30 June 2014. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Fatfish Internet Group Limited for the year ended 30 June 2014, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 19 September 2014

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

ADDITIONAL INFORMATION

1. Shareholding - 30 June 2014

(a) Distribution of Shareholder numbers

Analysis of numbers of equity security holders by size of holding:

Category (size of holding)	Class of equity security
1-1,000	367
1,001-5,000	166
5,001-10,000	8
10,001-100,000	360
100,001 - over	15

The number of shareholdings held with less than marketable parcels is 533

(b) Equity security holders

The names of the substantial shareholders listed in the parent entity's register as at 30 June 2014 are as below.

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Number held	Ordinary Shares % of issued shares
1 Shane Peter	3,684,211	16.50
2 Copper Ridge PL	3,272,454	14.66
3 Ridwan Bin Abd Rahman	2,912,000	13.04
4 Mohd Nadzir Bin Mahmud	2,631,579	11.79
5 Tuan Tong Tan	950,000	4.26
6 Tan Sri Dato Talha Bin Hashim	675,000	3.02
7 Orow Nabil	551,850	2.47
8 Cheng Tong Wilfred Choo	527,981	2.37
9 Choi Man Kay	500,000	2.24
10 Jade Tower Limited	489,210	2.19
11 Alan Chui	420,000	1.88
12 Richard Ng Keok Seng	202,000	0.90
13 Kwee Beng Lim	151,483	0.68
14 Kian Meng Chua	150,000	0.67
15 Reynold Fang	150,000	0.67
16 Puan Sridatin Miti Aishah	100,000	0.45
17 Wee Loke Tang	100,000	0.45
18 Nellie Chui	89,758	0.40
19 Seah Yeak Khiam	88,000	0.39
20 Yong Cheng Wai	78,000	0.35
	<u>1,772,526</u>	<u>79.38</u>

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

ADDITIONAL INFORMATION

1. Shareholding - 30 June 2014

(c) Substantial holders

Substantial holders in the company are set out below:

Shareholder	Number	%
Shane Peter	3,684,211	16.50
Copper Ridge PL	3,272,454	14.66
Ridwan Bin Abd Rahman	2,912,000	13.04
Mohd Nadzir Bin Mahmud	2,631,579	11.79

2. Shareholding - 29 August 2014

(a) Distribution of Shareholder numbers

Analysis of numbers of equity security holders by size of holding:

Category (size of holding)	Class of equity security
1-1,000	415
1,001-5,000	184
5,001-10,000	438
10,001-100,000	176
100,001 - over	47

The number of shareholdings held with less than marketable parcels is 599.

**FATFISH INTERNET GROUP LIMITED
(FORMERLY ATECH HOLDINGS LIMITED)
AND ITS CONTROLLED ENTITIES**

ADDITIONAL INFORMATION

2. Shareholding - 29 August 2014 (Cont'd)

(b) Equity security holders

The names of the substantial shareholders listed in the parent entity's register as at 29 August 2014 are as below.

Name	Number held	Ordinary Shares % of issued shares
1 Ong, Chang Jeh	21,027,621	16.22
2 Navistar Capital Group Ltd	18,000,000	13.89
3 Lau, Kin Wai	15,209,609	11.73
4 Acquiniti Ltd	14,805,814	11.42
5 Chen, Pang Hao	10,094,873	7.79
6 Micropia Sdn Bhd	7,571,155	5.84
7 ABN Amro Clrg Syd Nom PL	5,123,213	3.95
8 Shane, Peter	3,684,211	2.84
9 Koh, Peng Chun	3,290,928	2.54
10 National Nom Ltd	2,907,506	2.24
11 Copper Ridge PL	2,237,342	1.73
12 Uob Kay Hian Private Ltd	1,793,563	1.38
13 Sulaiman Abu Bakar F B	1,500,000	1.16
14 Tan, Tuan Tong	950,000	0.73
15 Citicorp Nom PL	834,334	0.64
16 Hashim Tan Sri Dato T B	675,000	0.52
17 Orow Nabil	551,850	0.43
18 DMG & Partners SEC Pte Ltd	539,454	0.42
19 Choo Cheng Tong Wilfred	527,981	0.41
20 Austin, Dean	511,000	0.39
	111,835,454	86.27

(c) Substantial holders

Substantial holders in the company are set out below:

Shareholder	Number	%
Ong, Chang Jeh	21,027,621	16.22
Navistar Capital Group Ltd	18,000,000	13.89
Lau, Kin Wai	15,209,609	11.73
Acquiniti Ltd	14,805,814	11.42

3. The name of the company secretary is Mr. Donald Low (appointed 8 August 2014) (Mr. George Karafotias from 1 July 2013 to 8 August 2014).

4. The address of the principal registered office in Australia:
47 Coppin St
Richmond Vic 3121

5. Register of securities is held at the following address:

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

**FATFISH INTERNET GROUP LIMITED (ASX:FFG)
(FORMERLY ATECH HOLDINGS LIMITED)
(ABN 88 004 080 460)
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Corporate Governance Statement

1. Our approach to corporate governance

(a) Framework and approach to corporate governance and responsibility

The Board of Fatfish Internet Group Limited is committed to maintaining the highest standards of corporate governance.

Corporate governance is about having a set of values that underpin the company's everyday activities - values that ensure fair dealing, transparency of actions, and protect the interests of stakeholders. The Board considers corporate governance forms part of a broader framework of corporate responsibility and regulatory oversight.

In pursuing its commitment to best practice governance standards, the Board will continue to:

- review and improve its governance practices; and
- monitor global developments in best practice corporate governance.

The Board's approach has been to be guided by the principles and practices that are in our stakeholders' best interests while ensuring full compliance with legal requirements.

The Corporate Governance statement has been updated to reflect the revised Principles and Recommendations required to be used in Annual Reports for the 30 June 2015 Financial Year.

(b) Compliance with the ASX Corporate Governance Principles and Recommendations

The ASX Listing Rules require listed companies to include in their Annual Report a statement disclosing the extent to which they have followed the ASX Corporate Governance Principles and Recommendations in the reporting period.

Listed companies must identify the recommendations that have not been followed and provide reasons for the company's decision.

This Governance Statement describes Fatfish Internet Group Limited's governance practices and notes where they do not comply with the ASX Corporate Governance Principles and Recommendations.

2. Date of this statement

This statement reflects our corporate governance policies and procedures as at 19 September 2014.

3. The Board of Directors

(a) Membership and expertise of the Board

The Board has a broad range of relevant financial and other skills, experience and expertise to meet its objectives. The current Board composition, with details of individual Director's backgrounds, is set out in the Directors Report which is included in this Annual Report.

**FATFISH INTERNET GROUP LIMITED (ASX:FFG)
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3. The Board of Directors (Cont'd)

(b) Board role and responsibility

The Board is accountable to shareholders for Fatfish Internet Group Limited's performance. In summary, the Board's responsibilities include:

- providing strategic direction and approving corporate strategic initiatives;
- planning for Board and executive succession;
- selecting and evaluating future Directors, the Chief Executive Office ("CEO") and the Chief Financial Officer ("CFO");
- setting CEO and Director remuneration within shareholder approved limits;
- approving budget and monitoring management and financial performance;
- considering and approving the Annual Financial Report (including the Directors' Declaration) and the interim and final financial statements;
- approving Fatfish Internet Group Limited's risk management strategy, monitoring its effectiveness and maintaining a direct and ongoing dialogue with Fatfish Internet Group Limited's auditors and regulators; and
- considering and reviewing the social and ethical impact of Fatfish Internet Group Limited's activities, setting standards for social and ethical practices and monitoring compliance with Fatfish Internet Group Limited's social responsibility policies and practices.

The Board would normally delegate to management responsibility for:

- developing and implementing corporate strategies and making recommendations on significant corporate strategic initiatives;
- maintaining an effective risk management framework and keeping the Board and market fully informed about material risks;
- developing Fatfish Internet Group Limited's annual budget, recommending it to the Board for approval and managing day-to-day operations within the budget; and
- managing day-to-day operations in accordance with standards for social and ethical practices which have been set by the Board.

The current circumstances, however, require all these functions to be exercised by the Board members or the Company Secretary. The company does not currently have a performance evaluation method due to the current size and limited nature of operations.

(c) Board size and composition

The Board determines its size and composition, subject to the limits imposed by Fatfish Internet Group Limited's Constitution. The Constitution requires a minimum of three and a maximum of 10 Directors. In addition, at least two of the Directors shall ordinarily reside within Australia. Currently the Board consists of five directors.. The board supports the principles of diversity, however, due to the size and scale of the company's operations it has no female representative on the board at the present time.

(d) The selection and role of the Chairman

The Chairman is selected by the Board from the non-executive Directors. The Chairman's role includes:

- providing effective leadership on formulating the Board's strategy;
- representing the views of the Board to the public;
- ensuring that, when all Board members take office, they are fully briefed on the terms of their appointment, their duties and responsibilities;

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3. The Board of Directors (Cont'd)

(d) The selection and role of the Chairman (Cont'd)

- ensuring that the Board meets at regular intervals throughout the year, and that minutes of meetings accurately record decisions taken and, where appropriate, the views of individual Directors;
- guiding the agenda and conduct of all Board meetings; and
- reviewing the performance of the Board of Directors.

The company complies with the requirement that the Chairman be an independent director. However, the board believes that it is appropriate given his skills and experience and the size and structure of the board.

(e) Directors' independence

The Board assesses each of the Directors against specific criteria to decide whether they are in a position to exercise independent judgement. Directors are considered to be independent if they are independent of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement. Materiality is assessed on a case-by-case basis by reference to each Director's individual circumstances rather than general materiality thresholds. In assessing independence, the Board considers whether the Director has a business or other relationship with Fatfish Internet Group Limited, either directly, or as a partner, shareholder or officer of a company or other Company that has an interest, or a business or other relationship, with Fatfish Internet Group Limited or another Fatfish Internet Group Limited group member. Presently the Board has three non-executive directors (out of a total of five) which meet this independence criteria.

(f) Avoidance of conflicts of interest by a Director

In accordance with the Corporations Act 2001, any Director with a material personal interest in a matter being considered by the Board must not be present when the matter is being considered and may not vote on the matter.

(g) Meetings of the Board and their conduct

Meetings of the Board happen when and as appropriate. Details of Board meetings held and attended are tabled in the Directors' Report, which forms part of this Annual Report.

(h) Succession planning

The Board plans succession of its own members taking into account the skills, experience and expertise required and currently represented, and Fatfish Internet Group Limited's future direction. The Board is also responsible for CEO and CFO succession planning.

(i) Review of Board performance

The Board does not formerly review its overall performance or the performance of individual Directors. The performance of non-executive Directors (including the Chairman) is not subject to any formal review process due to the current size of the board. Fatfish Internet Group Limited does not comply with ASX recommendations on this issue.

**FATFISH INTERNET GROUP LIMITED (ASX:FFG)
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3. The Board of Directors (Cont'd)

(j) Nomination and appointment of new Directors

Recommendations for nominations of new Directors are made by the Nomination Committee. Those nominated are assessed by the Board as a whole against a range of criteria including background, experience, professional skills, personal qualities, whether their skills and experience will augment the existing Board and their availability to commit themselves to the Board's activities. If the Board appoints a new Director during the year, that person will stand for election by shareholders at the next annual general meeting. Shareholders are provided with relevant information on the candidates for election.

(k) Retirement and re-election of Directors

Fatfish Internet Group Limited's Constitution states that one-third of our Directors must retire each year. The maximum time that each Director can serve in any single term is three years. Any Director who has been appointed during the year must retire at the next annual general meeting. Eligible Directors who retire each year may offer themselves for re-election by shareholders at the next annual general meeting.

(l) Compulsory retirement of Directors

The Board has no limit on the number of terms of office which any Director may serve.

(m) Board access to information and advice

All Directors have unrestricted access to company records and information and receive regular detailed financial and operational reports. The Company Secretary provides Directors with ongoing guidance on issues such as corporate governance, Fatfish Internet Group Limited's Constitution and the law. The Board collectively, and each Director individually, has the right to seek independent professional advice at Fatfish Internet Group Limited's expense to help them carry out their responsibilities. While the Chairman's prior approval is needed, it may not be unreasonably withheld and, in its absence, Board approval may be sought.

(n) Securities trading policy

Directors and employees are subject to the Corporations Act restrictions on trading securities in the Company if they are in possession of inside information. This is regarded as any information that is non-public and, if it were public that a reasonable person would expect to have a material effect on the price of the Company's securities.

In addition, the company has established a policy on the trading in Fatfish Internet Group Limited's securities, which applies to all Directors and employees. Key aspects of this policy are as follows:

- Directors and employees are encouraged to be long-term holders of the company's securities and are discouraged from any short-term trading;
- Directors and employees may trade shares for 4 weeks following announcement of the annual results, half-year results and the annual general meeting, provided the market has been fully informed. However, a trading embargo of 2 days applies immediately after any significant announcement;

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3. The Board of Directors (Cont'd)

(n) Securities trading policy (Cont'd)

- Directors and employees need to ensure that the market is fully informed before they can trade and to protect themselves should discuss the intended share trading with the Chairman or Company Secretary; and
- Trading outside the four-week period is required to be approved by the Chairman, prior to any transaction occurring. Generally, if the market is fully informed, the approval will be granted.

Directors are required to notify the Company Secretary within 2 days of a change in their beneficial interest in the company's shares.

Directors' interest in the company's securities have not changed materially in the last 12 months.

4. Board committees

(a) Board committees and membership

There are currently four Board Committees. Fatfish Internet Group Limited complies with ASX recommendations on Board committees.

(b) Audit Committee

Chairman - Donald Low
Member - Kin Wai Lau
Member - Jeffrey Tan

(c) Board Risk Oversight Committee

Chairman - Donald Low
Member - Kin Wai Lau
Member - Jeffrey Tan

(d) Board Nominations Committee

Chairman - Kin Wai Lau
Member - Jeffrey Tan
Member - Donald Low

(e) Board Remuneration Committee

Chairman - Jeffrey Tan
Member - Dato' Larry Gan
Member - Donald Low

Directors have been paid a fixed remuneration in the past, however currently Australian resident director's fees are capped at \$2,000 per month. Directors would in past years have been paid a directors fee for attending Board Meetings, as well as being able to claim for out-of-pocket expenses and any time spent on special issues.

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4. Board committees (Cont'd)

Fatfish Internet Group Limited's remuneration principle is that payments to non-executive Directors (as detailed in the Financial Statements) are fixed remuneration, reimbursement of expenses and time spent on specific issues. The executive Directors are paid for their executive duties at a negotiated rate in line with their qualifications and experience. Full details regarding remuneration are contained in the audited Remuneration Report in the Director's Statement of the Annual Report.

5. Audit governance and independence

(a) Approach to audit governance

The Board is committed to these basic principles:

- Fatfish Internet Group Limited must produce true and fair financial reports; and
- Its accounting methods are comprehensive and relevant and comply with applicable accounting rules and policies.

(b) Engagement and rotation of external auditor

Fatfish Internet Group Limited's independent external auditors are Grant Thornton.

(c) Discussions with external auditor on Independence

The Board requires the external auditor to confirm that they have maintained their independence.

(d) Relationship with auditor

Fatfish Internet Group Limited's current policies on employment and other relationships with our external auditor are:

- the audit partners and any audit firm employee on the Fatfish Internet Group Limited audit are prohibited from being an officer of Fatfish Internet Group Limited;
- an immediate family member of an audit partner or any audit firm employee on the Fatfish Internet Group Limited audit is prohibited from being a Director or an officer in a significant position at Fatfish Internet Group Limited;
- a former audit firm partner or employee on the Fatfish Internet Group Limited audit is prohibited from becoming a Director or officer in a significant position at Fatfish Internet Group Limited for at least five years and after the five years, can have no continuing financial relationship with the audit firm;
- members of the audit team and firm are prohibited from having a business relationship with Fatfish Internet Group Limited or any officer of Fatfish Internet Group Limited unless the relationship is clearly insignificant to both parties;
- the audit firm, its partners, its employees on the Fatfish Internet Group Limited audit and their immediate family members are prohibited from having a direct or material indirect investment in Fatfish Internet Group Limited;
- officers of Fatfish Internet Group Limited are prohibited from receiving any remuneration from the audit firm;
- the audit firm is prohibited from having a financial interest in any Company with a controlling interest in Fatfish Internet Group Limited; and
- the audit firm engagement team in any given year cannot include a person who had been an officer of Fatfish Internet Group Limited during that year.

**FATFISH INTERNET GROUP LIMITED (ASX:FFG)
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5. Audit governance and independence

(e) Restrictions on non-audit services by the external auditor

The external auditor is not restricted in the provision of non-audit services to Fatfish Internet Group Limited except as required by the Corporations Act or the ASX Listing Rules.

(f) Attendance at Annual General Meeting

Fatfish Internet Group Limited's external auditor attends the annual general meeting and is available to answer shareholder questions.

6. Controlling and managing risk

(a) Approach to risk management

Taking and managing risk are central to business and to building shareholder value. Fatfish Internet Group Limited's approach is to identify, assess and control the risks which affect its business. The intention is to enable risks to be balanced against appropriate rewards. The risk management approach links Fatfish Internet Group Limited's vision and values, objectives and strategies, and procedures and training.

(b) Risk management roles and responsibilities

The Board is responsible for approving and reviewing Fatfish Internet Group Limited's risk management strategy and policy. The Risk Oversight Committee is responsible for implementing the Board-approved risk management strategy and developing policies, controls, processes and procedures to identify and manage risks in all of Fatfish Internet Group Limited's activities.

Fatfish Internet Group Limited does not comply with ASX recommendations on these issues as it does not have a formal verifiable system of risk management or any employees to implement such a system as it does not view this to be appropriate at the current time. It relies on the oversight of the Directors and the various committees, together with the periodic verification of the external auditor.

(c) Company Secretarial assurance

The Board receives periodic reports about the financial condition and operational results of Fatfish Internet Group Limited. The CEO and CFO periodically provide formal statements to the Board that in all material respects:

- the company's periodic financial statements present a true and fair view of Fatfish Internet Group Limited's financial condition and operational results for those reporting periods; and
- that risk management and internal compliance and control systems are sound, appropriate and operating efficiently and effectively.

7. Remuneration framework

(a) Overview

Director's remuneration is approved and fixed by shareholders. Fatfish Internet Group Limited currently pay its Australian resident Directors and Company Secretary a fixed remuneration. These Officers can claim reimbursement of out-of-pocket expenses incurred on behalf of Fatfish Internet Group Limited and time spent on specific issues. The Company Secretary is paid for all his time on an hourly basis.

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7. Remuneration framework (Cont'd)

(b) Employee Share Options scheme

There are no Employee Share Options Schemes (ESOS) granted over un-issued shares to directors or executives as part of their remuneration. The issue of any options would require approval by Shareholders.

8. Corporate responsibility and sustainability

(a) Approach to corporate responsibility and sustainability

Fatfish Internet Group Limited's approach to corporate responsibility and sustainability Fatfish Internet Group Limited's aim is to manage its business in a way that produces positive outcomes for all stakeholders and maximizes economic, social and environmental value simultaneously. In doing so, Fatfish Internet Group Limited accepts that the responsibilities flowing from this go beyond both strict legal obligations and just the financial bottom line. Transparency, the desire for fair dealing, and positive links into the community underpin our everyday activities and corporate responsibility practices.

(b) Code of conduct

Fatfish Internet Group Limited currently does not have in operation a formerly adopted Code of Conduct that applies to all Directors, executives and employees without exception. The intention of such a Code is to govern workplace and human resource practices, risk management and legal compliance, and ensure alignment to the Shareholders interests.

The Directors of Fatfish Internet Group Limited believe their core values of teamwork, integrity and performance ensure ethical outcomes and the alignment of the shareholders and Boards interests.

The ASX recommendations require that the Code of Conduct is reviewed periodically, specifically to reflect the ASX Corporate Governance Principles and Recommendations.

Fatfish Internet Group Limited does not comply with ASX recommendations on this issue as the Board does not believe that a formal Code of Conduct is appropriate for the company at the current time. The Board however, endeavours to act ethically at all times, in line with its obligations under the Corporations Act and the ASX Listing Rules.

(c) Insider trading policy and trading in Fatfish Internet Group Limited shares

The Company Secretary has responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules, and overseeing and coordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

Fatfish Internet Group Limited is committed to giving all shareholders comprehensive and equal access to information about our activities, and to fulfil continuous disclosure obligations to the broader market. Fatfish Internet Group Limited's policy is designed to ensure compliance with ASX Listing Rules continuous disclosure requirements. It ensures any information that a reasonable person would expect to have a material effect on the price of Fatfish Internet Group Limited's securities is disclosed.

Fatfish Internet Group Limited currently maintains its own web site and relies on communication in this medium on the ASX Company Announcements platform carrying all the relevant information.