

31 July 2019

## Fatfish Update for the Quarter Ended 30 June 2019

### Highlights

- **Updates on Fatfish Global Ventures AB**
- **Updates on Minerium Technology Ltd**
- **Transfer of Listing to Pink Open Market**
- **Disposal of shares in PeterLabs Holdings Berhad**
- **Updates on iCandy Interactive Limited**

International venture investment and development firm, Fatfish Blockchain Limited ("**Fatfish**", "**FFG**" or the "**Company**") (ASX: FFG, OTCQB: FFTF), is pleased to provide an update on its quarterly activities for the period ended 30 June 2019.

### 1. Updates on Fatfish Global Ventures AB

As announced on 3 April 2019, FFG's 81% Swedish subsidiary, Fatfish Global Ventures AB ("**FGV**"), has appointed Mangold Fondkommission AB ("**Mangold**"), a Swedish independent securities broker, to advise on FGV's planned IPO in Sweden (the "**Proposed Swedish IPO**").

FFG further updated the market that The Proposed Swedish IPO is progressing smoothly, with the Board of Directors having formally approved FGV to commence the IPO process on the Nordic MTF segment of the Nordic Growth Market.

FFG wishes to note that the Proposed Swedish IPO is still subject to obtaining all necessary regulatory approvals. FGV will work closely with Mangold on the Proposed Swedish IPO and will update the market accordingly.

### 2. Update on Minerium Technology Ltd

On 12 March 2019, FFG announced that in view of the uncertain market sentiment in cryptocurrency, its 51% owned Minerium Technology Ltd ("**Minerium**") decided to postpone its proposed IPO on the London Stock Exchange and put on hold its expansion plan to Mongolia.

Nevertheless, FFG notes that the global market prices of cryptocurrencies have experienced a marked increase in the second quarter of 2019. In particular, the market price of bitcoin has recovered from its lowest point of USD\$3,400 this year to the current market price of circa USD\$9,500.

In view of the sustained recovery of cryptocurrency prices, the management of Minerium has now begun to relook at expansion and fundraising options to scale up its operations.

### **3. Transfer of U.S. Listing to Pink Open Market**

On 1 July 2019, FFG's share listing on the OTC Market in the U.S. was transferred from the OTCQB segment to the Pink Open Market segment. The transition does not affect FFG's operation and does not change its reporting requirements under the ASX listing rules.

### **4. Disposal of shares in PeterLab Holdings Berhad**

In line with FFG's ongoing strategy to dispose of non-core assets and to focus more on the Company's core area of technology and consumer interest, FFG has disposed of its entire holdings in Malaysia-listed Peterlab Holdings Berhad ("**PLabs**") during the quarter ended 30 June 2019.

The net disposal proceeds of RM4,755,266 (approximately AUD\$1,631,828) has been used to repay the non-recourse debt raised for the funding of PLabs acquisition.

### **5. Updates on iCandy Interactive Limited**

During the quarter ended 30 June 2019, FFG's investee company iCandy Interactive Limited ("**iCandy**") completed a private placement exercise, raising A\$1.5 million in the process. These funds will be used to expand iCandy's working capital and to facilitate its merger and acquisition strategy to monetize its network of 350 million mobile gamers.

On 23 May 2019, iCandy announced that it has entered into a Game Cooperation Agreement with Animoca Brands Limited and 9Games, a unit of Alibaba digital media and entertainment business group. Under the agreement, 9Games will utilize its strong knowledge of Chinese consumer market and established distribution channels to localize and publish iCandy's mobile game 'Groove Planet' in Mainland China, whilst iCandy and Animoca Brands will provide the license and relevant technical support.

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## About Fatfish Blockchain Limited

Fatfish Blockchain Limited (**ASX: FFG, US: FFTF**) is a publicly traded international venture investment and development firm. FFG partners with entrepreneurs and experienced executives to build and grow tech businesses via a co-entrepreneurship model. FFG focuses on emerging global technology trends, specifically FFG has been investing strategically across various sectors of **blockchain, fintech and consumer internet** technologies.

Fatfish is currently invested in the highly viable sectors of Blockchain and Consumer Internet:

- (i) **Blockchain Technology** – cryptocurrency exchange, cryptomining business, blockchain focused fund management business; and
- (ii) **Consumer Internet** – A portfolio of companies that focus on digital entertainment, fintech, e-commerce and enterprise software. The portfolio includes iCandy Interactive Ltd (ASX: ICI), Cloudfare Berhad (MYX: CLOUD), Beam Space, iFashion Group, Fatberry, Lunch Actually, iSecrets, Stilla, Wheelys and many others.

FFG operates from its international venture hubs located in Singapore, Kuala Lumpur and Stockholm.

**For more details, please contact:**  
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## Appendix 4C

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

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

FATFISH BLOCKCHAIN LIMITED

**ABN**

88 004 080 460

**Quarter ended ("current quarter")**

30 JUNE 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date ( 6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	549	1,351
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(505)	(1,291)
(c) advertising and marketing	(69)	(69)
(d) leased assets	-	-
(e) staff costs	(175)	(431)
(f) administration and corporate costs	(204)	(674)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Others	173	237
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(230)</b>	<b>(876)</b>

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

	Current quarter \$A'000	Year to date ( 6 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(11)
(b) businesses	-	-
(c) investments	(93)	251
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	76	151
2.4 Dividends received	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(17)</b>	<b>391</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares (Note 1)	-	-
3.2 Proceeds from issue of convertible notes	-	1,200
3.3 Proceeds from exercise of share options	1,314	1,314
3.4 Transaction costs related to issues of shares, convertible notes or options	(42)	(42)
3.5 Proceeds from borrowings	-	-
3.6 Repayments of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,272</b>	<b>2,472</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>	<b>1,025</b>	<b>1,987</b>
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,301	337
4.2 Net cash from / (used in) operating activities	(230)	(876)
4.3 Net cash from / (used in) investing activities	(17)	391
4.4 Net cash from / (used in) financing activities	1,272	2,472
4.5 Effect of movement in exchange rates on cash held	(5)	(3)
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>2,321</b>	<b>2,321</b>

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**Appendix 4C**

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

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,321	1,301
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter</b>	<b>2,321</b>	<b>1,301</b>

**6. Payments to directors of the entity and their associates**

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
9
-

Directors Fees & Directors Salaries

**7. Payments to related entities of the entity and their associates**

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
(76)

Net payment from related entity loans

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## Appendix 4C

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

#### 8. Financing facilities available

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (Convertible Note)	10,000	2,000

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

The Company entered into a definitive legally binding agreement with US based Arena Investors, LP for the issuance of up to \$10 million convertible notes. Salient terms of the Notes are as follows:

(i) To be drawn over 10 tranches;

(ii) Investor may elect to convert the Notes at any time up to the Maturity Date, at the lower of 125% of the average of the closing prices of Fatfish's shares for the 25 trading days immediately prior to the issue date of the Notes which is being converted and 90% of the average of the closing price of Fatfish's shares for any 5 consecutive trading days (specified by the Investor) during the period of 25 trading days immediately preceding the last trading day before the conversion date, provided always that in any event, the conversion price shall not be lower than A\$0.013);

(iii) Maturity date is 12 months from date of issue of each tranche, after which the Company shall redeem the relevant Notes in cash, provided that they have not been converted into shares by the Investor;

(iv) Coupon rate of 1.0% per annum; and

(v) A Termination Payment of A\$500,000 less an amount equivalent of the number of tranches drawn down (up to a maximum of 5 tranches) multiplied by A\$100,000 at the relevant time the Termination Payment Obligation arises. The Termination Payment obligation arises if:

(a) the Company does not satisfy the conditions precedent for the follow on tranches prior to the proposed date of issue of the relevant follow on tranche;

(b) the Company terminates the Subscription Agreement prior to the 3 year anniversary of the issuance of the first tranche or before all of the follow on tranches have been drawn;

(c) the Company has not issued follow on tranches, that the Investor has consented to subscribe for, by the date 12 months from the date of the Subscription Agreement having an aggregate face value not less than A\$5,000,000, unless the Company's failure to do so is solely due to the Investor not having agreed to subscribe for a follow on tranche; or

(d) an event of default or early redemption event occurs.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and developments	-
9.2 Product manufacturing and operating costs	150
9.3 Advertising and marketing	100
9.4 Leased assets	-
9.5 Staff costs	100
9.6 Administration and corporation costs	150
9.7 Other	-
<b>9.8 Total estimated cash outflows</b>	<b>500</b>

**Appendix 4C**

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

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<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**Compliance statement**

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



Sign here \_\_\_\_\_  
Company Secretary

Date: 31 July 2019

Print Name Jiahui Lan

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