



Fatfish Group Limited
(ACN 004 080 460)
Level 4, 91 William Street
Melbourne VIC 3000
Australia

www.fatfish.co

30 April 2024

ASX and Media Announcement

Cash Receipts Up 12% for Quarter Ended 31 March 2024

Fatfish Group Ltd ("**Fatfish**" or the "**Company**") is pleased to provide the quarterly summary of its activities for the quarter ended 31 March 2024 ("**Quarter**").

During the Quarter, Fatfish recorded approx. **12%** increase in cash receipts, with a total cash receipt of A\$1.128 million, compared to A\$1.010 million in the preceding quarter. This was mainly driven by better operating business environment

Social Gaming

During the Quarter, the Company commenced work on a new social gaming project following the appointment of Rhys Campbell, an ex VGW executive, as Senior Director of Social Gaming. The project, called 'hibur.io' is expected to launch in early May 2024.

hibur.io will provide a wide array of games by third party developers. Moving forward, Fatfish hopes to onboard more games and in-game features as well as explore opportunities for first party game development for the platform.

Subsequent event – Proposed investments in an AI-powered gaming innovator

On 11 April 2024, the Company had announced that it had entered into a binding term sheet with AI Gaming Co. Pte Ltd ("**AIGC**") to acquire up to 50% equity interest in AIGC.

AIGC is a specialist start-up in the development of digital entertainment which utilises applied generative-AI to streamline development processes, create lifelike environments, and offer personalised gaming experiences.

Under the binding term sheet, FFG shall invest up to SG\$2.5M (A\$2.8M) in return for up to 50% equity interest in AIGC ("**Acquisition**") subject to due diligence to the end of April 2024.

A breakdown of the said investment of SG\$2.5M are as follows:

- (a) SG\$2,100,000 initial investment in AIGC, comprising SG\$100,000 in cash, and SG\$2,000,000 in services to be provided to AIGC by FFG, including incubation related services and access to FFG's broader team and expertise in digital entertainment (the **Initial Investment**); and
- (b) SG\$400,000 further investment via exercise of an Option over the six months following the Initial Investment, with the exercise of such Option to be in cash (the **Option**).



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In the event that FFG completes the Initial Investment, it will own approximately 45.65% of AIGC. In the event FFG completes both the Initial Investment and exercises its Option, it will own 50.00% of AIGC.

The Company and AIGC has mutually agreed to extend the due diligence exercise to 31 May 2024, although the parties are moving towards completion by mid May.

Listing Rule 4.7C.1

In accordance with Listing Rule 4.7C.1, a summary of the net cash operating cash outflows for the quarter ended 31 March 2024 are as follows:

Receipts from customers	\$1,128,000
Interest received	\$3,000
Payments for:	
Product manufacturing and operating costs	\$918,000
Advertising and marketing	\$7,000
Staff costs	\$323,000
Administration and corporate costs	\$380,000
Interest and other costs of finance paid	\$23,000

Listing Rule 4.7C.3

In accordance with Listing Rule 4.7C.3 under Item 6 of the Company's Appendix 4C of the cash flow report for the quarter, it has been reported that payments to Related Parties are approximately \$49,000.

The Company's Appendix 4C statement is herein attached to this announcement.

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

— END —

For further information, please contact:

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About FatFish Group Limited : (fatfish.co)

Fatfish Group Limited (ASX:FFG) ("**Fatfish**" or the "**Company**") is an ASX listed tech venture firm incubating future leaders in digital entertainment, fintech and ecommerce as well as the application of Generative AI technologies in these sectors. Fatfish investee companies, ranging from incubation through to listed entities, include ASEAN Fintech Group, Abelco Investment Group (NGM:ABIG) and iCandy Interactive



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(ASX:ICI). Our strategy is to give investors indirect exposure to our investee companies as well as incubate new businesses leveraging our significant expertise and experience in developing and launching innovative technology companies.

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Appendix 4C

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

Name of Entity

FATFISH GROUP LIMITED

ABN

88 004 080 460

Quarter ended ("current quarter")

31 MARCH 2024

Consolidated Statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,128	1,128
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(918)	(918)
(c) advertising and marketing	(7)	(7)
(d) leased assets	-	-
(e) staff costs	(323)	(323)
(f) administration and corporate costs	(380)	(380)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(23)	(23)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from/(used in) operating activities	(520)	(520)

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Appendix 4C

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

	Current quarter \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(2)	(2)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (cash flow loans to unconsolidated subsidiaries)	(535)	(535)
2.6 Net cash from/(used in) investing activities	(537)	(537)

	Current quarter \$A'000	Year to date (3 months) \$A'000
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,578	1,578
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(202)	(202)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(1,350)	(1,350)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other - payments for share buyback	-	-
3.10 Net cash from/(used in) financing activities	26	26

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Appendix 4C

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

	Current quarter \$A'000	Year to date (3 months) \$A'000
4. Net increase/(decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,275	2,275
4.2 Net cash from /(used in) operating activities (item 1.9 above)	(520)	(520)
4.3 Net cash from /(used in) investing activities (item 2.6 above)	(537)	(537)
4.4 Net cash from /(used in) financing activities (item 3.10 above)	26	26
4.5 Effect of movement in exchange rates on cash held	(17)	(17)
4.6 Effect on deconsolidation of subsidiaries that have been deemed investment entities	-	-
4.7 Cash and cash equivalents at end of period	1,227	1,227

	Current quarter \$A'000	Previous quarter \$A'000
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.		
5.1 Bank balances	1,227	2,275
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,227	2,275

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

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

Current quarter \$A'000
49
-

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Appendix 4C

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

7. Financing Facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	6,003	6,003
7.4 Total financing facilities	6,003	6,003

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

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

The Company entered into a definitive legally binding agreement with US based Arena Investors, LP for the issuance of up to \$8 million convertible notes. Salient terms of the Notes are as follows:

(i) To be drawn 1 tranche;

(ii) Investor may elect to convert the Notes at any time up to the Maturity Date, at a conversion price of \$0.07 per Note.

(iii) Maturity date is 27 August 2024, which shall be extendable upon mutual agreement of the parties, after which the Company shall redeem the relevant Notes in cash, provided that they have not been converted into shares by the Investor; and

(iv) Coupon rate of 1.0% per annum.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from/(used in) operating activities (item 1.9)	(520)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,227
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	1,227
8.5 Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)	2.36

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

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

N/A

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

N/A

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

N/A

Appendix 4C

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

Compliance Statement

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

Date: 30 April 2024

Authorised by: By the Board of Directors

Notes:

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

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