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

www.fatfish.co

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30 October 2020

Updates for the Quarter Ended 30 September 2020

Fatfish Group Limited ("**FFG**" or the "**Company**") is pleased to provide an update on its activities for the quarter ended 30 September 2020 ("**Quarter**").

1. Share Buy Back

On 30th June 2020, FFG announced that it will undertake an on-market buy-back of its shares, to buy back up to a maximum of 60,000,000 ordinary fully paid shares. The Company commenced the Share Buy-Back on 14 July 2020 for up to a 12- month period.

2. iCandy's Capital Raise & New Game Launch

During the Quarter,FFG's investee ASX-listed iCandy Interactive Ltd ("iCandy") completed a highly successful early access trial for its new game, Masketeers: Idle Has Fallen ("**Masketeers**"). Masketeers received more than **1 million pre-orders** – the highest number iCandy has ever seen in its game portfolio – before being globally launched on 6 October 2020.

On 15 September 2020, iCandy raised a total of A$1.25 million via a heavily over-subscribed capital raising. Approximately one week later, iCandy raised a further A$1.2 million at a 125% premium over the last issue price from strategic investors with track-records in digital marketing in North America,

Please refer to iCandy's announcements on ASX for further details.

FFG owns 192,500,000 shares in ICI, via Abelco.

3. Share Price of Abelco Appreciated Significantly

A large part of FFG's assets on its balance sheet are made up of shares held in Swedish listed Abelco Investment Group AB ("**Abelco**") that have strong liquidity in the Swedish market.

At the beginning of the Quarter on 1 July 2020, Abelco's shares were trading around SEK 0.057 and at the close of the quarter at 30 September 2020

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Abelco's shares were trading at SEK0.19, representing a sharp increase of share price during the quarter.

At 29 October 2020, Abelco's shares were trading at SEK0.146.

FFG owns 701,677,240 ordinary shares in Abelco. A full list of our investment companies that sit under Abelco can be viewed here: https://www.abelco.se/current-investments/

4. Event Subsequent To The Quarter - Capital Raise

On 26 October 2020, FFG successfully completed an A$1.5 million capital raising (before costs) via a share placement to sophisticated investors. The placement received strong supports with more than A$7.0 millions in bids.

FFG wishes to highlight that the cash proceeds raised from the Placement is not reflected in the attaching Appendix 4C, as the Placement was completed after the Quarter.

Listing Rule 4.7C.3
In Item 6 of the Company's Appendix 4C of the cash flow report for the quarter, it has been reported that there were payments to Related Parties of approximately $9,000. This was payment for directors' fees.

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

– End –

About Fatfish Group Limited

Fatfish Group Limited (**ASX: FFG**) is a publicly traded tech venture firm with presence in the Australia, Asia and the Nordic European region. FFG partners with entrepreneurs to build tech businesses via a co-entrepreneurship model. FFG focuses on emerging global technology trends, specifically FFG has been investing strategically across various sectors of **video-games, esports, fintech and consumer internet** technologies.

FFG owns a majority stake in Abelco Investment Group AB (**NGM: ABIG**), which is traded which is publicly traded in Sweden.

For more details, please contact:
ir@fatfish.co or visit www.fatfish.co

Appendix 4C

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

Name of Entity

FATFISH GROUP LIMITED

ABN	**Quarter ended ("current quarter")**
88 004 080 460	30 SEPTEMBER 2020

Consolidated Statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	110	408
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(9)	(205)
	(c) advertising and marketing	(11)	(13)
	(d) leased assets	-	-
	(e) staff costs	(12)	(43)
	(f) administration and corporate costs	(21)	(332)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	-	-
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**	**57**	**(184)**

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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 (9 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(104)	(104)
	(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 (provide details if material)	-	-
2.6	**Net cash from/(used in) investing activities**	**(104)**	**(104)**

		Current quarter $A'000	Year to date (9 months) $A'000
3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or co0nvertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - payments for share buyback	(151)	(151)
3.10	**Net cash from/(used in) financing activities**	**(151)**	**(151)**

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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 (9 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	392	596
4.2	Net cash from /(used in) operating activities (item 1.9 above)	57	(184)
4.3	Net cash from /(used in) investing activities (item 2.6 above)	(104)	(104)
4.4	Net cash from /(used in) financing activities (item 3.10 above)	(151)	(151)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Effect on deconsolidation of subsidiaries that have been deemed investment entities	-	37
4.7	**Cash and cash equivalents at end of period**	**194**	**194**

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	194	392
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)**	**194**	**392**

6.	**Payments to related parties of the entity and their associates**	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	9
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7.	**Financing Facilities** *Note: the term "facility" includes all forms of financing arrangements available to the entity* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**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)	10,000	2,000
7.4	**Total financing facilities**	**10,000**	**2,000**

7.5	**Unused financing facilities available at quarter end**	8,000

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 iussuance of up to $10 millior 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.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from/(used in) operating activities (item 1.9)	57
8.2	Cash and cash equivalents at quarter end (item 4.6)	194
8.3	Unused finance facilities available at quarter end (Item 7.5)	8,000
8.4	Total available funding (Item 8.2 + Item 8.3)	8,194
8.5	**Estimated quarters of funding available (Item 8.4 dividend by Item 8.1)**	**144**

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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 is business objectives and, if so, on what basis ?

N/A

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 October 2020

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.