

31 October 2019

Update for the Quarter Ended 30 September 2019

International venture investment and development firm, Fatfish Blockchain Limited (“**Fatfish**”, “**FFG**” or the “**Company**”) (ASX: FFG, US: FFTF), is pleased to provide an update on its activities for the quarter ended 30 September 2019 (“**Quarter**”).

1. Updates on Proposed Swedish IPO

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

During the Quarter, FGV has submitted a draft information memorandum and other relevant documentations to the Nordic Growth Market (“**NGM**”) for NGM’s consideration.

2. Updates on iCandy Interactive Limited

During the Quarter, FFG’s investee company iCandy Interactive Limited (“**iCandy**”) announced that it intends to seek dual listing in Canada to promote its brand recognition and presence in North America, where there is a growing investor interest in gaming and esports. iCandy intend to raise up to C\$ 3 million as part of its Proposed Dual Listing.

Subsequent to the Quarter, iCandy announced that it will co-found Esports Pro League (“**ESPL**”) by investing a sum of SGD 100,000 to own 42.55% of the global esports tournament and media network. ESPL is visualized by its partners (i.e., Malaysian-listed Sedania Innovator Berhad and esports veteran Michael Broda) to develop an integrated and open ecosystem for tournaments that will be rolled out across 16 countries covering Asia, Europe and America. It is anticipated that the first season of ESPL will launch in February 2020.

– End –



Fatfish Blockchain Limited

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

www.fatfish.co

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), ClouDaroon 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:

ir@fatfish.co or visit www.fatfish.co

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 SEPTEMBER 2019

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	394	1,745
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(211)	(1,502)
(c) advertising and marketing	(165)	(234)
(d) leased assets	-	-
(e) staff costs	(291)	(722)
(f) administration and corporate costs	(260)	(934)
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 Others	133	370
1.9 Net cash from / (used in) operating activities	(400)	(1,276)

Appendix 4C
Quarterly 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) property, plant and equipment	(427)	(438)
(b) businesses	-	-
(c) investments	(15)	236
(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	(197)	(46)
2.4 Dividends received	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(639)	(248)
3. Cash flows from financing activities		
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
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(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)	-	-
3.10 Net cash from / (used in) financing activities	-	2,472
4. Net increase / (decrease) in cash and cash equivalents for the period	(1,039)	948
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,321	337
4.2 Net cash from / (used in) operating activities	(400)	(1,276)
4.3 Net cash from / (used in) investing activities	(639)	(248)
4.4 Net cash from / (used in) financing activities	-	2,472
4.5 Effect of movement in exchange rates on cash held	1	(2)
4.6 Cash and cash equivalents at end of quarter	1,283	1,283

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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	1,283	2,321
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter	1,283	2,321

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
-
197

Net payment from related entity loans

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.

<p>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:</p> <p>(i) To be drawn over 10 tranches;</p> <p>(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);</p> <p>(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;</p> <p>(iv) Coupon rate of 1.0% per annum; and</p> <p>(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:</p> <p>(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;</p> <p>(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;</p> <p>(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</p> <p>(d) an event of default or early redemption event occurs.</p>

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	50
9.4 Leased assets	-
9.5 Staff costs	80
9.6 Administration and corporation costs	120
9.7 Other	-
9.8 Total estimated cash outflows	400

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

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
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 October 2019

Print Name Jiahui Lan