

Fatfish Group Limited (ACN 004 080 460)

Prospectus

For an offer of:

- (a) 102,040,816 Commitment Shares to Arena (and/or its nominees) (**Arena Offer**); and
 - (b) up to 10,000 Shares at an issue price of \$0.013 per Share to raise up to \$130.00 (before expenses) (**Cleansing Offer**),
- (together, the **Offers**).

The Offers are not underwritten
The Offers close at 5.00pm (AEST) on 31 August 2023

Important Notice

This is an important document and should be read in its entirety.
This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the Corporations Act. If you have any queries about any part of the Prospectus, please contact your professional adviser without delay. The Shares offered by this Prospectus should be considered speculative.

The purpose of the Arena Offer Under this Prospectus is to make the offer of the Commitment Shares to Arena (and/or its nominees) under a disclosure document and to satisfy the Company's obligations under the ELOC. The Arena Offer and the issue of the Commitment Shares under this Prospectus is strictly limited to Arena (and/or its nominees) only.

This Prospectus has also been prepared for the purposes of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date (namely, the Commitment Shares).

Corporate Directory

Directors

Dato' Larry Nyap Liou Gan
Chairman and Non-Executive Director

Kin Wai Lau
Chief Executive Officer and Executive Director

Donald Han Low
Non-Executive Director

Jeffrey Hua Yuen Tan
Non-Executive Director

Andrew Bruce
Non-Executive Director

Company Secretaries

Andrew Draffin
Jiahui Lan

Registered Office

Level 4, 91 William Street
Melbourne VIC 3000

Telephone: 03 8611 5353
Website: <https://fatfish.co/>

ASX Code

FFG

Share Registry*

Automic Group
GPO Box 5193
SYDNEY NSW 2001

Telephone:
1300 288 664 (within Australia)
+61 (0) 2 9698 5414 (International)

Solicitors

Nova Legal
Level 2, 50 Kings Park Road
West Perth WA 6005

Auditor*

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

* These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

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IMPORTANT INFORMATION

GENERAL

This Prospectus is dated 31 August 2023 and was lodged with ASIC on that date. Neither ASIC nor ASX, nor any of their officers, take any responsibility for the contents of this Prospectus.

This Prospectus expires 13 months from the date it was lodged with ASIC. No securities will be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. An application will be made to ASX within 7 days after the date of this Prospectus for the quotation of the Shares the subject of this Prospectus.

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. Section 713 allows the issue of a more concise prospectus in relation to an offer of continuously quoted securities. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

This document is important and it should be read in its entirety. The Shares to be issued pursuant to this Prospectus should be viewed as a speculative investment and investors should refer to the Section 2 for details of certain risk factors which are considered to be relevant for the purposes of the Offer. Investors should consult their stockbroker, solicitor, accountant or other professional adviser if necessary.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus and any such information may not be relied upon as having been authorised by the Directors.

A copy of this Prospectus can be downloaded from the Company's website at <https://fatfish.co/>. The offer constituted by an electronic version of this Prospectus is only available to persons receiving an electronic version of this Prospectus within Australia. A hard copy of this Prospectus may be obtained by contacting the Company.

A number of terms and abbreviations used in this Prospectus have defined meanings set out in Section 7.

OVERSEAS SHAREHOLDERS

Shares will not be issued pursuant to this Prospectus to Shareholders with a registered address which is outside Australia or New Zealand, unless approved by the Board. The distribution of this Prospectus in jurisdictions outside of Australia or New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the applicable securities law.

This Prospectus does not, and is not intended to, constitute an offer of securities in any jurisdiction where, or to any person to whom, it would be unlawful to make such an offer or issue. This Prospectus has not been, nor will it be lodged, filed or registered with any regulatory authority under the securities laws of any other country.

RISK FACTORS

Refer to Section 2 for details of the risks associated with an investment in the Company. As with any securities investment, there are risks associated with investing in the Company. Investors should

be aware that an investment in the Company involves risks that may be greater than risks associated with an investment in some other companies. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

Risks of investing in the Company's existing assets and general risks are set out in Section 2 of this Prospectus.

Careful consideration should be given to all matters raised in this Prospectus and the relative risk factors prior to applying for Shares offered under this Prospectus. Investors should consider the risk factors described in Section 2, together with the information contained elsewhere in this Prospectus, before deciding whether to apply for Shares.

TIMETABLE AND IMPORTANT DATES

| EVENT | DATE |
|---|----------------|
| Lodgement of Prospectus with ASIC and ASX | 31 August 2023 |
| Opening Date of Offers | 31 August 2023 |
| Issue of Commitment Shares | 31 August 2023 |
| Closing Date of Offers (5pm AEST) | 31 August 2023 |

* These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates, including by extending the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

1. DETAILS OF THE OFFERS

1.1 The Offers

1.1.1 Arena Offer

As announced to ASX on 5 April 2023, the Company secured an equity line of credit (**ELOC**) of up to A\$8 million from Arena Business Solutions Global SPC II, Ltd (**Arena**).

Pursuant to the ELOC, the Company has agreed to issue A\$1.5 million worth of Shares to Arena (and/or its nominees) as consideration for its commitments under the ELOC (**Commitment Shares**). The Company obtained shareholder approval for the issue of the Commitment Shares at its annual general meeting held on 31 May 2023. Accordingly, by this Prospectus, the Company invites Arena (and/or its nominees) to apply for a total of 102,040,816 Commitment Shares. A summary of the material terms and conditions of the ELOC is set out in Section 5.5.

The Arena Offer will only be extended to Arena (and/or its nominees) and only Arena (and/or its nominees) may accept the Arena Offer. A personalised Application Form will be issued to Arena (and/or its nominees), together with a copy of this Prospectus. No funds will be raised from the Commitment Shares as they are being issued as consideration under the ELOC.

The Commitment Shares offered under the Arena Offer are of the same class and will rank equally in all respects with existing Shares on issue. A summary of the rights and liabilities attaching to Shares is set out in Section 4.1.

Refer to the Company's announcement released to ASX on 5 April 2023 and the Company's notice of annual general meeting released to ASX on 29 April 2023 for further details regarding the ELOC.

1.1.2 Cleansing Offer

The Cleansing Offer is an offer of up to 10,000 Shares at an issue price of \$0.013 per Share to raise up to \$130 (before expenses).

The Cleansing Offer is only available to those who are personally invited to accept the Cleansing Offer. Accordingly, Application Forms will only be provided by the Company to these parties.

All Shares issued under the Cleansing Offer will rank equally existing Shares on issue. A summary of the rights and liabilities attaching to Shares is set out in Section 4.1.

1.2 Objective

1.2.1 Arena Offer

The purpose of the Arena Offer is not to raise funds. Instead, its purpose is to issue the Commitment Shares to Arena (and/or its nominees) under a disclosure document and to satisfy the Company's obligations under the ELOC.

1.2.2 Cleansing Offer

The purpose of the Cleansing Offer is not to raise funds. Instead, its purpose is to remove trading restrictions on Shares issued without disclosure under Part 6D of the Corporations Act before the Closing Date (including prior to the date of this Prospectus).

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to offer those securities for sale within 12 months of their issue.

Section 708A(11) of the Corporations Act provides an exemption from this general requirement where:

- (a) the relevant securities are in a class of securities of the company that are already quoted on the ASX;
- (b) a prospectus is lodged with ASIC either:
 - (i) on or after the day on which the relevant securities were issued; or
 - (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

1.3 Underwriting

The Offers are not underwritten.

1.4 Minimum Subscription

There is no minimum subscription under the Offers.

1.5 Opening and Closing Dates

The Offers will open for receipt of acceptances on **31 August 2023**.

The Offers will close at **5:00pm (AEST) on 31 August 2023**, or such later date as the Directors, in their absolute discretion and subject to compliance with the Listing Rules, may determine.

1.6 Applications

Applications for Shares offered under this Prospectus must only be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus. The Offers are only available to those who are personally invited to accept the Offers. Accordingly, Application Forms will only be provided by the Company to these parties.

Only Arena (and/or its nominees) may accept the Arena Offer. The Company will only provide an Application Form in relation to the Arena Offer to Arena (and/or its nominees), together with a copy of this Prospectus. Arena (and/or its nominees) is not required to pay any funds with the Application Form in respect of the Commitment Shares as they are being issued to Arena (and/or its nominees) as consideration for its commitments under the ELOC. Accordingly, no funds will be raised pursuant to the Arena Offer.

The Company may determine in its discretion whether to accept any or all Applications. Payment for the Shares under the Cleansing Offer must be made in full at the issue price of \$0.013 per Share.

Completed Application Forms, together with Application monies (in respect of the Cleansing Offer), must be received by the Company prior to the Closing Date. Application Forms should

be delivered, and payment made (in respect of the Cleansing Offer), to the Company in accordance with the instructions on the Application Form.

1.7 Capital raising fees

No capital raising fees will be paid in relation to applications under the Offers.

1.8 ASX quotation

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made to ASX within seven (7) days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all Application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares offered under this Prospectus.

1.9 Issue of Shares

The issue of Shares will take place in accordance with the timetable set out at the commencement of this Prospectus and otherwise in accordance with the ASX Listing Rules. Application monies (if any) will be held in a separate subscription account until issue. This account will be established and the application monies (if any) will be kept by the Company in trust for each Applicant. Any interest earned on the application monies (if any) will be for the benefit of the Company and will be retained by the Company irrespective of whether the issue takes place and each Applicant waives the right to claim any interest.

The Directors will determine the recipients of all Shares offered under this Prospectus. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares issued is less than the number applied for, the surplus monies will be returned by cheque as soon as practicable after the Closing Date. Where no issue is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on monies refunded.

1.10 CHESS and Issuer Sponsorship

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers make up the Company's register of securities. The Company will not issue certificates to investors. Rather, holding statements (similar to bank statements) will be dispatched to investors as soon as practicable after issue.

Holding statements will be sent either by CHESS (for new investors who elect to hold their securities on the CHESS sub-register) or by the Company's Share Registry (for new investors who elect to hold their securities on the Issuer sponsored sub-register). The statements will set out the number of Shares issued under the Prospectus and provide details of a Holder Identification Number (for new investors who elect to hold their securities on the Chess sub-register) or Security holder Reference Number (for new investors who elect to hold their securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each new investor following the month in which the balance of their holding of Securities changes, and also as required by the Listing Rules or the Corporations Act.

1.11 Risks

As with any securities investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are detailed in Section 2 of this Prospectus. The Shares on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, investors should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice.

1.12 Overseas Applicants

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares the subject of this Prospectus or otherwise permit a public offering of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

United States

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Commitment Shares have not been, and will not be, registered under the US Securities Act of 1933 (as amended) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Commitment Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The Commitment Shares will only be offered and sold in the United States to “accredited investors” within the meaning of Rule 501(a) of Regulation D of the US Securities Act of 1933 (as amended).

1.13 Taxation

It is the responsibility of all persons to satisfy themselves of the particular taxation treatment that applies to them by consulting their own professional tax advisers. Taxation consequences will depend on particular circumstances. Neither the Company nor any of its officers accept any liability or responsibility in respect of the taxation consequences of the matters referred to above or any other taxation consequences connected with an investment in the Securities of the Company.

1.14 Privacy Disclosure

Persons who apply for Shares pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Share Registry. The Company and the Share Registry collect, hold and use that personal information to assess applications for securities to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If the information requested is not supplied, applications for Shares will not be processed. In

accordance with privacy laws, information collected in relation to specific Applicants can be obtained by that Applicant through contacting the Company or the Share Registry.

1.15 Enquiries

This document is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional adviser without delay.

If you have any questions regarding the Offer, please contact the Company Secretary on +61 3 8611 5333, from 8.30am to 5.00pm (AEST), Monday to Friday.

2. RISK FACTORS

2.1 Introduction

The Shares offered under this Prospectus should be considered speculative because of the nature of the Company's business.

Whilst the Directors recommend that investors take up their entitlement to Shares, there are however numerous risk factors involved. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which the Shares will trade.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports. However, the summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Shares.

2.2 Company specific

2.2.1 Acquisition Risk

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or products. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

2.2.2 Start-up Risks

Fatfish Group Limited, invests in early-stage startup businesses in the internet and IT sectors. These startup businesses often possess nothing more than a conceptual business plan and early prototypes of their products. These startup businesses need to overcome significant business challenges to further develop their products and business plans so that they can reach a stage where their business operations are self-sustaining and profitable.

2.2.3 Short and Long Term Funding Risks

The Group principally generates income via exits from its investments. Exits from investments could take typically 2 to 4 years from initial investments. During this gestation period, the Group needs to rely on its own funding to continuously make further investments into new businesses it identifies to maintain a pipeline of investments that it can continue to work on. The Group will also be dependent on its own funding to maintain its own business operations. There is a possibility that the Group will need to look for further funding in the short term to finance its business plan if it has not achieved exits from its investments in the near future.

For some of the businesses it invests in, the Group will rely on its ability to enhance the value of the businesses together with the management of these companies so that they can reach a more mature stage where the businesses can attract significant investments from third-party investors introduced by the Group. The growth of some of these businesses will be dependent on the success of raising further capital from these third-party investors.

2.2.4 Varying control and influence in its investments

The Group has no control and only limited influence over some of the companies in which it invests in. Such companies are operationally independent and may make business decisions that are not in the Company's best interest.

Historically, the Group plays an active role in advising the management of the companies that the Group does not control on its operations and product development plans. However, there can be no assurance that such companies will continue to heed or solicit our advice, including advice on significant financial or other business decision that may have a material effect on the Company's interest or may be inconsistent with the Company's business strategy.

2.2.5 Going concern

The ability of the Company to continue as a going concern is principally dependent on the Company's ability to increase cashflow from existing businesses, managing cashflow in line with available funds and raising additional capital. These conditions indicate uncertainty that may cast doubt about the ability of the Company to continue as a going concern. In the event the above matters are not achieved, the Company will be required to raise funds for working capital from debt or equity sources.

2.2.6 Technology and Intellectual Property

The Group's success will depend, in part, on the ability of the companies in which it invests in to maintain trade secret protection and other protection over their intellectual property and operation without infringing the property rights of third parties or having third parties circumvent those parties' rights. No guarantee can be given that such protection will be successfully and validly maintained.

The commercial value of the intellectual property assets is dependent on legal protections provided by a combination of copyright, patent, confidentiality, trademark, trade secrecy laws and other intellectual property rights. These legal mechanisms, however do not guarantee that the intellectual property will be protected or that its commercial value will be maintained.

The Group intends to continually evaluate the intellectual property in which it will acquire an interest and ensure that steps are undertaken to continually protect its proprietary intellectual property rights and the formal registration of its proprietary intellectual property rights it undertaken as and when appropriate. However there can be no assurance at any time that:

- (a) any such rights can be formally established;
- (b) the measures taken will be adequate to protect the property technology;
- (c) any intellectual rights will provide it with any competitive advantages and will not be challenged by third parties;
- (d) the rights of others will not materially adversely affect the Group's ability to do business, its financial condition and the results of its operations (and therefore the impact on the future viability and profitability of the Group).

While the Company believes that the Group and the companies in which it has an interest have taken appropriate steps to protect their proprietary rights to date, the law may not adequately protect these rights in all places where the Group does business, or enable the same rights to be defended sufficiently to avoid adverse material impact on operations.

2.3 Additional risks specific to the Group

2.3.1 Ability to Promote the Group's "Fatfish Brand"

Brand image is a key factor in promoting and marketing technology companies. The Group is committed to building its brand by creating value in technology companies from start-up phase to more developed companies and therefore being presented with more opportunities in Asia, and, if relevant, Australia. The Company believes that the Group has been successful in establishing its brand and attracting investee projects in Asia and that the Company's status as an ASX-listed company will continue to enhance the Group's profile and brand in the Australasia region.

2.3.2 Commercialisation and Demand Risk

There is a risk that the companies in which the Group will acquire an interest may fail to develop products that meet specific customer requirements.

While the Company will endeavour to ensure that all effort will be given in relation to research and development of the various products developed by the companies in which the Group has an interest to ensure that they have a viable customer base for their current and proposed products, there can be no guarantee that those parties will continue to have a demand for the technology offered. Any decrease in the demand will have a negative effect on the prospects of the Group. The Group has, at least in part, mitigated the commercialisation risks by investing in multiple product pathways, with multiple technology development partners.

2.3.3 Competition risk

The industry in which the Company, through the Group, is involved in is subject to domestic and global competition. Although the Group will undertake all reasonable due diligence in its business decision and operations, the Group will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Group's projects and business.

The Group intends to continue to operate in an industry that relies on accurate and innovative products. Technology changes occur rapidly, and there is a risk that the services provided and products to be produced by the Group may become technically inferior to other services and products available in the market.

Additionally, many internet businesses have low barriers to entry. Current or new competitors may adopt certain aspects of the Group's business model without great financial expense, thereby reducing the Group's ability to differentiate its services. Competition may arise from a number of resources. It may include companies from the traditional industry that may have great capital resources and closer supplier relationships than the Group. Competition may also arise from global companies with developed processes, systems and technologies. Suppliers may also choose to establish their own online sales sites rather than utilising the Group to sell their products and services online.

Any significant competition may adversely affect the Group's ability to meet its business objectives.

Additionally, the development and commercialisation of new technologies that are more cost efficient than the technology in which the Group has an interest in or offer greater variety in

services and products than those of the Group's, could pale the Group at a competitive disadvantage.

2.3.4 Sovereign Risk

The Group's operations will continue to include a focus on markets in Southeast Asia, including but not limited to Singapore, Malaysia, and Indonesia. The economic growth in those and other Southeast Asian nations is expected to continue its upward trend in a stable manner. These economies are driven by strong domestic consumption and long track-records of exports.

Possible sovereign risks associated with operating in Southeast Asian nations include, without limitation, changes in the terms of legislation, changes to taxation rates and concessions and changes in the ability to enforce legal rights. Any of these factors may, in the future, adversely affect the financial performance of the Group and the market price of the Company's Shares and New Options.

No assurance can be given regarding future stability in Southeast Asia or any other nation in which the Group may, in the future, have an interest.

2.3.5 System and Content Integrity

The Group is dependent on the ability of the products from companies in which it has an interest in to be sold and operated on technology platforms, devices and operating systems provided and operated by IT system providers and platforms, media companies, telecommunication operators, data centres and other third parties. However, the Group's influence over these third parties is limited. The Group will not be in control of the maintenance, upkeep and continued supply of effective service from external supplies in these areas. Any system failure that causes an interruption to the websites could materially affect its business and financial performance. System failures, if prolonged, could reduce the attractiveness of the websites, and applications to visitors and users and hinder the Group's ability to make sales to buyers, and would damage its business reputation and brand name in the market place which can be compounded by negative social media trends which are outside of the Group's control.

Although the Group's systems have been designed around industry standard architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, IT hacks, computer viruses or similar events. Although the Group has a disaster recovery plan, it cannot account for all eventualities.

2.3.6 Decline on the Growth of Internet Use

Internet use in the current markets of Singapore, Indonesia and Malaysia in particular, has been growing. However, there can be no guarantee that this growth will continue in the future. While increased internet use and a migration of sales to digital platforms have occurred over recent years, there can be no guarantee that the rate of growth in internet use and rate of migration will continue in the future, which may have an adverse effect on the expected growth of the Group.

2.3.7 Brand Management and Maintenance

The Company believes that establishing and maintaining its brands is critical to growing its proposed user base and product acceptance. This will depend largely on the Group's ability to provide useful and innovative products. The actions of external industry participants and social media may affect the Group's brands if users do not have a positive experience using

the websites and its platforms, devices or operating systems that provide access to the Group's products and services respectively.

If the Group fails to successfully establish and maintain its brands its businesses and operating results could be adversely affected.

2.3.8 Display of Inappropriate Content

The Group will have processes that allow it to monitor and remove inappropriate content placed on its websites or in its apps, whether deliberately or inadvertently. However, the Group will not have the ability to guarantee that all content displayed on the websites is appropriate at all times. This includes but is not limited to the presentation of photographs accepted by the Group in good faith and under the terms of its supplier contracts. The Group cannot guarantee that such material is not obscene, offensive or otherwise damaging to its business reputation and brand name, or the reputation of any third party.

2.3.9 Reliance on Third Party Payment and Logistics Providers

To complete sales on the Group's websites and apps, the Group will rely on third party banking, payment and logistic providers. The Group's influence over these third parties will be limited. Any system or service failure that causes an interruption to the Group's ability to receive payments or deliver purchased goods to its buyers and effect payment transactions could materially affect its business and financial performance. System or service failures, if prolonged, could reduce the attractiveness of the group's services to visitors to its websites and app users and hinder the ability to make sales to buyers, and would damage its business and reputation and brand name.

2.3.10 Contractual Risk

In order for the Group to be able to achieve its objectives, the Group will be reliant on third parties with which it will become involved to comply with their contractual obligations.

Where those third parties fail to comply with the terms and conditions of their agreements with the Group, the Group could lose the rights acquired under the relevant agreement(s). It may then be necessary for the Group to approach a court to seek a legal remedy. Legal actions can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms. The Group has no current reason to believe that any third party that the Group has contracted with will not meet and satisfy their obligations under any agreement.

2.3.11 General Litigation risks

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

2.4 Industry specific risks

2.4.1 Rapidly updating industry

The technology industries, including financial technology, online service and entertainment providers tend to experience rapid evolution from time to time. If the entities in which the Group has interests in are not capable of staying current with industry trends, there is a risk that the technology in which the Group will acquire an interest will become outdated and not be capable of being sold or licensed. Although, to the best of the Company's knowledge, its

subsidiaries (wholly owned or otherwise) endeavour to keep pace with the evolution of their industries, there can be no assurance that any significant changes that may occur in online industries, will not have a material adverse effect on the operations of the Group.

In addition, significant outlays may be required where technology is updated that the Group must make use of.

2.4.2 Corruption of Databases

The databases used by entities in which the Group has interests in are a valuable asset. They are subject to risks associated with computer viruses, hacking, physical or electronic breaking, loss of data from physical damage or from failures in third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction onto its systems of incorrect programming language by its employees. An irrecoverable loss of any of the databases would be expensive to remedy, would have a material adverse effect on an entity's operations and financial position, and would damage its business reputation and brands.

2.4.3 New Technology

If the entities in which the Group has interest in are significantly slower than their competitors in adapting technological changes, it may lead to a reduction in business. This could have an adverse effect on the entity's ability to attract new buyers and retain its existing customer base.

2.4.4 Hacking and Vandalism

The business entities in which the Group will acquire an interest may be adversely affected by malicious third party applications that interfere with, or exploit, security flaws in the websites. Viruses, worms and other malicious software programs could, among other things, jeopardise the security information stored in a user's computer or in the entity's computer systems or attempt to change the internet experience of users by interfering with the entity's ability to connect with its users. If the entity's efforts to combat these malicious applications are unsuccessful, or if the websites have actual or perceived vulnerabilities, the entity's business reputation and brand name may be harmed and user traffic could decline, which may result in a material adverse effect on the entity's operations.

2.4.5 Unauthorised use of intellectual property or independent development of technology

The Group regards substantial elements of its websites, software, tools, applications, buyer databases and underlying technology as proprietary. Despite precautionary measures, third parties may copy or otherwise obtain and use the Group's proprietary information without authorisation or may develop similar technology independently. In addition, competitors may be able to design around the Group's technology or develop competing technologies substantially similar to those of the Group without any infringement of the Group's proprietary rights. Any legal action that the Group may bring to protect its proprietary information could be unsuccessful and expensive and would divert management's attention from its business operations.

2.4.6 Product Returns

While the Group will generally be under no obligation to acquire products from suppliers, in the event that the product is not sold, the Group will generally be responsible for the cost and liability of any product returns.

2.4.7 Insurance

The Group will maintain insurance where it is considered appropriate for its needs. However it will not be insured against all risks either because appropriate cover is not available or because the Directors consider the required premiums to be excessive having regard to the benefits that would accrue.

Accordingly, the Group may not be fully insured against all losses and liabilities that could unintentionally arise from its operations. If the Group incurs uninsured losses or liabilities, the value of the Group's assets may be at risk.

2.5 General risks

2.5.1 Foreign exchange risk

The Group will continue to be exposed to the volatility and fluctuations of the exchange rate between currencies throughout South-East Asia, the Swedish krona and the Australian dollar.

Global currencies are affected by a number of factors that are beyond the control of the Group. These factors include economic conditions in the relevant country and elsewhere and the outlook for interest rates, inflation and other economic factors. These factors may have a positive or negative effect on the Group's investee companies and their plans and activities together with the ability to fund those plans and activities.

The Group will have costs, expenses and investments denominated in multiple currencies. The Company's Share price is denominated in Australian dollars. The Company will also report its financial results in Australian dollars. Accordingly, the Company's reported financial performance will be influenced by fluctuations in exchange rates between the Australian dollar and other currencies in which it may earn income or accrue expenses, which in the first instance will include the Singapore dollar, the Swedish krona, the United States Dollars and the Malaysian Ringgit.

2.5.2 Economic

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's research and development programmes, as well as on its ability to fund those programmes.

2.5.3 Market conditions

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (a) general economic outlook;
- (b) introduction of tax reform or other new legislation;
- (c) interest rates and inflation rates;
- (d) changes in investor sentiment toward particular market sectors;
- (e) the demand for, and supply of, capital; and
- (f) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

2.5.4 Potential Acquisitions

As part of its business strategy, the Group intends to make acquisitions of, or significant investments in, complementary companies or projects. Any such future transactions would be accompanied by the risks commonly encountered in making such acquisitions.

The Group may make acquisitions in circumstances where the Directors believe that those acquisitions support the Group's growth strategy. However, there can be no assurances that the Group will be able to identify, complete and integrate suitable acquisitions successfully. Acquiring new businesses can place significant strain on management, employees, systems and resources. Acquired businesses may not perform in line with expectations and it may not prove possible to achieve the desired synergies on the integration of new businesses.

2.5.5 Additional requirements for capital

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

2.5.6 Government Regulations

The Group will be subject to local laws and regulations in each of the jurisdictions in which it operates in (including taxation legislation). Future laws or regulations may be introduced concerning various aspects of the Company's business activities, including without limitation online content, e-Commerce, foreign ownership restrictions, liability for third party activities and user privacy, all of which may impact the Group's operations.

Changes in or extensions of laws and regulations affecting the business operations in the countries in which the Group operates in could restrict or complicate the Group's activities and significantly increase its compliance costs.

2.5.7 Future performance of business activities

The value of the Company's business activities is subject to the various unpredictable influences of the market it operates in and the economy in general. Accordingly, adverse economic and market conditions may be experienced by the Company which are outside of its control and may have an adverse effect on the Company.

2.5.8 Reliance on key personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

2.5.9 Coronavirus (COVID-19)

The outbreak of the coronavirus pandemic (**COVID-19**) is impacting the global economic markets. The nature and the extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any government or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on the Company and its operations. If any of these impacts appear material prior to the close of the Offer, the Company will inform investors under a supplementary prospectus.

2.6 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the underlying Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

3. PURPOSE AND EFFECT OF THE OFFERS

3.1 Purpose of the Offers

As set out in Section 1.2, the primary purpose of this Prospectus is not to raise funds. Instead, its purpose is to:

- (a) issue the Commitment Shares to Arena (and/or its nominees) in satisfaction of the Company's obligations under the ELOC; and
- (b) remove trading restrictions on Shares (namely, the Commitment Shares) issued by the Company without disclosure under Part 6D of the Corporations Act before the Closing Date (including prior to the date of this Prospectus).

As the Commitment Shares are being issued as considered under the ELOC, no funds will be raised from the Commitment Shares.

A nominal amount of \$130 will be raised under the Cleansing Offer (before costs). The funds raised from the Cleansing Offer will be applied towards the expenses of the Offers. Refer to Section 5.10 for details of the estimated expenses of the Offers.

3.2 Financial effect of the Offers

After paying expenses of the Offers of approximately \$10,000 (exclusive of GST), there will be no net proceeds from the Offers. The expenses of the Offers will be met from the Company's existing cash reserves. The effect of the Offers on the Company's financial position will be a net decrease in cash held of approximately \$9,870 (exclusive of GST).

3.3 Effect on Capital Structure

The effect of the Offers on the capital structure of the Company (assuming all Shares offered under this Prospectus are issued and no other Securities are issued) is set out below.

| Security | Number |
|---|----------------------|
| Shares | |
| Shares on issue as at the date of this Prospectus ¹ | 1,088,198,871 |
| Shares to be issued to Arena (and/or its nominees) pursuant to the Arena Offer ² | 102,040,816 |
| Shares to be issued pursuant to the Cleaning Offer | 10,000 |
| Total Shares on issue on completion of the Offers | 1,190,239,687 |
| Options | |
| Options on issue as at the date of this Prospectus ³ | 1,500,000 |
| Total Options on issue on completion of the Offers | 1,500,000 |
| Performance Rights | |
| Performance Rights on issue as at the date of this Prospectus ⁴ | 24,250,000 |

| | |
|---|-------------------|
| Total Performance Rights on issue on completion of the Offers | 24,250,000 |
| Convertible Notes | |
| Convertible Notes on issue as at the date of this Prospectus ⁵ | 7,353,000 |
| Total Convertible Notes on issue on completion of the Offers | 7,353,000 |

Notes:

- 1 The rights and liabilities attached to Shares are summarised in Section 4.1.
- 2 On 5 April 2023, the Company announced that it had secured an equity line of credit (**ELOC**) of up to A\$8 million from US-based Arena Business Solutions Global SPC II, Ltd (**Arena**). As consideration for its commitments under the ELOC, the Company is required to issue A\$1.5 million worth of Shares to Arena (and/or its nominees) based on the 10-day volume weighted average price of Shares prior to the date of issue, representing 102,040,816 Shares (**Commitment Shares**). The Company obtained Shareholder approval for the issue of the Commitment Shares at its annual general meeting held on 31 May 2023. The Commitment Shares will be issued to Arena (and/or its nominees) prior to the Closing Date. A summary of the material terms of the ELOC are set out in the Company's notice of general meeting released to ASX on 28 April 2023.
- 3 This figure is comprised of the following unlisted Options:
 - (a) 1,000,000 unlisted Options exercisable at \$0.056 and expiring 19 January 2025]; and
 - (b) 500,000 Performance Options which (subject to satisfaction vesting conditions relating to continuous employment) are exercisable at \$0.13 each and expire 30 June 2025.
- 4 This figure is comprised of the following Performance Rights:
 - (a) 24,000,000 Class C Performance Rights which convert into Shares (on a 1:1 basis) upon the value of the consolidated gross assets of the Company being AUD \$40 million or more based on an "annual audited account". Where "annual audited account" means any assets reported under "Financial Assets – Fair value OCI" or "Investments at fair value through profit or loss" as reported in the consolidated audited financial reports of the Company for any financial year; and
 - (b) 250,000 Employee Performance Rights which convert into Shares (on a 1:1) basis upon the holder continuing to be employed by the Company for a period of 36 months from 11 June 2021.
- 5 On 27 August 2021, the Company announced that it had secured funding of \$A8 million from Arena Investors L.P (**Arena Investors**) through the issue of 8,000,000 convertible notes (**Convertible Notes**). On 5 April 2023, the Company announced that the maturity date of the Convertible Notes was extended and an additional 160,000 Convertible Notes were issued to Arena Investors resulting in the total face value of the Convertible Notes increasing to \$A8,160,000. The Convertible Notes convert into Shares at a conversion price of \$0.07 each. A summary of the material terms and conditions of the Convertible Notes are set out in the Company's notice of annual general meeting released to ASX on 29 April 2023. The Company is currently in discussions to further extend the maturity date of the convertible note.

3.4 Effect on control of the Company

The Offers will not have a material impact on the control (as defined by section 50AA of the Corporations Act) of the Company.

3.5 Details of substantial holders

Based on public information as at the date of this Prospectus, the persons who (together with their associates) have a relevant interest in 5% or more of the Company's securities are set out below:

| Shareholder | Shares | % |
|---|-------------|--------|
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 171,175,278 | 15.73% |

| | | |
|--|-------------|--------|
| PALMGOLD GROUP SDN BHD | 140,731,064 | 12.93% |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 54,576,591 | 5.02% |

The substantial holders will not change as a result of the Offers. However, the Company will issue the Commitment Shares to Arena (and/or its nominees) following the lodgement of this Prospectus and prior to the Closing Date. Following issue of the Commitment Shares, Arena (and/or its associates) will hold 136,189,303 Shares representing a percentage shareholding of approximately 11.44% on completion of the Offers.

4. RIGHTS ATTACHING TO SECURITIES

4.1 Rights and Liabilities Attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares offered under this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) **Variation of rights**

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. ADDITIONAL INFORMATION

5.1 Company Update

The Company has been considering opportunities that may add further value for the Company's shareholders. The Company is currently in negotiations regarding the potential acquisition of a financial technology company, however, no agreement has been entered into and finalisation of such agreement is uncertain at this stage. The Company will announce further details regarding such acquisition at the appropriate time in accordance with its continuous disclosure obligations.

Details of the Company's current activities are set out in the announcements made by the Company to the ASX and are available from the ASX, or the Company's website at <https://fatfish.co/>.

5.2 Nature of this Prospectus

The Shares to be issued pursuant to this Prospectus are continuously quoted securities. This Prospectus is issued under the special prospectus content rules for continuously quoted securities in Section 713 of the Corporations Act. This enables listed disclosing entities, such as the Company, to issue a prospectus for continuously quoted securities with modified disclosure requirements if they satisfy certain requirements.

The information in this Prospectus principally concerns the terms and conditions of the Offers and the information reasonably necessary to make an informed assessment of:

- (a) the effect of the Offers on the Company; and
- (b) the rights and liabilities attaching to the Shares offered pursuant to this Prospectus.

The Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore also have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in the Company.

5.3 Continuous Reporting and Disclosure Obligations

As the Company is admitted to the official list of ASX, the Company is a "disclosing entity" for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

Investors are encouraged to check and monitor any further announcements made by the Company to ASX prior to securities being issued under the Offer. To do so, please refer to the Company's ASX announcements platform via www.asx.com.au.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a "transaction-specific" prospectus in respect of the Offers.

In general terms, a “transaction-specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report of the Company for the financial year ended 31 December 2022;
 - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the securities the subject of this Prospectus; and
- (b) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Offers. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

The following announcements have been lodged with ASX in respect of the Company since the Company lodged its annual financial report for the financial year ended 31 December 2022 on 31 March 2023.

| Date | Title |
|------------|---|
| 31/08/2023 | Half Yearly Report and Accounts |
| 07/08/2023 | Update - Notification of buy-back - FFG |
| 07/08/2023 | Revised Quarterly Activities Report - June 2023 quarter |
| 31/07/2023 | Quarterly Activities/Appendix 4C Cash Flow Report |

| | |
|------------|---|
| 13/07/2023 | Change in substantial holding |
| 31/05/2023 | Results of Annual General Meeting |
| 03/05/2023 | Change in substantial holding |
| 01/05/2023 | Cleansing Notice |
| 01/05/2023 | Application for quotation of securities - FFG |
| 28/04/2023 | Quarterly Activities/Appendix 4C Cash Flow Report |
| 28/04/2023 | Notice of Annual General Meeting/Proxy Form |
| 28/04/2023 | Proposed issue of securities - FFG |
| 28/04/2023 | FFG raises A\$1.3m from Institutional Investor |
| 27/04/2023 | Trading Halt |
| 05/04/2023 | Proposed issue of securities - FFG |
| 05/04/2023 | FFG secures A\$8m equity line of credit & ext. of con notes |
| 03/04/2023 | Trading Halt |
| 03/04/2023 | Pause in Trading |
| 03/04/2023 | Appendix 4G |
| 31/03/2023 | Annual Report to shareholders |

5.4 Market Price of Shares

The highest and lowest closing prices of Shares on the ASX during the 3 months preceding the date of this Prospectus, and the closing price on the trading day before the date of this Prospectus, are set out below.

| | Price (\$) | Date |
|---------|------------|---|
| Highest | \$0.019 | 26 to 30 July 2023, 18 August 2023 and 28 August 2023 |
| Lowest | \$0.013 | 30 June 2021 |
| Last | \$0.013 | 30 August 2023 |

5.5 ELOC

As set out in the Company's announcement dated 5 April 2023, the key terms of the ELOC between the Company and Arena is as follows:

- (a) **(Funding Amount):** up to A\$8 million.
- (b) **(Interest):** N/A.

- (c) **(Term):** 24 months following shareholder approval for the issue of the Commitment Shares.
- (d) **(Commitment Shares):** As consideration for Arena (and/or its nominee) entering into the ELOC, the Company shall issue to Arena (and/or its nominee) A\$1.5 million equivalent worth of shares. The dollar value of the Commitment Shares shall be calculated on the 10-day volume weighted average price of the Company's shares immediately preceding the closing date. If Arena (and/or its nominee) has not realised \$1.5 million in cash from the sale of the Commitment Shares by 26 August 2023, then the Company shall (subject to shareholder approval) issue Arena (and/or its nominee) an additional A\$500,000 equivalent worth of shares in the Company no later than 31 December 2023. Arena has subsequently agreed to receive the additional A\$500,000 equivalent worth of shares in the Company at a later date to be determined.
- (e) **(Drawdown Mechanic):** the Company may direct Arena (and/or its nominee) to subscribe for shares in the Company under the ELOC that it specifies from time to time in a written notice, subject to satisfaction of the conditions in the ELOC. The Company intends to seek shareholder approval for a certain portion of the ELOC at certain shareholder meetings during the term of the ELOC to give it flexibility to draw down under the ELOC and raise funds from the issue shares to Arena (and/or its nominee) if it elects to do so.

Further details regarding the ELOC are set out in the Company's announcement to ASX dated 5 April 2023 and the Company's notice of annual general meeting released to ASX on 28 April 2023.

5.6 Litigation

The Directors are not aware of any legal proceedings which have been threatened or actually commenced against the Company.

5.7 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director has, or had within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or securities or otherwise) and no benefits have been given or agreed to be given to any Director:

- (a) to induce him to become, or to qualify him as, a Director; or
- (b) for services rendered by him in connection with the formation or promotion of the Company or the Offer.

Remuneration

The cash remuneration (including superannuation) paid to the Directors for the two financial years prior to the date of this Prospectus, and proposed to be paid to the Directors for the current financial year (on an annualised basis), is set out below:

| Director | FY 2021 | FY 2022 | FY 2023 |
|--|-----------|----------|----------|
| Dato' Larry Nyap Liou Gan ¹ | \$45,520 | \$62,662 | \$62,662 |
| Kin Wai Lau ² | \$112,990 | \$93,993 | \$93,993 |
| Donald Han Low ³ | \$24,000 | \$24,000 | \$24,000 |
| Jeffrey Hua Tan ⁴ | \$12,000 | \$3,000 | \$12,000 |
| Andrew Bruce | - | - | - |

Notes:

- 1 Dato' Larry Nyap Liou Gan was appointed as Non-Executive Director and Chairman on 1 September 2014.
- 2 Kin Wai Lau was appointed as Chief Executive Officer and Executive Director on 21 July 2014.
- 3 Donald Han Low was appointed as Non-Executive Director on 8 April 2008.
- 4 Jeffrey Hua Tan was appointed as Non-Executive Director on 12 October 2011.
- 5 Andrew Bruce was appointed as Non-Executive Director on 12 January 2023.

Securities

The securities in which the Directors and their associates have or are proposed to have relevant interests in at the date of this Prospectus are set out below.

| Director | Shares | Options | Performance Rights ¹ |
|---------------------------|-------------|---------|---------------------------------|
| Dato' Larry Nyap Liou Gan | 143,876,934 | - | 12,000,000 |
| Kin Wai Lau ¹ | 55,409,609 | - | 12,000,000 |
| Donald Han Low | - | - | - |
| Jeffrey Hua Tan | - | - | - |
| Andrew Bruce | - | - | - |

Notes:

- 1 Class C Performance Rights which convert into Shares (on a 1:1 basis) upon the value of the consolidated gross assets of the Company being AUD \$40 million or more based on an "annual audited account". Where "annual audited account" means any assets reported under "Financial Assets – Fair value OCI" or "Investments at fair value through profit or loss" as reported in the consolidated audited financial reports of the Company for any financial year. The Class C Performance Rights have an expiry date of 5 years from the date of issue. The full terms and conditions of the Class C Performance Rights are set out in the Company's notice of general meeting released to ASX on 19 February 2021.

There are no related party transactions entered into that have not otherwise been disclosed in this Prospectus.

5.8 Interests of Experts and Advisors

Other than as set out below or elsewhere in this Prospectus, no underwriter, promoter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus holds, or has held within two years before lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any underwriter, promoter or any other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, for services rendered by that person in connection with the formation or promotion of the Company or the Offers.

Nova Legal has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Nova Legal approximately \$5,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Nova Legal has received fees of \$29,0123 (including GST and disbursements) in respect of general legal services provided to the Company.

5.9 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Nova Legal has given its written consent to being named as solicitors to the Company in this Prospectus. Nova Legal has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

5.10 Estimated Expenses of the Offers

The estimated expenses of the Offers (excluding GST) are as follows:

| Item | Amount (\$) |
|-----------------------------------|-----------------|
| ASIC fees | \$3,206 |
| Legal and other professional fees | \$5,000 |
| Miscellaneous expenses | \$1,794 |
| Total | \$10,000 |

5.11 Electronic Prospectus

Pursuant to ASIC Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

6. DIRECTOR'S CONSENT

This Prospectus is dated 31 August 2023 and is issued by Fatfish Group Limited.

The Directors have made all reasonable enquires and on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive.

This Prospectus is prepared on the basis that certain matters may reasonably be expected to be known to likely investors or their professional advisors.

Each of the Directors of Fatfish Group Limited has consented to the lodgement of this Prospectus in accordance with Section 720 of the Corporations Act and has not withdrawn that consent.

Signed for and on behalf of Fatfish Group Limited:



Kin Wai Lau
CEO and Executive Director
Fatfish Group Limited

7. DEFINITIONS

AEST means Australian Eastern Standard Time.

Applicant means an investor who applies for Shares pursuant to the Offers.

Application Form means an application form attached to or accompanying this Prospectus.

Arena has the meaning given in Section 1.1.

Arena Offer has the meaning given in Section 1.1.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) operating as the Australian Securities Exchange.

Business Day means any day which is defined to be a Business Day pursuant to Listing Rule 19.12 of the Listing Rules.

CHESS means Clearing House Electronic Sub-register System of ASX Settlement Pty Ltd (ACN 008 504 532).

Cleansing Offer has the meaning given in Section 1.1.

Closing Date means the closing date of the Offers being 5.00pm (AEST) on 31 August 2023 (unless extended).

Commitment Shares has the meaning given in Section 1.1.

Company means Fatfish Group Limited (ACN 004 080 460).

Constitution means the Company's Constitution as at the date of this Prospectus.

Convertible Notes has the meaning given in Section 3.3.

Corporations Act means the *Corporations Act 2001* (Cth).

Cth means the Commonwealth of Australia.

Directors means directors of the Company.

Dollars or **\$** means dollars in Australian currency.

ELOC has the meaning given in Section 1.1.

Group means the Company and its subsidiaries.

GST means goods and service tax levied in Australia pursuant to A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Listing Rules means the Listing Rules of the ASX.

Offers means collectively, the Arena Offer and Cleansing Offer pursuant to this Prospectus.

Official List means the official list of ASX.

Opening Date means 31 August 2023.

Option means an option to acquire a Share.

Prospectus means this prospectus dated 31 August 2023.

Quotation and **Official Quotation** means official quotation on ASX.

Securities means Shares, Options, Performance Rights and/or Convertible Notes (as the context requires).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share as recorded in the register of the Company.

Share Registry means Automic Pty Ltd (ACN 152 260 814).