

For personal use only



FATFISH INTERNET GROUP LIMITED

ABN 88 004 080 460

**APPENDIX 4E
PRELIMINARY FINAL REPORT**

31 DECEMBER 2014

***This report has been prepared in compliance
with ASX listing Rule 4.3A***

Appendix 4E

Preliminary final report

Name of entity

FATFISH INTERNET GROUP LIMITED

ABN or equivalent company reference

ABN 88 004 080 460

Preliminary final (tick)

✓

Financial period ended ("current period")

31 December 2014

2. Results for announcement to the market

2.1 Revenue & other income	Up	12973%	to	414,274
2.2 Operating (Loss) After Tax	Up	351%	to	(830,281)
2.3 Net (Loss) attributable to members	Up	351%	to	(830,281)

2.4 Dividends (distributions)	Amount per security	Franked amount per security
No dividend paid period 6 months to 31 December 2014	NA	NA
No dividend paid FY2014	NA	NA

2.5 Record date for determining entitlements to proposed dividends:

It is not proposed that any dividends will be paid in the ensuing 12 months.
No dividends have been paid in the preceding 6 months.

For personal use only

2.6 Brief explanation of any of the figures reported in 2.1 to 2.4 necessary to enable the figures to be understood:

Commentary of Results

The Directors of Fatfish Internet Group Limited (“**FFG**” or the “**Company**”) (formerly Atech Holdings Limited) report a loss incurred by the Company of \$830,281 for the six months ended 31 December 2014.

This result represents an increase on the prior corresponding period where the Company announced a net loss of \$184,242. The increase was primarily brought about by costs associated with the acquisition of Fatfish Internet Group Pte Ltd (“**FIG**”), working capital requirements and related funding activities.

The net cash position of the Company was reduced due to its operating results and ongoing investment in strategic opportunities to build and grow internet businesses based on the Company’s unique co-entrepreneurship model. The overall net decrease in cash and cash equivalents for the year was \$1,793,342.

By utilizing its pragmatic model FFG becomes a strategic corporate partner that provides the funding, resources and invaluable networks to hasten the growth of promising technology businesses. FFG is actively involved from seed funding stage to exit stage of its investee companies.

FFG’s investment operation involves two business models, being investing as a venture capital firm and operating as internet accelerators at various geographical markets. FFG’s credential as value-adding investor in the Internet sector is well recognized by private and public sectors as it has been chosen for co-investment partnership with the governments of Singapore and Malaysia.

The Company is now in a position to take advantage of opportunities as they are sourced and developed. With the focus on growth within the Asian region, including an existing strong presence in Singapore, it is anticipated that these will see strong and sustainable future growth for the Company.

For personal use only

Commentary of Results (continued)

A summary breakdown of the results is provided in the table below:

Period Ended 31 December 2014	6 months to Dec-14 Actual \$	12 months to Jun-14 Actual \$	Percent Change
Revenue	404,875	-	>100% Up
Other income	9,399	3,169	196% Up
Total Revenue	414,274	3,169	12973% Up
Cost of revenue (labour)	91,675	-	>100% Up
General & administrative expenses	1,051,934	187,411	461% Up
Other expenses	-	-	N/A
Profit (Loss) before non-cash expenses	(729,335)	(184,242)	296% Up
Non Cash Expenses			
Depreciation	100,946	-	>100% Up
Other non cash expenses	-	-	N/A
Total Non Cash Expenses	100,946	-	>100% Up
Profit (Loss) before Tax	(830,281)	(184,242)	351% Up
Income Tax Expense	-	-	N/A
Net Profit (loss) attributable to members	(830,281)	(184,242)	351% Up

**Consolidated Statement of Comprehensive Income for the period
ended 31 December 2014**

	Notes	6 Months ended 31 December 2014 \$	12 months ended 30 June 2014 \$
Revenue			
Ordinary income	2	404,875	-
Other income	2	9,399	3,169
Cost of revenue (labour)		(91,675)	-
Depreciation		(100,946)	-
General & administrative expenses		(1,051,997)	(187,411)
Other expenses		-	-
Other non-cash expenses		-	-
Profit (Loss) before income tax		<u>(830,344)</u>	<u>(184,242)</u>
Income tax expense		-	-
Net profit (loss) for the period		<u>(830,344)</u>	<u>(184,242)</u>
Other comprehensive income			
Exchange gains (losses)		63	-
Income tax related to other comprehensive income		-	-
Other comprehensive income for the period, net of tax		<u>63</u>	<u>-</u>
Total comprehensive income for the year		<u>(830,281)</u>	<u>(184,242)</u>
Profit (loss) attributable to:			
Owners of the parent		<u>(830,281)</u>	<u>(184,242)</u>
Comprehensive income attributable to:			
Owners of the parent		<u>(830,281)</u>	<u>(184,242)</u>
Basic earnings per share (cents per share)	10	<u>(0.0064)</u>	<u>(0.0083)</u>
Diluted earnings per share (cents per share)	10	<u>(0.0064)</u>	<u>(0.0083)</u>

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

For personal use only

Consolidated Statement of Financial Position as at 31 December 2014

	Notes	31 December 2014 \$	30 June 2014 \$
Current Assets			
Cash and cash equivalents	3	802,275	2,595,617
Receivables	4	704,843	56,386
Other assets		86,779	117,128
Total Current Assets		1,593,897	2,769,131
Non-Current Assets			
Other non-current assets		20,487,202	-
		20,487,202	-
Total Assets		22,081,099	2,769,131
Current Liabilities			
Payables	5	111,459	186,595
Current tax liabilities	6	-	-
Other liabilities		514,594	2,550,585
		626,053	2,737,180
Non-Current Liabilities			
Other non-current liabilities		79,500	-
		79,500	-
Total Liabilities		705,553	2,737,180
Net Assets		21,375,546	31,951
Equity			
Issued capital	7	26,661,121	4,487,232
Accumulated losses	8	(5,285,575)	(4,455,281)
Total Equity		21,375,546	31,951

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

For personal use only

Consolidated Statement of changes in equity for the period ended 31 December 2014

Consolidated	Ordinary Shares \$	Accumulated losses \$	Total \$
Balance as at 1 July 2013	4,487,232	(4,271,039)	216,193
Profit (Loss) for the year	-	(184,242)	(184,242)
Exchange gains (Losses)	-	-	-
Income tax relating to other comprehensive income	-	-	-
Total comprehensive income for the year	4,487,232	(4,455,281)	31,951
Shares issued	-	-	-
Dividends paid	-	-	-
Balance at 30 June 2014	4,487,232	(4,455,281)	31,951
Balance as at 1 July 2014	4,487,232	(4,455,281)	31,951
Profit (Loss) for the year	-	(830,345)	(830,345)
Exchange gains (Losses)	-	63	63
Income tax relating to other comprehensive income	-	-	-
Total comprehensive income for the year	4,487,232	(5,285,562)	(798,330)
Shares issued	22,173,889	-	22,173,890
Dividends paid	-	-	-
Balance at 31 December 2014	26,661,121	(5,285,562)	21,375,559

Fatfish Internet Group Limited
Appendix 4E
Preliminary final report

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Consolidated Statement of Cash Flows for the period ended 31 December 2014

	Notes	6 Months ended 31 December 2014 \$	12 months ended 30 June 2014 \$
		Inflows (Outflows)	
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		38,157	-
Payments to suppliers (inclusive of GST)		(2,102,671)	(185,560)
Interest received		9,399	3,169
Interest paid		(111)	-
Taxation paid		-	-
Net cash generated by operating activities	9	<u>(2,055,226)</u>	<u>(182,391)</u>
Cash flows from investing activities			
Repayment of loans		(165,031)	-
Acquisition of investments		<u>(454,809)</u>	<u>-</u>
Net cash used in investing activities		<u>(619,839)</u>	<u>-</u>
Cash flows from financing activities			
Dividends paid to company's shareholders		-	-
Acquisition of other assets		(27,264)	-
Capitalised prospectus costs		-	(47,518)
Share application monies received		<u>908,987</u>	<u>2,550,585</u>
Net cash used in financing activities		<u>881,723</u>	<u>2,503,067</u>
Net increase/(decrease) in cash and cash equivalents		(1,793,342)	2,320,676
Cash and cash equivalents at the start of the period		<u>2,595,617</u>	<u>274,941</u>
Cash and cash equivalents at the end of the period	3	<u>802,275</u>	<u>2,595,617</u>

The above preliminary consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

For personal use only

Notes to the Preliminary consolidated financial statements

Note 1: Statement of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied, unless otherwise stated. The financial report covers the consolidated entity of Fatfish Internet Group Limited (formerly Atech Holdings Limited) (“company”) or “parent company”) and its subsidiaries and is presented in Australian dollars. Fatfish Internet Group Limited is a listed public company, incorporated and domiciled in Australia.

(a) Basis of preparation

This preliminary financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and complies with the other requirements of the law.

This report does not include all the notes of the type normally included in an annual report. Accordingly, this report is to be read in conjunction with the most recent annual report and any public announcements made by the Company during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Historical cost convention

These preliminary financial statements have been prepared under the historical cost convention, except where otherwise stated. Cost is based on the fair value of the consideration given in exchange for assets.

Dividends

No dividends were paid or declared during the financial year.

Notes to the Preliminary consolidated financial statements

	6 months ended 31 December 2014 \$	12 months ended 30 June 2014 \$
Note 2: Revenue		
Sales revenue – general	<u>404,875</u>	<u>-</u>
Other revenue - Interest received	<u>9,399</u>	<u>3,169</u>
Note 3: Cash assets - Cash and cash equivalents		
Cash at bank	<u>802,275</u>	<u>2,595,617</u>
Note 4: Trade and other receivables		
Other receivables	704,843	56,386
Capitalised prospectus costs	<u>-</u>	<u>117,128</u>
	<u>704,843</u>	<u>173,514</u>
Note 5: Current liabilities		
Payables	111,459	186,596
Share Application monies	<u>-</u>	<u>2,550,585</u>
	<u>111,459</u>	<u>2,737,181</u>
Note 6: Tax Provision		
Current	<u>-</u>	<u>-</u>

For personal use only

Notes to the Preliminary consolidated financial statements

Note 7: Issued Capital

	Dec 2014		June 2014	
	Number	\$	Number	\$
Issued and paid up capital				
Ordinary shares	129,625,266	26,661,122	22,327,406	4,487,232

Movements during the period

	Number of shares	Issue price	\$
Balance at the beginning of the financial year	22,327,406		4,487,232
Movement in ordinary shares for the year	<u>107,297,860</u>		<u>-</u>
Balance at end of financial year	<u>129,625,266</u>		<u>4,487,232</u>

6 months ended 31 December 2014	12 months ended 30 June 2014
\$	\$

Note 8: Accumulated Losses

Accumulated losses at the start of the financial year	(4,455,281)	(4,271,039)
Net loss attributable to the members of the Company	(830,281)	(184,242)
Dividends paid	<u>-</u>	<u>-</u>
Accumulated losses at the end of the financial year	<u>(5,285,562)</u>	<u>(4,455,281)</u>

For personal use only

Notes to the Preliminary consolidated financial statements

	6 months ended 31 December 2014 \$	12 months ended 30 June 2014 \$
Note 9: Cash flow information		
Reconciliation of profit to net cash used in operating activities for the period after income tax		
Loss from ordinary activities after income tax	(830,281)	(184,242)
Non-cash flows in profit from ordinary activities		
Depreciation	100,946	-
Foreign exchange differences	63	-
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(545,301)	(37,937)
Increase/(decrease) in creditors and borrowings	780,653	39,788
Net cash used in operating activities	<u>(2,055,226)</u>	<u>(182,391)</u>
Note 10: Earnings per security (EPS)		
Basic Earnings per share (cents per share)	(0.0064)	(0.0083)
Diluted Earnings per share (cents per share)	(0.0064)	(0.0083)
The following reflects the profit and loss and share data used in the calculations of basic and diluted earnings per share:		
Earnings used in calculation of basic earnings per share	(830,281)	(184,242)
Earnings used in calculation of diluted earnings per share	<u>(830,281)</u>	<u>(184,242)</u>
Number of ordinary shares		
Weighted average number of ordinary shares used in the calculation of basic earnings per share	129,625,266	22,327,406
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	<u>129,625,266</u>	<u>22,327,406</u>

Notes to the Preliminary consolidated financial statements

Note 11: Segment Information

During the period between 30 June 2014 and 31 December 2014, the economic entity derived income from investment of cash within Australia and its overseas operations.

Revenue

Australia	9,399
Overseas	404,872

6 months ended
31 December 2014

12 months ended
30 June 2014

Note 12: Net tangible assets per security

Net tangible asset per security on issue (cents per share)	1.5c	0.1c
--	------	------

Note 13: This report is based on accounts to which one of the following applies

- | | |
|---|---|
| <input type="checkbox"/> The accounts have been audited | <input type="checkbox"/> The accounts have been subject to review |
| <input checked="" type="checkbox"/> The accounts are in the process of being audited or subject to review | <input type="checkbox"/> The accounts have <i>not</i> yet been audited or subject to review |

Donald Low
Company Secretary
Date: 27 February 2015