



Fatfish Internet Group Ltd
(ACN 004 080 460)
Level 2, 395 Collins Street
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Australia

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ASX and Media Announcement

Fatfish to enter into Strategic Alliance with leading European company builder Mountain Partners

- **Through the partnership Mountain Partners and Fatfish intend to be a leading player in Asia**
- **Proposed acquisition of selected assets of Fatfish for AUD 12.3m, subject to shareholders' and board approvals, due diligence, fair value audit and definitive agreements**
- **Fatfish and Fatfish leaders will continue to manage those selected assets post acquisition with incentive of upside**
- **Outside of assets being acquired, Fatfish will continue to hold certain investments directly eg interest in iCandy Interactive Ltd (ASX:ICI) and Fintech Asia Group**
- **The transaction will significantly expand Mountain's global footprint through Fatfish's presence in Asia**

Fatfish Internet Group Limited (ASX: FFG) ('Fatfish') is pleased to announce that it has entered into a non-binding term sheet with leading European tech company builder Mountain Partners AG ('Mountain'), in a transaction to form a strategic and financial alliance that will see Fatfish become a key strategic partner of Mountain in Southeast Asia. The term sheet is subject to a detailed and satisfactory due diligence process over the next months. Closing is expected in the fourth quarter of 2016.

As part of the transaction, Mountain intends to acquire 100% of a special purpose vehicle ('SPV') comprised of selected assets held by Fatfish and will then form a joint venture ('JV') to be branded as Mountain Asia which will be majority-owned by Mountain. The JV will manage Mountain's investment and company building hubs in Southeast Asia for the implementation of Mountain's global strategy for the rollout of leading digital and technology businesses. The JV shall also support the growth of the portfolio of the SPV and that of Mountain's in the region. Fatfish and Fatfish leaders will be spearheading the operation of the JV.

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Conditional of a satisfactory due diligence and fair value audit, the acquisition of the selected assets from Fatfish will be for a consideration of USD 9.2 million (AUD 12.3m). The consideration will be in the form of Mountain shares and cash.

Meanwhile, Fatfish will continue to hold certain of its investments directly (outside of the selected assets to be acquired by SPV). These investments will include Fatfish's interest in iCandy Interactive Ltd (ASX:ICI), Fintech Asia Group and other investments.

Mountain Partners is a globally operating company builder headquartered in Zurich (Switzerland). To date the company has been involved in starting and funding over 150 technology businesses. Mountain Partners has developed a system to incubate, grow and internationalise technology businesses from great ideas to global presence and to create market leaders through close co-operation with local co-investors and an expanding network of international hubs.

Mountain Partners and its founders have created more than 11,000 jobs in 22 countries through financing and building of over 200 technology and internet companies. Notable companies are buyVIP (acquired by Amazon), Lieferando (acquired by Takeaway.com) and Secusmart (acquired by Blackberry).

This proposed cross-continent partnership pays recognition to the strong capability of the Fatfish team in building and developing tech businesses in Southeast Asia. Fatfish and Mountain, working together through the partnership, intend to be a leading player in the region. The partnership provides a stronger global platform for both Mountain and Fatfish to work with a wider international network of resources to build global businesses on an accelerated pace.

This proposal is unanimously recommended by the Directors of Fatfish and has received preliminary approval by the Board of Directors of Mountain Partners. The proposal will be subject to approval of Fatfish's shareholders, further due diligence of the parties involved, and the sign off on definitive agreements by Fatfish and Mountain.

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The Board of Directors,
Fatfish Internet Group Ltd

About Fatfish Internet Group

Fatfish Internet Group Ltd ('FFG') is a Southeast Asian and Australian based internet venture investment and development firm. FFG partners with entrepreneurs to help them build and grow internet businesses via a co-entrepreneurship model.

FFG's co-entrepreneurship model seeks an active involvement from its investee companies, from seed funding through to exit. In parallel, FFG seeks to provide a collection of resources and expertise to support entrepreneurs in important areas such as business strategy, market access, talent recruitment, product development and corporate strategy.

This unique 'seed-to-exit' approach makes FFG a strategic partner that provides the funding, resources, and platform to hasten the growth of promising technology businesses.

FFG also offers corporate advisory services specialising in working with tech companies to bring to bear alternative funding and growth models for tech companies through Initial Public Offerings (IPOs) or capital market transactions via trade sales or Mergers & Acquisitions (M&A).

About Mountain Partners AG

Mountain Partners is a globally operating venture builder headquartered in Zurich (Switzerland). To date they have been involved in starting and funding over 150 technology businesses. In the context of the fast-paced technology revolution they incubate, grow and internationalise technology businesses through their proven and scalable Industrial Farming System. The System takes companies from great ideas to global presence and creates market leaders through close co-operation with local co-investors and a large network of international hubs. Mountain Partners invests in the sectors "e-Commerce & Services", "Digital Payments & Fintech" and "Technology & Security".

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Mountain's Board of Directors is made up of experienced international personalities that include Ms. Nina B. Shapiro, former Vice President and Treasurer of World Bank's IFC and former German Minister of Economics and former Minister of Deference Mr. Karl-Theodor zu Guttenberg. Mountain is founded and headed by its Executive Chairman Dr. Cornelius Boersch, a successful and well-known entrepreneur and investor in Europe, who has built companies that went public on both Nasdaq and the Frankfurt Stock Exchange.

For further question on this release, please contact:

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