



Fatfish Internet Group Ltd
(ACN 004 080 460)
Level 4, 91 William Street
Melbourne VIC 3000
Australia
www.fatfish.co

28 February 2017

Corporate Announcement

Fatfish Internet (ASX:FFG) records a net profit of A\$23million for FY 2016

- **FFG records a Net Profit of A\$23,068,821 in its unaudited financial results for financial year ending 31 December 2016.**
- **The surge in Net Profit is largely due to the adoption of a new AASB accounting policy during this financial period.**
- **The new accounting policy is adopted in accordance with Australian Accounting Standards (AASB) 10 that requires Fatfish's Singapore subsidiary Fatfish Internet Pte Ltd (as an investment entity) to measure an investment in a subsidiary at fair value, in accordance with AASB 9 – Financial Instruments.**

Internet venture builder and accelerator Fatfish Internet Group Ltd (ASX:FFG) ("Fatfish") today announces its unaudited financial results for the financial year ending 31 December 2016 and records a net profit of A\$23,068,821 during this financial year period, compared to a net loss of A\$8,163,988 for the previous financial year.

This surge of net profit is largely attributed to the fair value gain on its investments, which is the result of adoption of a new accounting policy. The Company had adopted a change in accounting policy whereby it has chosen to adopt AASB 2015-5 - Investment Entities: Applying the Consolidation Exception during this financial period.

The new accounting policy adopted by the management, which is in

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accordance with Australian Accounting Standards (AASB) 10 – Consolidated Financial Statements, requires that the Accounting Parent, Fatfish's Singapore subsidiary Fatfish Internet Pte Ltd (as an investment entity), to measure an investment in a subsidiary at fair value through profit or loss in accordance with AASB 9 – Financial Instruments. This effectively requires Fatfish Internet Pte Ltd to recognise the fair value of Fatfish's investee companies without applying financial consolidation to its controlled entities.

The main highlight for this financial period was the IPO of iCandy Interactive Ltd in February 2016. After the IPO, which valued iCandy at more than A\$40m, Fatfish controls approximately 82% of iCandy's issued capital.

Fatfish's management believes that the improved financial results demonstrate the viability and sustainability of Fatfish's business model of investing in and building up the value of its investee companies.

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.

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

For further question on this release, please contact:

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