

26 February 2021

ASX and Media Announcement

Fatfish's Subsidiary Smartfunding Partners With Leading POS Provider To Offer BNPL to 5,000+ Merchants Serving more than 15M consumers across SE Asia

Highlights:

- **Fatfish's subsidiary Smartfunding enters into strategic partnership with KryptoPOS to roll out its BNPL Services throughout Asia**
- **KryptoPOS is a leading cloud-based POS software that serves more than 5,000 merchants and 15 million consumers in Malaysia and Indonesia**
- **Partnership entails offering Smartfunding's BNPL services to merchants, and also consumers potentially**
- **Partnership also involves sharing of behaviour and data analytics to enhance credit rating capability of Smartfunding**
- **The strategic partnership will give boost to market reach of the recently launched BNPL services of Smartfunding**

Fatfish Group Limited ("**FFG**" or the "**Company**") is pleased to announce that its 78.7% subsidiary Smartfunding Pte. Ltd ("**Smartfunding**") has entered into a strategic partnership agreement with KryptoPOS Sdn. Bhd. ("**KryptoPOS**"), a leading cloud-based point-of-sales (POS) software provider in Southeast Asia.

The Management of FFG wishes to note that KryptoPOS has **no involvement in cryptocurrency** of any sort.

Strategic Partnership To Roll Out BNPL

KryptoPOS is a market-leading developer and provider of cloud-based point-of-sales (POS) software provider that serves more than **5,000 merchants** with its POS software in **Malaysia and Indonesia**.

Indonesia is Southeast Asia's largest economy with an estimated Gross Domestic Production (GDP) value of US\$3.3 trillion in year 2020 (Wikipedia), where as **Malaysia is 4th largest Southeast Asian economy** with a GDP value of US\$900 billion in year 2020 (Wikipedia) .

KryptoPOS partners with telcos and broadband providers, who would sign up merchants that use KryptoPOS's software over high-speed wireless or wired broadband connection.

The strategic partnership entails KryptoPOS working closely with Smartfunding **to roll out Smartfunding's Buy-Now-Pay-Later (BNPL) services to merchants** using KryptosPOS, in addition to also allow partnership with merchants to offer BNPL to consumers engaging with the merchants. Smartfunding's BNPL service focuses on BNPL service for Small Medium Enterprises (SMEs) for now. It is estimated that the merchants using **KryptoPOS software serve more than 15 million consumers annually.**

The partnership with KryptoPOS entails sharing of behavioural and data analytics between KryptoPOS and Smartfunding (to the extent permitted by consent and privacy laws), allowing Smartfunding to improve its credit analysis capability and pre-approve merchants with good credit standing for its BNPL services.

In terms of commercial arrangement, the strategic partnership involves a revenue-sharing arrangement where KryptoPOS will be entitled to 15-30% of the net revenue for the transactions originated via the strategic partnership, in line with industry practices.

Board's Commentary

The Board of Directors of FFG ("**Board**") is pleased with this very important development by Smartfunding that will extend the market reach of Smartfunding's BNPL services in Southeast Asia.

The strategic partnership will allow the Smartfunding BNPL services to be marketed to the 5000 plus merchants of KryptoPOS immediately, allowing a impactful and wider reach of Smartfunding BNPL services in the Southeast Asian market, and far earlier than the initial marketing plan prepared by the management of Smartfunding.

As per earlier announcement, Smartfunding is a Singapore central bank licensed online financing platform that has recently rolled out its BNPL services, based out of Singapore, with a view of capitalising Singapore's position as an international financial hub to further roll out BNPL services to the rest of the Southeast Asian market.

This announcement has been authorised by the Board of Directors of FFG.

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About Fatfish Group Limited

Fatfish Group Limited (**ASX: FFG**) is a publicly traded tech venture builder firm with business interest in the Southeast Asia and Nordic European region. FFG focuses on emerging global technology trends, specifically FFG has been building tech ventures across various sectors of video-games, esports, fintech and consumer internet technologies.

FFG owns a majority stake of 50.1% in publicly-traded Abelco Investment Group AB (**NGM: ABIG**), which is traded on the Swedish exchange, Nordic Growth Market.

FFG and Abelco operate from innovation hubs located in Singapore, Kuala Lumpur and Stockholm.

For more details, please contact:

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