



ASX Announcement

29 April 2022

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#### Directors

Jon Wild, Chairman

Mathew Walker, Corporate Director

Sean Smith, CEO

Steve Samuel, Company Secretary

#### Issued Capital

ASX Code: FGL

201,550,000 Ordinary Shares

26,250,000 Unquoted options exercisable at \$0.15 on or before 30 June 2022

29,500,000 Listed options exercisable at \$0.10 on or before 20 July 2024

#### Overview

Frugl is a retail intelligence ecosystem that acquires publicly available grocery data, enriches it, and utilises it to power two independent retail platforms; Frugl Grocery and InFocus Analytics.

With management drawn from major Australian and International retail organisations, Frugl combines retail experience, expertise in data analytics, and enterprise-scale data sets ready for immediate commercialisation.

# FRUGL GROUP Q3 COMPANY UPDATE

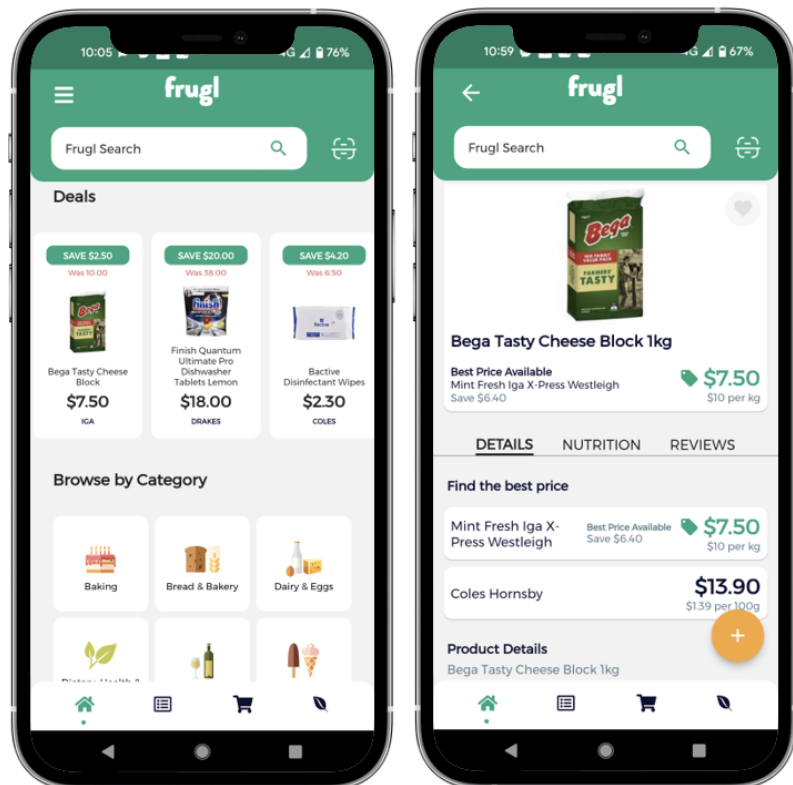
## HIGHLIGHTS

- f FRUGL GROCERY VERSION 3.0 RELEASED FOR BOTH APPLE AND ANDROID MOBILE PLATFORMS**
- f FRUGL EXPERIENCES UNPRECEDENTED GROWTH IN DOWNLOADS AND USERS IN AN ENVIRONMENT OF SURGING COSTS OF LIVING**
- f DEVELOPMENT OF IN-APP TRANSACTIONAL CAPABILITIES UNDERTAKEN FOR Q4 COMMENCEMENT**

Frugl Group Limited (ASX: FGL) ("Frugl" or the "Company") is pleased to announce to the market and shareholders with an update on Company operations and progress on the Company's commercialisation strategies.

## Release of Version 3.0 of the Frugl Grocery App

In January the company completed the release of Version 3.0 of its Frugl Grocery comparison app. A refreshed user interface and mobile app utilising leading edge technologies including Flutter and Augmented Reality libraries has delivered substantial performance improvements and better user experience.



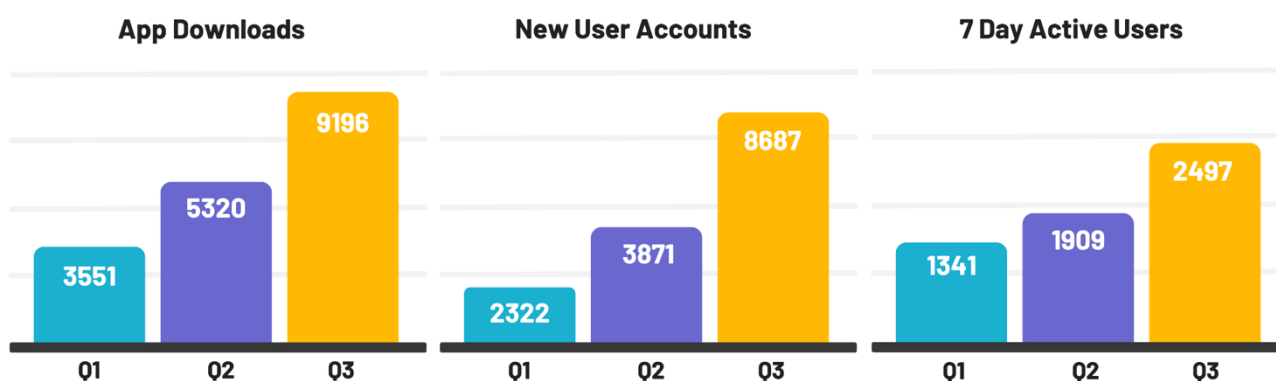
## Multi retailer capability in preparation for transactional capabilities

Frugl Grocery added the capability to add unlimited retailers to the platform to enhance shopping options for users. Retailers may be within the grocery category, or any complementary categories the Company decides will add value to its users.

The Company has commenced adding products from additional grocery retailers Drakes, IGA, Foodland and Aldi, in addition to products from Woolworths and Coles.

Development of in-app transactional capabilities was undertaken during the quarter, with the release and commencement of onboarding of retailers anticipated in the June quarter. The transactional capability will enable the further commercialisation of the Frugl Grocery app beyond the current retail analytics revenue stream and will be supported with increased marketing investment to grow the user-base and opportunities for new and participating retailers.

## Frugl experiences unprecedented growth in Downloads and User Accounts



The Frugl Grocery app has shown unprecedented growth since the launch of Version 3.0 in an environment of heightened awareness of the surging cost of living, driven further by the benefits the Frugl Grocery app can provide to individuals and families, improvements in User Experience and performance, as well as increasing media coverage of the Frugl Grocery app and Frugl's role as an independent provider of grocery analysis.

## Corporate

During the quarter the Company completed a Share Purchase Plan ("SPP") to eligible shareholders at a price of \$0.02 per share to raise \$431,000. Funds raised will be primarily used for the marketing of the new version of the Frugl grocery comparison app, commercialisation of the InFocus Analytics retail intelligence SaaS platform; and general working capital purposes.

## Appendix 4C

Outflows of \$52k from corporate and administrative activities during the March quarter (refer Items 1.2(f) of the Appendix 4C) predominantly comprised of corporate & legal fees, accounting, company secretarial, KMP remuneration, research and development advisory fees, tax advisory, insurances and working capital. Pursuant to section 1.2(a), the operational expenditure of \$376k incurred by the Company relates to the ongoing development of the Company's grocery comparison App, staff costs and the cost of delivering services to customers. The Company notes that the amount of \$37k disclosed in the Appendix 4C under Section 6 includes payments to related parties and their associates and salaries and wages to members of the Board of Directors.

The Company engaged Cicero Group Pty Ltd for accounting, administrative and company secretarial services at \$10,000 per month (exclusive of GST). Mr Mathew Walker is a shareholder in Cicero Group Pty Ltd.

This announcement has been authorised by the Board of Frugl Group Limited.

*For, and on behalf of, the Board of the Company*

Jon Wild  
Chairman

**Frugl Group Limited**

- ENDS -

### **Forward looking statements**

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Frugl Group Limited

**ABN**

80 096 870 978

**Quarter ended ("current quarter")**

31 March 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	41	94
1.2 Payments for		
(a) research and development	(376)	(1,102)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(42)	(187)
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(52)	(394)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	315
1.8 Other (provide details if material)	(70)	(146)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(499)</b>	<b>(1,424)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(10)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	-	<b>(10)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	431	1,202
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>431</b>	<b>1,202</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	131	295
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(499)	(1,424)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(10)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	431	1,202
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>63</b>	<b>63</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3	71
5.2	Call deposits	60	60
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>63</b>	<b>131</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	37
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p><b>Section 6.1:</b> \$134,985 for the payment of Director fees and superannuation.</p>		

<b>7. Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end</b> <b>\$A'000</b>	<b>Amount drawn at quarter end</b> <b>\$A'000</b>
7.1 Loan facilities	500	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	500	-
7.5 <b>Unused financing facilities available at quarter end</b>		500
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.  <div style="border: 1px solid black; padding: 5px;"> A \$500,000 binding loan facility agreement with Mathew Walker, a Company director, is available on call, unsecured, interest free and repayable on the earlier of the Company completing a capital raising of no less than \$1,000,000 or on 1 October 2022 (<b>Director Loan</b>). </div>		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(499)
8.2 Cash and cash equivalents at quarter end (item 4.6)	63
8.3 Unused finance facilities available at quarter end (item 7.5)	500
8.4 Total available funding (item 8.2 + item 8.3)	563
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	1.13
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?  <div style="border: 1px solid black; padding: 5px;"> Answer: No, research and development are expected to be lower in the next Q. </div>	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?  <div style="border: 1px solid black; padding: 5px;"> Answer: Yes, the Company has successfully completed capital raisings in the prior years and has a track record of securing funding.  Any further capital raising initiatives will be progressed as and when required. </div>	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?  <div style="border: 1px solid black; padding: 5px;"> Answer: Yes, as per the response in question 2, the Company will initiate appropriate measures to secure funding by way of capital raising as and when required. </div>	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....29 April 2022.....

Authorised by: ..... By the Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.