



ASX Announcement

4 August 2022

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Suite 9, 330 Churchill Avenue,

Subiaco WA 6008

www.fruglgroup.com.au

Directors

Jon Wild, Chairman

Mathew Walker, Corporate
Director

Sean Smith, CEO

Steve Samuel, Company
Secretary

Issued Capital

ASX Code: FGL

202,652,195 Ordinary Shares

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.

Laura Gomme
Adviser, Listings Compliance
ASX Limited
Level 40, Central Park,
152-158 St Georges Terrace,
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

RE: FGL Trading Notice Response

We refer to your letter dated 29 July 2022 requesting information from the Frugl Group Limited (FGL or the Company) pursuant to Listing Rule 18.7 in response to the FGL's trading policy lodged on market announcements platform on 30 December 2019.

The Company now provides the requested information below, adopting the numbering from the ASX letter.

1. Directors of the Company are aware of ASX Listing Rule 3.19A and their obligations to provide the necessary information to the Company to enable it to meet its disclosure requirements including listing rules 3.19A. All Directors are provided the Company's governance and policy framework to ensure acknowledgment that they understand their responsibility under the Company's Share Trading Policy (Policy), including the requirement to notify the Company in respect of changes in their interests in the Company's securities.

2. Pursuant to the Policy, once the Director communicates their intention to purchase FGL securities, the Company Secretary sends a formal trading request to the board for review and approval. This contemplates the relevant sections of the Policy which require Director response and confirmation. On 6 July 2022 a purchase request was provided by Mr Wild to which concurrent responses to the Policy were confirmed. Following assessment, FGL concluded that the trading window be granted for the period 7 July 2022 until 14 July 2022 to allow the Director to purchase securities in an orderly manner. The purchase trade was executed and notified on 14 July 2022 and lodged with ASX on 15 July 2022. This was within the closed period, resulting in Policy breach. FGL acknowledges that the trading window approved by the Board under the Policy needed to be over a shorter period which would have avoided the closed period threshold. Moving forward this is a measure the Company will adopt to mitigate such instances during a compliance reporting period.

3. Yes, please refer to the response to question 2 which directly clarifies the formal request and communication protocol in accordance with the Policy which Mr Wild and the Company officers have followed.

4. Yes, as per response to question 2, the request to trade in FGL securities pursuant to the Policy is initiated following response confirmations to sections 3 and 4 of the Policy.

5. Part 3 of the lodged Appendix 3Y needed to acknowledge the trade purchase during the closed period. The Quarterly Activities Report and Appendix 4C (**Quarterly Report**) was lodged once verification and approval was completed by FGL.

6. Due to the breach in the Policy, FGL will avoid any trading within 14 days prior to the Quarterly Report, Half-Year Report and Annual Report being released. Closer attention will be undertaken in future pursuant to the Policy.
7. Yes, FGL is compliant with ASX Listing Rule 3.1
8. The Company confirms that the responses to the questions above have been authorised and approved for release.

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

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

Mathew Walker

Corporate Director

Frugi Group Limited



29 July 2022

Reference: 55749

Mr Steve Samuel
Frugl Group Limited
Cicero Group Suite 9, 330 Churchill Avenue
Subiaco WA
6008

By email: steve@cicerogroup.com.au

Dear Mr Samuel

Frugl Group Limited ('FGL'): Trading during closed period (Appendix 3Y) – Query

ASX refers to the following:

- A. FGL's securities trading policy lodged on the ASX Market Announcements Platform ('MAP') on 30 December 2019 (the 'Trading Policy') which is also available on FGL's website and which states, among other things, the following:

1. Introduction

These guidelines set out the policy on the sale and purchase of securities in the Company by its Key Management Personnel (as defined in the ASX Listing Rules).

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise of that entity).

The Company has determined that its Key Management Personnel are its Directors, executives and those employees directly reporting to the Managing Director.

Key Management Personnel are encouraged to be long-term holders of the Company's securities. However, it is important that care is taken in the timing of any purchase or sale of such securities.

The purpose of these guidelines is to assist Key Management Personnel to avoid conduct known as 'insider trading'.

3.1 Key Management Personnel must not, except in exceptional circumstances, deal in securities of the Company during the following periods:

- (a) two weeks prior to, and 48 hours after the release of the Company's Annual Report;*
 - (b) two weeks prior to, and 48 hours after the release of the Half Year Report of the Company; and*
 - (c) two weeks prior to, and 48 hours after the release of the Company's quarterly reports (if applicable),*
- (together the Closed Periods)*

4.1 Approval Requirements

(a) Any Key Management Personnel (other the Chairman of the Board) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain prior written approval of the Chairman of the Board or the Board before doing so.

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- B. The announcement by FGL entitled 'Change of Director's Interest Notice' lodged on MAP on 15 July 2022 (the 'Announcement'). The Announcement disclosed:
- (i) The on-market purchase of 619,233 shares in FGL by Mr Jonathan Mark Wild, a director of FGL, on 14 July 2022 (the 'Transaction'); and
 - (ii) The shares were not traded during a closed period.
- C. FGL's Quarterly Activities Report and Appendix 4C Cash Flow Report released on MAP on 27 July 2022.
- D. Guidance Note 27: *Director Disclosure of Interests and Transactions in Securities – Obligations of Listed Entities* which was published to assist listed entities with their obligations under Listing Rules 3.19A and 3.19B and gives an overview of ASX policy in relation to disclosure of directors' interests and transactions in securities, and Guidance Note 22: Trading Policies which was published to assist listed entities to comply with their obligations under Listing Rules 12.9-12.12 regarding trading policies.

ASX notes the following:

1. FGL's Closed Period commenced on 13 July 2022.
2. FGL's Quarterly Activities and Appendix 4C Cash Flow Report for the quarter ending 30 June 2022 was lodged on the ASX Market Announcements Platform on 27 July 2022.
3. The Transaction would appear to have taken place during a closed period in breach of section 3.1(c) of the Trading Policy. This is despite the Announcements stating in Part 3 that no interests in FGL's securities were traded during a Closed Period.

Request for information

Having regard to the above, and pursuant to Listing Rule 18.7, ASX asks FGL to respond separately to each of the following questions.

1. Please explain what arrangements FGL has in place with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A.
2. When did FGL first become aware of Mr Wild's on-market Transaction?
3. Did Mr Jonathan Mark Wild comply with section 4.1(a) of the Trading Policy and notify the Chairman of the Board in writing of his intention to carry out the Transaction before entering into it? If not, why not?
4. In compliance with section 4.1 of the Trading Policy, did the Chairman of the Board grant approval (written or otherwise) to Mr Jonathan Mark Wild to carry out the Transaction that appears to have taken place during a closed period? If so, on what basis did it do so? If not, why not?
5. Why did the Announcement state in Part 3 that no interests in FGL's securities were traded during a closed period?
6. What action is the board of FGL proposing to take in relation to the apparent breaches of FGL's Trading Policy?
7. Please confirm that FGL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
8. Please confirm that FGL's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of FGL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3PM AWST Wednesday, 3 August 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, FGL's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require FGL to request a trading halt immediately.

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in FGL's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in FGL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to FGL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that FGL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Laura Gomme

Adviser, Listings Compliance (Perth)