



ASX Announcement

26 July 2023

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#### Directors

Kit Weng Yip, Chairman

Kenny Woo, Director

Kulthirath Pakawachkrilers,  
Director

Steve Samuel, Company  
Secretary

#### Issued Capital

ASX Code: FGL

956,062,008 Ordinary Shares

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

250,000,000 Unlisted options  
exercisable at \$0.01 on or before  
31 December 2025

#### 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 Q4 COMPANY UPDATE

## HIGHLIGHTS

- f FRUGL SIGNS AN AGREEMENT FOR THE DEVELOPMENT OF INTEGRATED RETAIL GROCERY MARKETPLACE**
- f FRUGL PARTNERS WITH TRIENPONT FOR INTERNATIONAL EXPANSION**
- f DURING THE QUARTER THE COMPANY SUCCESSFULLY COMPLETED A PLACEMENT OF \$1,529,699 BEFORE COSTS**

**Frugl Group Limited** (ASX: FGL) ("**Frugl**" or the "**Company**") is pleased to present this Quarterly Activities Report for the quarter ended 30<sup>th</sup> June 2023.

### **Frugl Signs an Agreement for the development of Integrated Retail Grocery Marketplace**

During the quarter, Frugl has signed a project agreement ("Agreement") with 1004 Gourmet General Trading L.L.C ("1004 Gourmet"), a prominent retailer in the United Arab Emirates ("UAE"), for the development of Integrated Retail Grocery Marketplace.

Established in 2008, 1004 Gourmet is a distinguished purveyor and distributor of a comprehensive range of Asian groceries and culinary essentials, strategically headquartered in Dubai, UAE.

1004 Gourmet boasts an expanding retail presence across Dubai and Abu Dhabi, and diligently serves a vast wholesale market through its dedicated HoReCa (Hotels, Restaurants, and Catering) division. This dual approach has firmly positioned 1004 Gourmet as the premier destination for Asian grocery commodities for both consumers and businesses in the UAE.

Under the terms of the Agreement, Frugl has agreed to design and build an integrated retail grocery web store and mobile app with an initial timeline of 6 months. The Company does not consider the fees payable to Frugl under the Agreement to be financially material (please refer to the Schedule to this announcement for further details). Frugl will seek to develop its relationship with 1004 Gourmet with a view to expanding the scope of the services.

## **Frugl Partners with Trienpont International Co LTD for International Expansion**

During the quarter, Frugl has completed a strategic review and which resulted in the signing of a Memorandum of Understanding with Trienpont International Co LTD ("**Trienpont**") to enable collaboration on joint projects in Australia and South East Asia.

Trienpont is a South East Asian based technology business specialising in Digital Transformation, Software Development, Cloud Migrations & Integrations, and Technical Consulting and has existing clients in Australia, Asia, and Western Europe.

Frugl and Trienpont will work together in good faith to identify potential projects and clients in the APAC and EMEA markets that may benefit from their combined expertise in Data Analysis, Digital Transformation, Software Development, Cloud Migrations, and Technical Consulting.

### **Corporate**

During the quarter, the Company successfully completed a placement of \$1,529,699 (**Placement**) before costs. The Company issued a total of 191,212,401 fully paid ordinary shares (**Shares**) at \$0.008 per share. Proceeds from the Placement will primarily support the commercialisation of the Frugl Market Analytics Retail Platform, expansion of the Frugl Market platform into Asia and general working capital.

On 1 May 2023, the Group appointed Mr Kenny Tat Woo as a Non-Executive Director of the Company. Mr Woo was appointed to replace Mr Mathew Walker who chose to leave the Board to pursue other commercial interests.

### **Appendix 4C**

Outflows of \$289k from corporate and administrative activities during the June quarter (refer Items 1.2(f) of the Appendix 4C predominantly comprised of corporate advisory, legal, insurances and working capital. Pursuant to section 1.2(a), the operational expenditure of \$711k incurred by the Company relates to an up-front payment for software development and maintenance for a period up to 6 months, the ongoing cost of maintaining the Company's grocery comparison App, staff costs and the cost of delivering services to customers.

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

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

Kit Weng Yip

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")**

30 June 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	66	212
1.2 Payments for		
(a) research and development	(711)	(1,784)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	(114)
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(289)	(608)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	5
1.5 Interest and other costs of finance paid	(4)	(10)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	5	614
1.8 Other (payment of PAYG withholding tax)	(84)	(294)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,013)</b>	<b>(1,979)</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	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,530	3,918
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	-	(58)
3.5	Proceeds from borrowings	-	616
3.6	Repayment of borrowings	-	(1,182)
3.7	Transaction costs related to loans and borrowings	-	(29)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	(50)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,530</b>	<b>3,215</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	796	77
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,013)	(1,979)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,530	3,215
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,313</b>	<b>1,313</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	1,298	787
5.2	Call deposits	60	60
5.3	Bank overdrafts	-	-
5.4	Other (Credit Card)	(45)	(51)
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,313</b>	<b>796</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	1,000	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	1,000	-
7.5 <b>Unused financing facilities available at quarter end</b>		1,000
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.		
A binding loan facility agreement (" <b>Facility</b> ") with Kenny Woo, a Company director, is available on call. The facility has a principal amount of \$1,000,000, bears an interest rate of 8% per annum payable monthly in arrears, unsecured and repayable on 31 May 2024 ( <b>Director Loan</b> ).		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,013)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,313
8.3 Unused finance facilities available at quarter end (item 7.5)	1,000
8.4 Total available funding (item 8.2 + item 8.3)	2,313
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.28
<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?	
Answer: N/A	
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?	
Answer: N/A	
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?	
Answer: N/A	
<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: .....26 July 2023.....

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.