

16 April 2020

Mr Dean Litis  
Principal Adviser, Listings Compliance  
Melbourne

Dear Mr Litis

**Crowd Media Holdings Limited (ASX: CM8): Price Query**

Crowd Media Holdings Limited refers to your letter of 15 April 2020 and provides the followings responses:

- 1. Is CM8 aware of any information concerning it that has not been announced to the market which, if known by some of the market, could explain the recent trading in its securities?**

CM8 submitted an announcement to the ASX, pre-market open on Tuesday 14 April 2020 in relation to an LOI that the Company had entered into with KINN Living, to sell KINN's home cleaning, sanitisers and laundry-care essentials into the European market (excluding the UK). The ASX was of the opinion that the announcement was not price sensitive and therefore did not require release under Listing Rule 3.1. The announcement was deleted, by the ASX, prior to release by the ASX and the Company instead issued a media release on the matter on 15 April 2020.

A copy of the media release can be found here <https://bit.ly/2Xywxmh> and annexed to this letter. The press release content is identical to the announcement provided to the ASX on 14 April 2020.

- 2. Is the answer to question 1 is "yes"**
- a. Is CM8 relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?**
  - b. Can an announcement be made immediately?**
  - c. If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?**

Not Applicable

- 3. If the answer to question 1 is "no", is there any other explanation that CM8 may have for the recent trading in its securities?**

Not Applicable

- 4. Please confirm that CM8 is complying with the Listing Rules and, in particular Listing Rule 3.1.**

Confirmed

- 5. Please confirm that CM8's response to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CM8 with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed



Please do not hesitate to contact me should you wish to discuss further.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Laura Newell".

Laura Newell  
Company Secretary

Media Release  
Wednesday 15th April 2020

## CROWD MEDIA SIGNS LOI WITH KINN LIVING TO SELL ECO-FRIENDLY NATURAL CLEANING, HAND SANITISERS AND LAUNDRY PRODUCTS INTO EUROPE

Crowd Media Holdings Limited (ASX: CM8 & FWB: CM3) ("Crowd" or "Company") has executed a Letter of Intent (LOI) with the intention of entering into an exclusive distribution agreement with London-based KINN Living (<https://www.KINN-living.com/>), to sell KINN's eco-friendly, vegan, natural, home-cleaning, sanitisers and laundry-care essentials into the European market (excluding UK).

This arrangement will leverage Crowd's core strengths (digital social media / influencer marketing / conversational commerce) to drive web sales of KINN products across Europe, thereby enabling KINN Living to roll out its award-winning home-cleaning and laundry-care products into EU markets outside of the UK.

Over recent weeks, Crowd has worked with KINN to fast-track the development and manufacture of a WHO-approved alcohol-based hand sanitiser, which Crowd is now set to launch in coming weeks.

Founded just 3 years ago by Marie and Sophie Lavabre, KINN's natural and organic range of home-cleaning and laundry-care essentials are well recognized by the industry. Having won multiple awards across the 'wellbeing and beauty' segment, and renown for its eco-friendly and vegan credentials, KINN has neatly filled a major hole in the current offering of home and laundry cleaning products. KINN's range is currently available in the UK only, at more than 280 Waitrose (Britain's poshest supermarket) as well as Ocado. KINN's own online business has also flourished in the UK, a clear bellwether for its digital prospects in those European markets where Crowd is active.

Crowd and KINN Living will utilise an initial 30-day exclusivity period to agree and execute on an exclusive distribution agreement that will include the sale of KINN Living's hand-sanitiser and surface hygiene products into the European market, as well as an all-encompassing digital marketing strategy across Europe (excluding the UK).

This intended collaboration marks another milestone in the execution of the Company's strategic vision, as outlined by Crowd's Chairman Steven Schapera at the November 2019 AGM, when Mr Schapera highlighted Crowd's plan to sell exemplary products integral to the lives of European-based millennials on a Direct to Consumer model. Crowd has deep experience in digital marketing to millennials and Gen Z in most European countries and across 12 different languages, and will be using influencer and performance marketing strategies to drive KINN sales.

Crowd's CEO Domenic Carosa said: "We have been watching this space for some time now. It's really hot with influencers, and our research suggests that eco-friendly cleaning products account for more than 30% of the prestige household cleaning market. This space has recorded rapid growth in the last year and has gone crazy since Covid19. Whilst we are interested in exploiting immediate opportunities, our focus is always on the long term. Our view is that after the coronavirus pandemic subsides, the awareness of the importance of surface-, laundry-, and hand-hygiene will endure. With KINN we have found a strong partner to build a profitable business for Crowd in Europe."

(ends)



**For further information please contact:**

**Domenic Carosa**, Chief Executive Officer,  
**Crowd Media Holdings Limited**

**M:** +61 411 196 979 / +31 611 227 235

**E:** [dom@crowdmedia.com](mailto:dom@crowdmedia.com)

#### **ABOUT CROWD MEDIA**

Crowd Media Holdings Limited (ASX:CM8 & FWB:CM3) is a global media and marketing company. Crowd Media has two divisions: a Mobile division built upon its Q&A and Subscription tech platforms to produce and deliver content including apps, games and music, and a Digital Marketing division which works with brands and digital influencers to deliver branded content primarily to the fast-growing Millennial and Gen Z markets.

Crowd Media's networks are strengthened by its partnerships with hundreds of mobile carriers internationally and some of the world's largest agencies, brands and media companies. The mobile division operates in more than 50 countries and 30 languages and the media division has worked with more than 10,000 digital influencers worldwide.



15 April 2020

Reference: ODIN16692

Ms Laura Newell  
Company Secretary  
Crowd Media Holdings Limited  
Level 4, 44 Gwynne Street  
Cremorne, VIC 3121

By email

Dear Ms Newell

**Crowd Media Holdings Limited ('CM8'): Price Query**

We note the change in the price of CM8's securities from a low of \$0.012 yesterday, 14 April 2020, to a high of \$0.031 today.

We also note the significant increase in the volume of CM8's securities traded today.

**Request for Information**

In light of this, ASX asks CM8 to respond separately to each of the following questions and requests for information:

1. Is CM8 aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is CM8 relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CM8's securities would suggest to ASX that such information may have ceased to be confidential and therefore CM8 may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that CM8 may have for the recent trading in its securities?
4. Please confirm that CM8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that CM8'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 CM8 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 **9:30 AM AEST Thursday, 16 April 2020**. If we do not have your response by then,

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ASX will likely suspend trading in CM8's securities under Listing Rule 17.3. 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, CM8'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.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at [ListingsComplianceMelbourne@asx.com.au](mailto:ListingsComplianceMelbourne@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.

### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to CM8'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 CM8'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.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in CM8'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 may 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 CM8's securities under Listing Rule 17.3.

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**Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Dean Litis**

Principal Adviser, Listings Compliance (Melbourne)

20 April 2020

Mr Dean Litis  
Principal Adviser, Listings Compliance  
Melbourne

Dear Mr Litis

## **Crowd Media Holdings Limited (ASX: CM8): Response to ASX's Price Query**

Crowd Media Holdings Limited refers to your letter of 17 April 2020 and provides the followings responses:

- 1. Does CM8 consider the information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

No

- 2. If the answer to question 1 is "yes":**

- a. Why did CM8 select "no" in its response to question on the MAP input screen as to whether the proposed Announcement was "market sensitive"?**
- b. Please comment on why CM8 is of the view that bullet points 2 and/or 3 to Listing Rule 3.1A did not apply at the time, namely that the information contained in the Media Release does not:**
  - i. Concern an incomplete proposal or negotiation; and/or**
  - ii. Comprise matters of supposition or is insufficiently definite to warrant disclosure and therefore did not warrant disclosure under Listing Rule 3.1.**

Not applicable

- 3. If the answer to question 1 is "no", please explain the basis and purpose for lodging the Proposed Announcement for release on MAP.**

As ASX is aware, making assessments about the materiality of information is difficult. The announcement was lodged with the ASX as an abundance of caution especially given the current market sensitivity to anything perceived as pandemic related.

- 4. Knowing that ASX declined to release the Proposed Announcement on MAP on the basis that ASX did not consider that it was information that warranted disclosure, why did CM8 make the information public in the Media Release?**

CM8 wished to inform its stakeholders about an initiative taken by the Company as the Company believes it is an important part of its business to keep all stakeholders informed by way of regular updates. Crowd is a digital marketing company and showing customers, shareholders and potential clients (ie. generating new business opportunities) new initiatives is sound business practice.

- 5. Please provide ASX with a copy of the LOI with KINN Living. This will not be released to the market.**

Copy attached to email correspondence.

- 6. Please elaborate on what CM8 has been doing with KINN Living to fast-track the development and manufacture of the “WHO-approved alcohol based hand sanitiser”**

CM8's Chairman, Steven Schapera has more than 20 years previous experience in creating these types of products, given his background in the cosmetics industry. Prior to collaborating with CM8, KINN did not manufacture a hand sanitiser. The Chairman has leveraged his network within Europe to (a) identify KINN as a manufacturing partner; (b) identify the most suitable formulation, as well as most suitable denaturant for use with the alcohol in the sanitiser; (c) assist KINN with the packaging format and aesthetic; (d) introduce KINN to alternative contract manufacturers. Each of these will enable KINN to fast track the development and production of a hand sanitiser.

- 7. Please provide evidence of the World Health Organisation approval of the hand sanitiser referred to in the Media Release. This will not be released to the market.**

The hand sanitiser has been developed using the recommended World Health Organisation (WHO) sanitiser formulation that is available on the World Health Organisation's (WHO) website.

[https://www.who.int/gpsc/5may/Guide\\_to\\_Local\\_Production.pdf](https://www.who.int/gpsc/5may/Guide_to_Local_Production.pdf)

- 8. Please explain the research conducted by CM8 which:**

- a. “suggests” that “eco-friendly cleaning products account for more than 30% of the prestige household cleaning market”; and**

These statistics were sourced from the following website, first paragraph:

<https://www.bunzl catering.co.uk/increasing-demand-eco-friendly-cleaning-products/>

- b. Supports the statement that “(this) space has recorded rapid growth in the last year and has gone crazy since Covid19.”**

Support for the significant increase in demand for hand sanitiser can be referenced against several sources, including: <https://www.independent.co.uk/life-style/health-and-families/coronavirus-hand-sanitiser-uk-outbreak-symptoms-latest-a9371296.html>

- 9. Please confirm that CM8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed

- 10. Please confirm that CM8's response to the question above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an office of CM8 with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed

Please do not hesitate to contact me should you wish to discuss further.

Yours sincerely



Laura Newell  
Company Secretary



17 April 2020

Reference: ODIN16692

Ms Laura Newell  
Company Secretary  
Crowd Media Holdings Limited  
Level 4, 44 Gwynne Street  
Cremorne VIC 3121

By email

Dear Ms Newell

**Crowd Media Holdings Limited ('CM8'): Response to ASX's Price Query**

ASX refers to the following:

- A. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- B. Listing Rule 3.1A, which sets out that information which is confidential and which a reasonable person would not expect to be disclosed is excluded from the requirement in Listing Rule 3.1 to make immediate disclosure provided one of the following is also satisfied:
  - (a) it would be a breach of a law to disclose the information;
  - (b) **the information concerns an incomplete proposal or negotiation;** (emphasis added)
  - (c) **the information comprises matters of supposition or is insufficiently definite to warrant disclosure;** (emphasis added)
  - (d) the information is generated for the internal management purposes of the entity; or
  - (e) the information is a trade secret.
- C. ASX Listing Rules Guidance Note 8, which provides:
  - (a) at section 5.4 (incomplete proposals or negotiations):

*"This category of information is excluded from disclosure because of the prejudice it could cause to an entity and its security holders if it was effectively required to develop its corporate proposals and conduct its commercial negotiations in public. It is also excluded because of the propensity of markets to overreact in the short term to information that an entity may be contemplating a market sensitive transaction, even where the likelihood of the transaction proceeding is low or unclear."*
  - (b) at section 5.5 (matters of supposition or that are insufficiently definite to warrant disclosure):

*"This category of information is excluded from disclosure because of its propensity to misinform or mislead the market."*
  - (c) at note 147 in section 5.4 (incomplete proposals or negotiations):

*"An agreement that is entered into to facilitate a negotiation about a transaction (eg, a confidentiality agreement or an exclusivity agreement), rather than to implement or give effect to*

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*a transaction, would not be expected to be disclosed, provided the requirements in Listing Rules 3.1A.2 and 3.1A.3 continue to be satisfied.”*

- (d) at section 4.15 (guidelines on the contents of announcements under Listing Rule 3.1):

*“An announcement under Listing Rule 3.1 must be accurate, complete and not misleading. To not be misleading, opinions expressed in an announcement should be honestly held and balanced and should be clearly identified as a statement of opinion rather than a statement of fact. Any forward looking statements in an announcement must also have a reasonable basis in fact or else by law they will be deemed to be misleading.” ...*

*“Entities should not use an announcement under Listing Rule 3.1 as a guise to publish material that is really promotional, political or tendentious in nature rather than being information that a reasonable person would expect to have a material effect on the price or value of its securities.”*

- D. Item 3 of Listed @ASX Compliance Update no 07/19 dated 19 August 2019 titled ‘Ramping announcements’, which stated:

*“ASX has recently seen a number of examples of listed entities making market announcements that look to ASX to be designed to “ramp” the price of their securities rather than to inform the market. ASX has observed that in some cases, these announcements are made just before a capital raising where they appear to be directed to supporting the price of the entity’s securities ahead of the raising. In other instances, they are made just after a capital raising, where they appear to be directed to facilitating a profitable exit for some investors who have acquired securities in the capital raising.*

*Often these announcements focus on customer developments, such as signing up a new customer or customer trial, successfully completing a trial with a customer, or achieving a “milestone” under a customer contract. Alternatively, they are expressed as “business updates”. Typically these announcements are expressed in exuberant terms, but on closer examination include little in the way of substance.*

- E. Item 10 of Listed @ ASX Compliance Update no 03/20 dated 31 March 2020 titled ‘Misleading COVID-19 announcements’ in which ASX noted that it has experienced a significant number of instances recently where listed entities have made announcements with potentially misleading claims around COVID-19 which, when questioned, have not been able to be properly substantiated to ASX’s satisfaction.

- F. On 16 April 2020, CM8 sent ASX a letter responding to ASX’s price query letter dated 15 April 2020 (the ‘Price Query Response’) in which CM8 stated, in response to ASX’s question 1:

*Is CM8 aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?*

CM8 submitted an announcement to the ASX, pre-market open on Tuesday 14 April 2020 in relation to an LOI that the Company had entered into with KINN Living, to sell KINN’s home cleaning, sanitisers and laundry-care essentials into the European market (excluding the UK). The ASX was of the opinion that the announcement was not price sensitive and therefore did not require release under Listing Rule 3.1. The announcement was deleted, by the ASX, prior to release by the ASX and the Company instead issued a media release on the matter on 15 April 2020.

A copy of the media release can be found here <https://bit.ly/2Xywxmh> and annexed to this letter. The press release content is identical to the announcement provided to the ASX on 14 April 2020.

- G. The media release referred to in the Price Query Response was titled “Crowd Media signs LOI with Kinn Living to sell eco-friendly natural cleaning, hand sanitisers and laundry products into Europe” (the ‘Media Release’) and was distributed publicly by CM8 on 15 April 2020.

- H. A proposed announcement regarding the information in the Media Release (the 'Proposed Announcement') was lodged by CM8 for release on the market announcements platform ('MAP') before market open on 14 April 2020. In response to the question on the MAP input screen as to whether the Proposed Announcement was "market sensitive", CM8 selected "no". ASX informed CM8 that it would not release the Proposed Announcement on MAP on the basis that the letter of intent referred did not warrant disclosure. At no stage did ASX indicate to CM8 that it would be appropriate for it to release the information in the Proposed Announcement in a media release.
- I. The Media Release included the following statements (the 'Information') (emphasis added):
- (i) CM8 *"has executed a Letter of Intent ('LOI') with the intention of entering into an exclusive distribution agreement with London-based KINN Living"*.
  - (ii) *"The arrangement will leverage [CM8]'s core strengths (digital social media / influencer marketing / conversational commerce) to drive web sales of KINN products across Europe, **thereby enabling KINN Living to roll out its award-winning home-cleaning and laundry-care products into EU markets outside of the UK.**"*
  - (iii) *"Over recent weeks, [CM8] has worked with KINN to fast-track the development and manufacture of WHO-approved alcohol-based hand sanitiser, which [CM8] **is now set to launch** in coming weeks."*
  - (iv) CM8's CEO Domenic Carosa's statements in the last paragraph and, in particular, the following:  
*"our research suggests that eco-friendly cleaning products account for more than 30% of the prestige household cleaning market. This space has recorded rapid growth in the last year and has gone crazy since Covid19."*

### Request for Information

Having regard to the above, ASX asks CM8 to respond separately to each of the following questions and requests for information:

1. Does CM8 consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "yes":
  - 2.1 Why did CM8 select "no" in its response to the question on the MAP input screen as to whether the Proposed Announcement was "market sensitive"?
  - 2.2 Please comment on why CM8 is of the view that bullet-points 2 and/or 3 to Listing Rule 3.1A did not apply at the time, namely that the Information contained in the Media Release does not:
    - 2.2.1 concern an incomplete proposal or negotiation; and/ or
    - 2.2.2 comprise matters of supposition or is insufficiently definite to warrant disclosure and therefore did not warrant disclosure under Listing Rule 3.1.
3. If the answer to question 1 is "no", please explain the basis and purpose for lodging the Proposed Announcement for release on MAP.
4. Knowing that ASX declined to release the Proposed Announcement on MAP on the basis that ASX did not consider that it was information that warranted disclosure, why did CM8 make the Information public in the Media Release?
5. Please provide ASX with a copy of the LOI with KINN Living. This will not be released to the market.

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6. Please elaborate on what CM8 has been doing with KINN Living to fast-track the development and manufacture of the “WHO-approved alcohol-based hand sanitiser”.
  7. Please provide evidence of the World Health Organisation approval of the hand sanitiser referred to in the Media Release. This will not be released to the market.
  8. Please explain the research conducted by CM8 which:
    - 8.1 “suggests” that “eco-friendly cleaning products account for more than 30% of the prestige household cleaning market”; and
    - 8.2 supports the statement that “[this] space has recorded rapid growth in the last year and has gone crazy since Covid19.”
  9. Please confirm that CM8 is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  10. Please confirm that CM8’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CM8 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 9:30 AM **AEST Monday, 20 April 2020**.

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, CM8’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.

ASX reserves the right to release a copy of this letter and your response on MAP under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at [ListingsComplianceMelbourne@asx.com.au](mailto:ListingsComplianceMelbourne@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 MAP.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to CM8’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 CM8’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.

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### **Suspension**

If you are unable to respond to this letter by the time specified above please request a voluntary suspension under Listing Rule 17.1. If no request for suspension is made by the time specified above, ASX will likely suspend trading in CM8's securities under Listing Rule 17.3.

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Dean Litis**

Principal Adviser, Listings Compliance (Melbourne)