



Annual General Meeting 2017

November 2017

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YOWIE

Contents

- Yowie Overview
- 2017 Performance
- 2018 Objectives & Q1
- Business Model & Growth Strategy
- Country Business Overview
- Marketing and Social Media
- Future Opportunities in Digital
- Corporate Profiles



Modern Living with Kathy Ireland



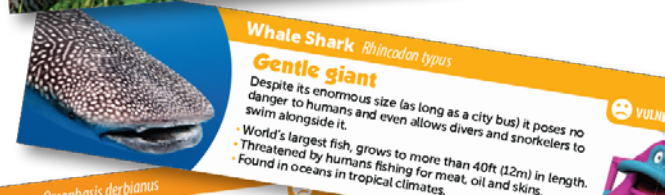
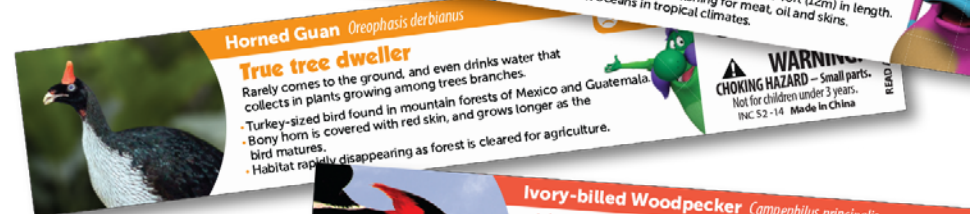
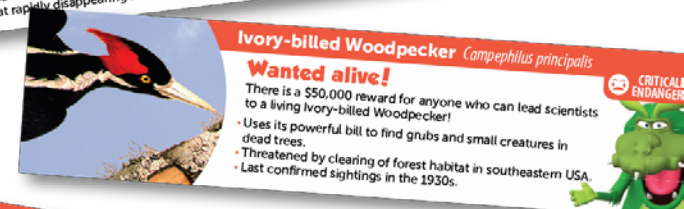
Modern Living Kathy Ireland



Confectionery with a cause

'Save the Natural World'

Yowie confectionery was created to carry this message and educate children.



2017 Accomplishments

- 🐾 Net sales increased 51% to \$19.5M
- 🐾 Gross margin expansion of 300 basis points to 55%
- 🐾 Narrowed EBITDA loss excluding share based payments to \$3.4M from \$4.0M
- 🐾 Increased US market share in Nielsen reported xAOC (extended All Outlet Combined) in front-end chocolate confectionary from 0.70% to 0.98%
- 🐾 Successfully launched Series 2 in US
- 🐾 Yowie is back in the Australian market with 1.4M units sold
- 🐾 The Yowie World social feeds also achieved significant milestones with more than 17 million combined 'Views' on the Yowie World Official YouTube channel and 18.6 million 'Views' on Yowie World Official Facebook.
- 🐾 Initiated a partnership with the Wildlife Conservation Society to enhance "Save The Natural World" credentials
- 🐾 On-boarded significant talent into the organisation



2018 Key Operational Objectives



- 1) Revitalise US sales growth through launch of Series 3 and Discovery World into expanded Tier 1 retail footprint
- 2) Expand distribution in Australia and launch into Canada market. Develop UK via test market
- 3) Innovation focused, Series 4 ready
- 4) Expand chocolate wrapping capacity
- 5) In partnership with Icon Animation, launch Yowie publishing and develop 7 webisodes for Yowie character development



Financial Objectives 2018

- * Net sales growth 55%+,
Q1 flat due to Series launch timing
- * Maintain strong gross margin
above 50%
- * Generate positive EBITDA
Excluding share based comp by Q4
- * Strong working capital position



Q1 2018 Progress



- Net sales \$4.6M (-7%) vs. Q1 2016 driven by innovation and merchandising timing
- Launched Yowie Series 3 & Discovery World Brand in US
- Expanded distribution accounts in US & Australia
- Entry into Canada via Mondoux Confectionery distributor
- Initiated UK test market
- Delivered strong Gross Margin 55%, +200bps vs. Q1 2017
- Launched US marketing campaign with \$1.4m investment
 - 50K Fans Facebook
 - 60K Followers Multi-Channel
 - 3M Reach Multi-Channel
- Recovered Wrapping equipment to support 2019 unit forecast



Q2 Outlook

October sales providing a strong start to the quarter, bolstered by Series 3 in US and Australia sales ahead of expectations

Feature end-cap program at our largest retailer starting in Nov.

US Sales team reorganization gaining new accounts:

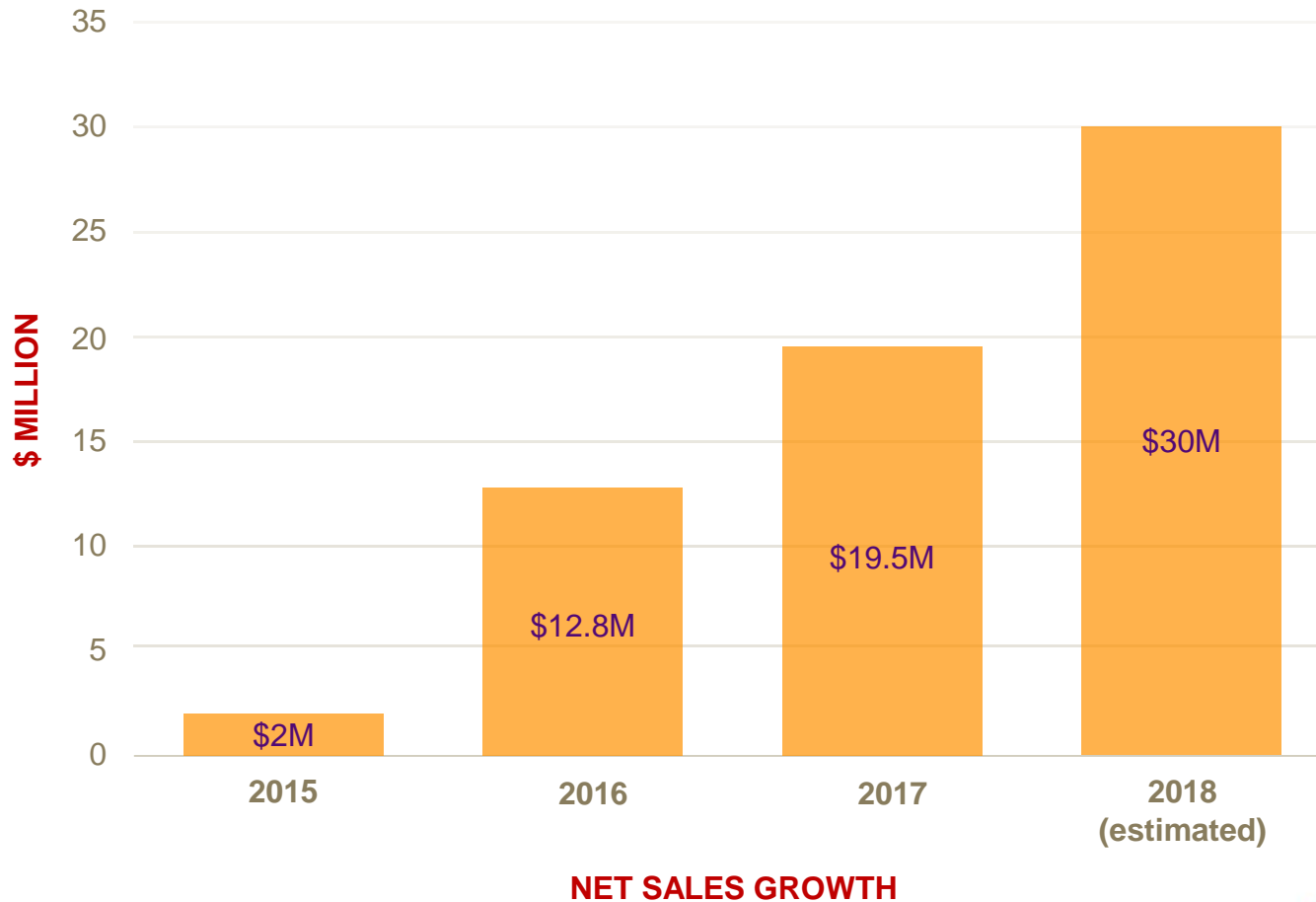
Bed, Bath & Beyond Q1, Love's Q1, Albertson Q3,
Wakefern Q2, 5 Below Q2, Target roll-out Q3
Circle K expansion Q3, Speedway Q3, Michael's Q3,
Sunoco Q3, AMPM Q3

Social Media Campaign hero video: 4.3M views in 48 hours

Gross Margin remains strong



Net Sales Growth '15 to '18



Uses of Funds Outlook 2018 to 2021

Legal Brand Development & Acquisition - \$3M to \$5M

Manufacturing Expansion - \$3M to \$6M

Product Development & Innovation - \$2M to \$5M

M&A opportunities - \$5M to \$10M

Digital Animation Development - \$2M to \$4M

Web site e Commerce - \$1M to \$3M

Market Entries or Expansion - \$4M to \$7M



Profit & Loss Leverage 2018 versus 2017

Selling & Distribution are flat as a % to Net Sales

One added sales person, consolidated YNA CEO and COO positions

Marketing & Merchandising lower as a % of Net sales

Two US campaigns (same) and added full year Australia and Canada

G&A lower as a % of Net Sales

Lower Board and Consulting expenses

G&A includes CEO, Legal, ASX costs, Investor Relations, External Audit Fees (Deloitte), Tax Planning Expenses, Licensing Registrations, Recruitment Fees, Public Relations, Information Technology, Office Expenses & Telephone, Travel



Improved Capabilities for 2018



- Restructured US Leadership and Sales Force deployment
- Accelerated fiscal 2018 innovation cycle with Series 4 ready to launch in US and Series 2 in Australia
- Enhanced production planning process to compliment market cycle
- Developed packaging options to meet retailer needs and product distribution including 3 pack, tube pack, 2X5 display and exclusive
- WTR Explorer pack
- Realigned focus on Yowie Brand opportunities versus external brand licensing
- Targeted alignment marketing investment & product innovation



Growth Strategy

SALES	MARKETING	PEOPLE	SUPPLY	DIGITAL
Channel expansion – U.S market • Increase customer base • Increase breadth & depth of distribution • Market Expansion – Global • Increase Merchandising	Trial, test & learn strategy • Build investment based on results • Social media driven & grass roots • Increase brand awareness • Develop world conservation partnership WCS	Acquire and develop talent • Enhance innovation frequency • Strengthen support functions • Increase sales force	Ensure a reliable and efficient supply chain • Reduce cost of production as scale increases • Seek new sources of supply	Create new revenue streams in new categories • Publishing • Webisodes development • Film and Cartoon

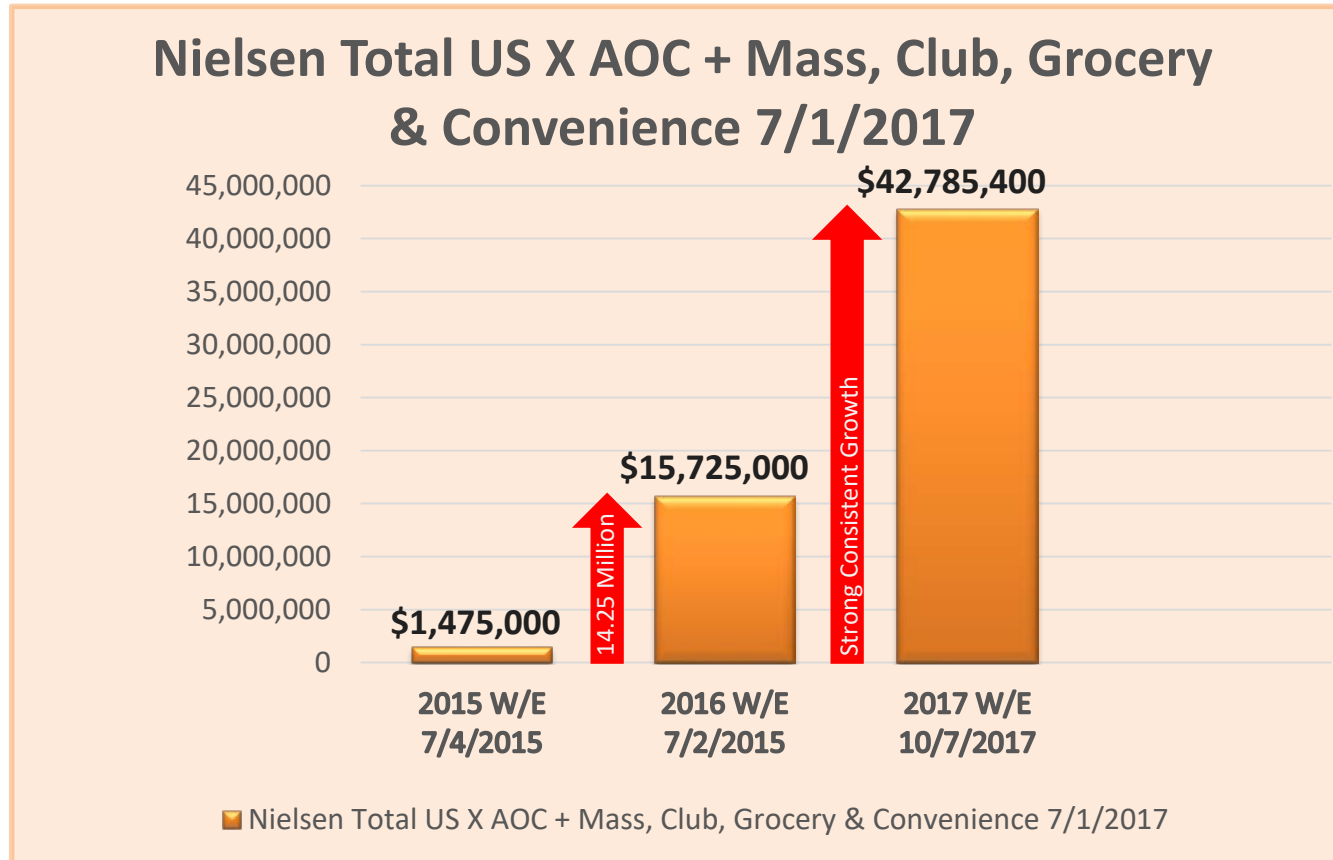


US Chocolate Market Dynamics

- Total 52 Wk. Chocolate Candy retail sales \$11.4B (source IRI)
- Low growth category +1.2% with +90% household penetration
- Seasonal \$2.8B (25%) around 4 holidays (source IRI)
- Healthier snack trends impact consumption
- Social responsibility trends increasing
- Industry consolidating (Ferraro buys Ferrara, Nestle US for Sale)
- Candy Plus (Novelty) expanding with significant increase in offerings. Yowie is the top performer where available
- Traditional retailers losing to e Commerce



Yowie Leads % Category Growth in U.S. Market



Continued rapid growth in U.S. Retail Market

In just three years:

4 Tier-one national retail accounts

Sales across 50 current active
account/account groups

Four-person US based retail sales
team is in place



Packaging Options for Retail



Prominent Position on Front End and Aisle



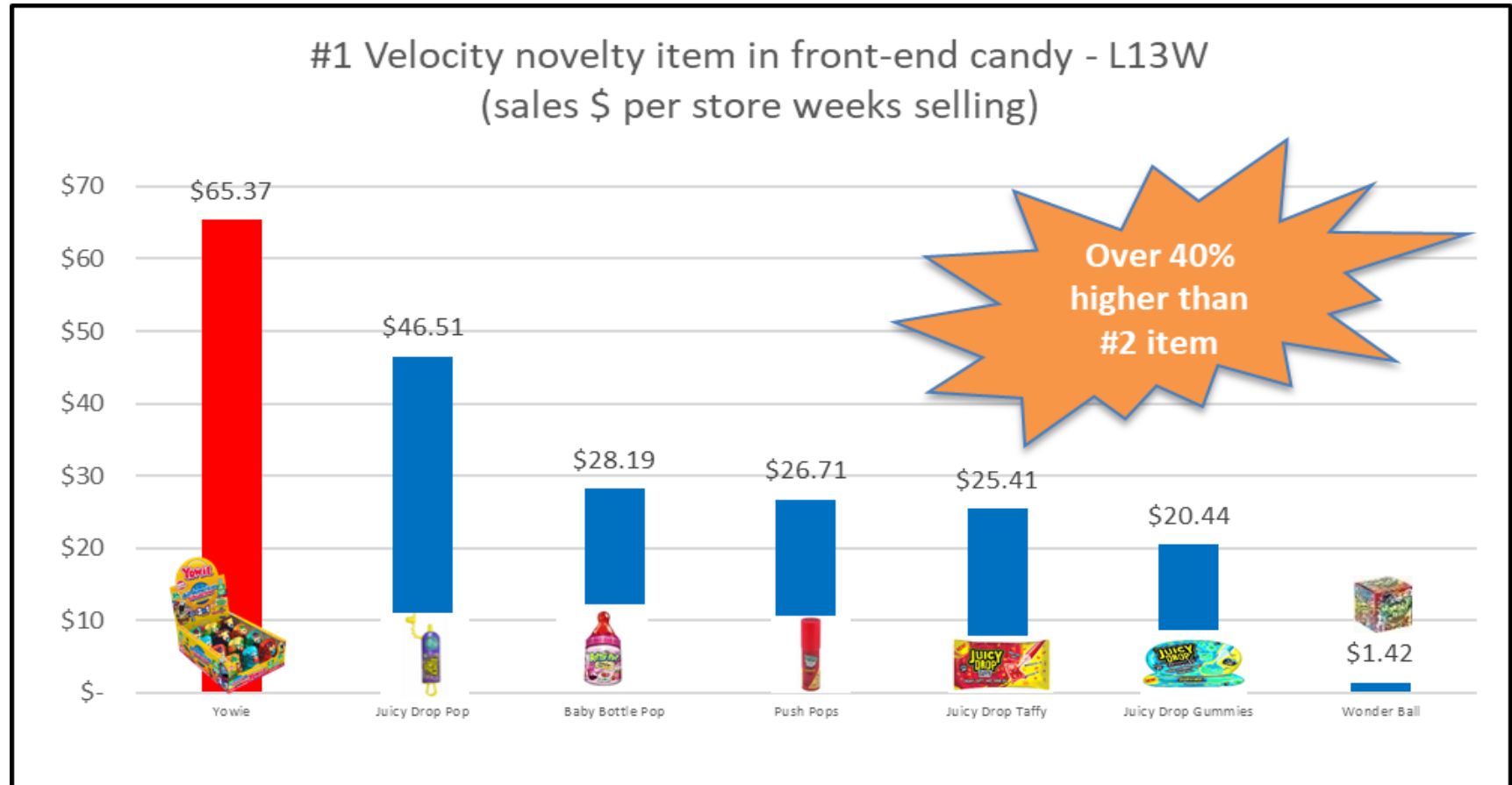
Walmart



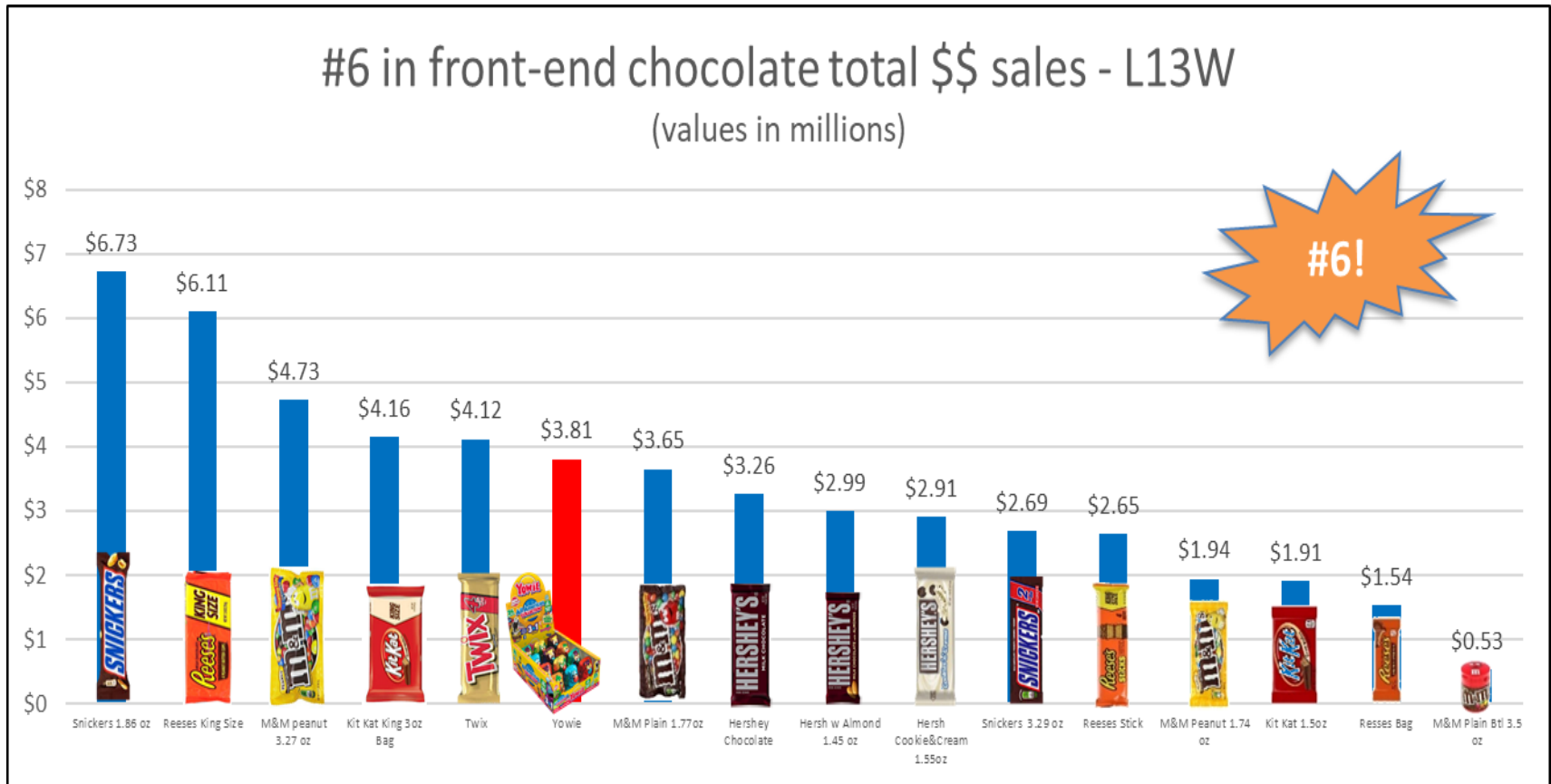
Walgreens



Nielsen Report Oct. 2017 Largest Retailer



Nielsen Report Oct 2017 Largest Retailer



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Competitive products growing in number



Competitive products growing in number



Australia expansion on track



Canada Market Entry



- 🐾 Agreement with Mondoux Confectionery enables access to strong DSD coverage of 8000 C Stores in Quebec and strong distribution capabilities across Canada
- 🐾 Launch will include use of merchandising units as well as counter placed display units
- 🐾 Social media support will begin in Q3 to enhance brand awareness
- 🐾 Margin structure lower reflecting highly competitive fragmented market
- 🐾 Attractive demographics with urban concentration



Yowie & Kinder Display Units Canada

+240 count



In Aisle 15 ft from
Check-out

+240 count



Across from Check-
out 10 ft away

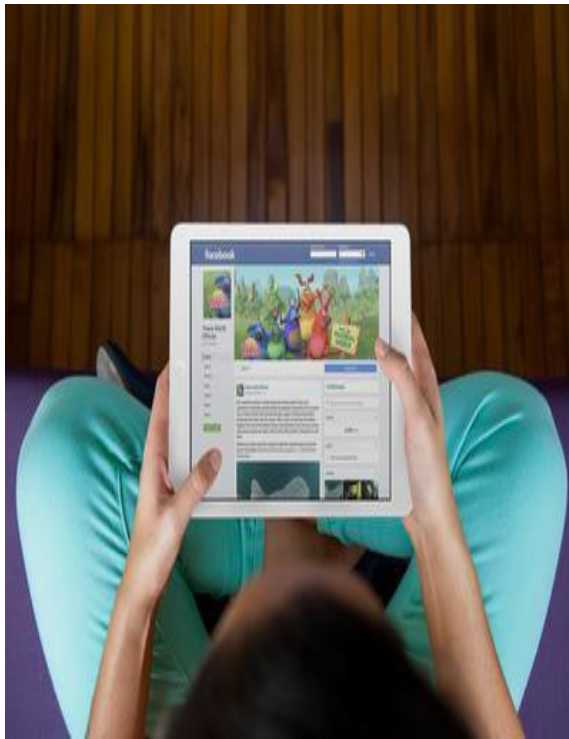
48 Units



15 ft from cash



Social media strategy: Investment



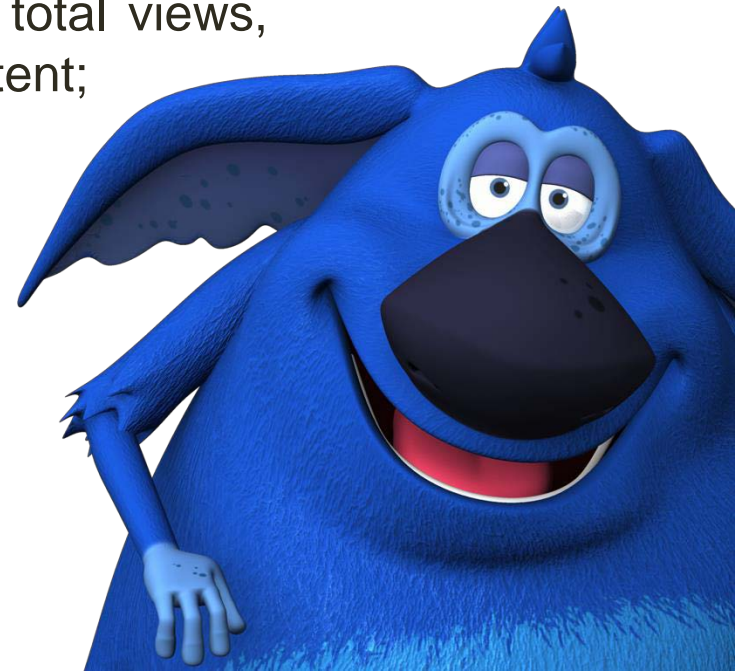
- 🐾 \$2M+ digital marketing ongoing investment through Yowieworld.com, including FREE Yowie App
- 🐾 Includes \$1.4M+ in advertising support with kids influencing Yowie ads for kids
- 🐾 Develop Ads that promote sharing and enhance Brand awareness
- 🐾 Affiliate with local zoos, aquariums and ecology-based venues (WCS)
- 🐾 Free Yowie posters detailing limited edition collectables



Social media strategy: Results



- 🐾 Yowie's social media marketing strategy is gaining traction. The Yowie World Official website has hit a new milestone with over 813K page views, 288K sessions and 216K unique users.
- 🐾 The Yowie app has more than 10,400 downloads since launch;
- 🐾 On Instagram; strategic follows, proactive comments, and proactive likes have grown by 325%;
- 🐾 Yowie's YouTube channel has over 66 million total views, counting both Yowie and user generated content;
- 🐾 Facebook page Likes, Follows have increased from 10k to 55k in 18 months.



Facebook Page Growth - Page Likes

FY2017 Growth

FY2018 Growth YTD

Total Page Followers as of Today: 39,082



Total Page Followers as of Today: 53,919



Marketing Campaign Series 3

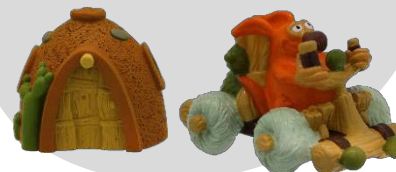
- Series 3 - Rescue Series, Fall 2017
- 26 ToCollect! 3 Super Rare Chase Figures
- Includes 6 Yowie Adversary Characters!
- New Crystal Collection Poster with Rarity Scale
- Yowie World Collector App - Yowie connects you to a network of collectors and swappers
- Yowie rescue Series Download Collector Poster



YOWIE
Adversaries



As seen in
the BOOK SERIES



- Super Crystal Collectible
- Golden Crystal Collectible
- Diamond Crystal Collectible
- Emerald Crystal Collectible
- Sun Crystal Collectible

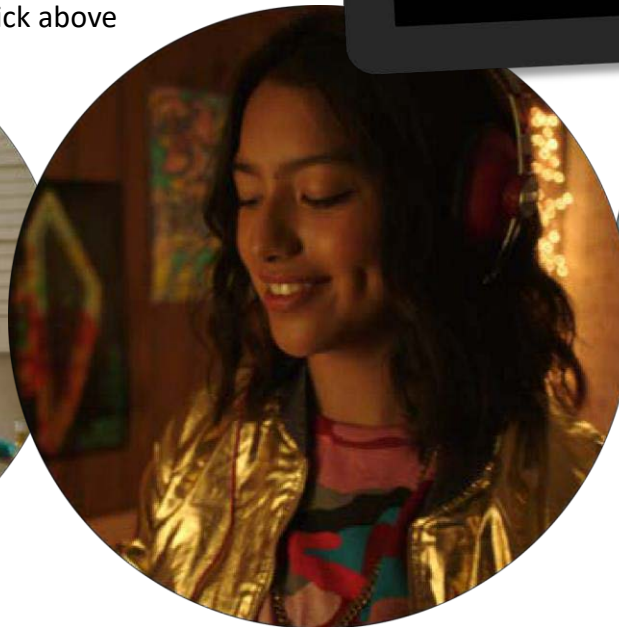
Marketing Campaign Series 3



- 🐾 1.4 Million Dollar Investment on Ad Spend
- 🐾 120 Second Hero Mini-film using VR - Week of Nov 1st - Target 20 Million Impressions, FB, IG, YT, TW
- 🐾 30 Second Commercial Video shot in 20 locations where people use Yowie as an expression – Week of Oct 1st - Target 40 Million Impressions, FB, IG, YT, TW
- 🐾 1 Million Dollar - 7 Webisodes of the Yowie Story made by Icon Films - Spring 2018

[What makes YOU say Yowie?](#)

Click above



Marketing Campaign Series 3

- Investment in Influencer Campaign S3
- Investment in YowieScope Collector App with Augmented Reality Figure detection
- Investment in DIY Videos for capsule recycling
- Marketing campaign overall
 - Total Impressions, over 110 Million!



120 Second Hero Video



Yowie Group's Most Successful Commercial

6.1 Million views in One Week

8.9 Million Reach

Over 20K Engagements (shares, comments, reactions)

[VR Spirit Animal Experience](#)

Click above



Social Media Launch Strategy: Australia & New Zealand



LOCAL PAGE

AUS/NZ

Webpage

- Content
- Parents
- Contact
- Quizzes
- Collections

Webpage

- Content
- Parents
- Contact
- Quizzes
- Collections

Customer service:
Universal/Website
Link

Content: Yowie

GAMES

AUS/NZ

Content

- Yowie World
- Facebook Games
- App Store – Android/IOS

All Territories –
2018 Fall

- Yowie World
- App Store – Android/IOS
- Development: Kidindustries
- Management: Yowie HK
- Content: Yowie

GLOBAL

Selected Lang.

- Yowie World
- Videos
- Community Management: Adolescent

Social

- Content: Adolescent
- Ad Spend: Yowie Group

LOCAL PAGE

Yowie World
ANZ Facebook
Page

- Posts
- Activities
- News
- Guidance
- Community Management: Social Tap
- Content: Social Tap
- Ad Spend: Yowie Group

LOCAL PAGE

Yowie World
ANZ Instagram
Page

- Posts
- Activities
- Community Management: Social Tap
- Content: Social Tap
- Ad Spend: Yowie Group



@DOLESCENT.



Social Media Launch Strategy: Canada



FR EN

French Webpage

- Content
- Parents
- Contact
- Quizzes
- Collections

English Webpage

- Content
- Parents
- Contact
- Quizzes
- Collections

Customer service:
Mondoux/Website
Link

Content: Yowie

EN

English Content

- Yowie World
- Facebook Games
- App Store – Android/IOS

All Languages – 2018 Fall

- Yowie World
- App Store – Android/IOS
- Development: Kidindustries
- Management: Yowie HK
- Content: Yowie

BY USER

Selected Lang.

- Yowie World
- Videos EN
- Videos FR
- Videos NON
- Community Management: Fanology Social
- Content: Adolescent
- Ad Spend: Yowie Group

FR EN

Yowie World Canada Facebook Page

- Content Multi-Lingual
- Guidance Multi-Lingual
- Community Management: Fanology Social
- Content: Adolescent
- Ad Spend: Yowie Group

FR EN

Yowie World Canada Instagram Page

- Posts Multi-Lingual
- Multi-Lingual
- Community Management: Fanology Social
- Content: Adolescent
- Ad Spend: Yowie Group



@DOLESCENT.



Partnership Wildlife Conservation Society

- Founded in 1895 to conserve wildlife and wild places
- Conserves +2M square miles of wild places globally
- Operates in +60 countries and all the world's oceans
- Agreement with Yowie includes educational content and Series 4 co-development
- Partnership funded via royalty to pursue WCS's work that contributes to realizing Yowie Mission
- HELPING TO SAVE THE NATURAL WORLD



Partnership Wildlife Conservation Society



20 New Species Designed by the WCS
6 New Yowie Character Collectibles



Reliable & Efficient Supply Chain

Complexity of Supply Chain increasing

HK/China based Collectible innovation ensures high quality

Third party testing ensures highest product safety profile

Strong partnership with US Chocolate Toll Manufacturer

Added new Co-Packing supplier for increased flexibility

Recovered wrapper to ensure 2019 volume requirements



Reliable & Efficient Supply Chain

Assessing Australia supply for future development

Strong Gross Margin in mid-50% range

Implementing MRP and Inventory Planning module for accuracy

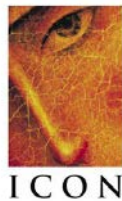
New SVP Supply Chain with significant industry experience



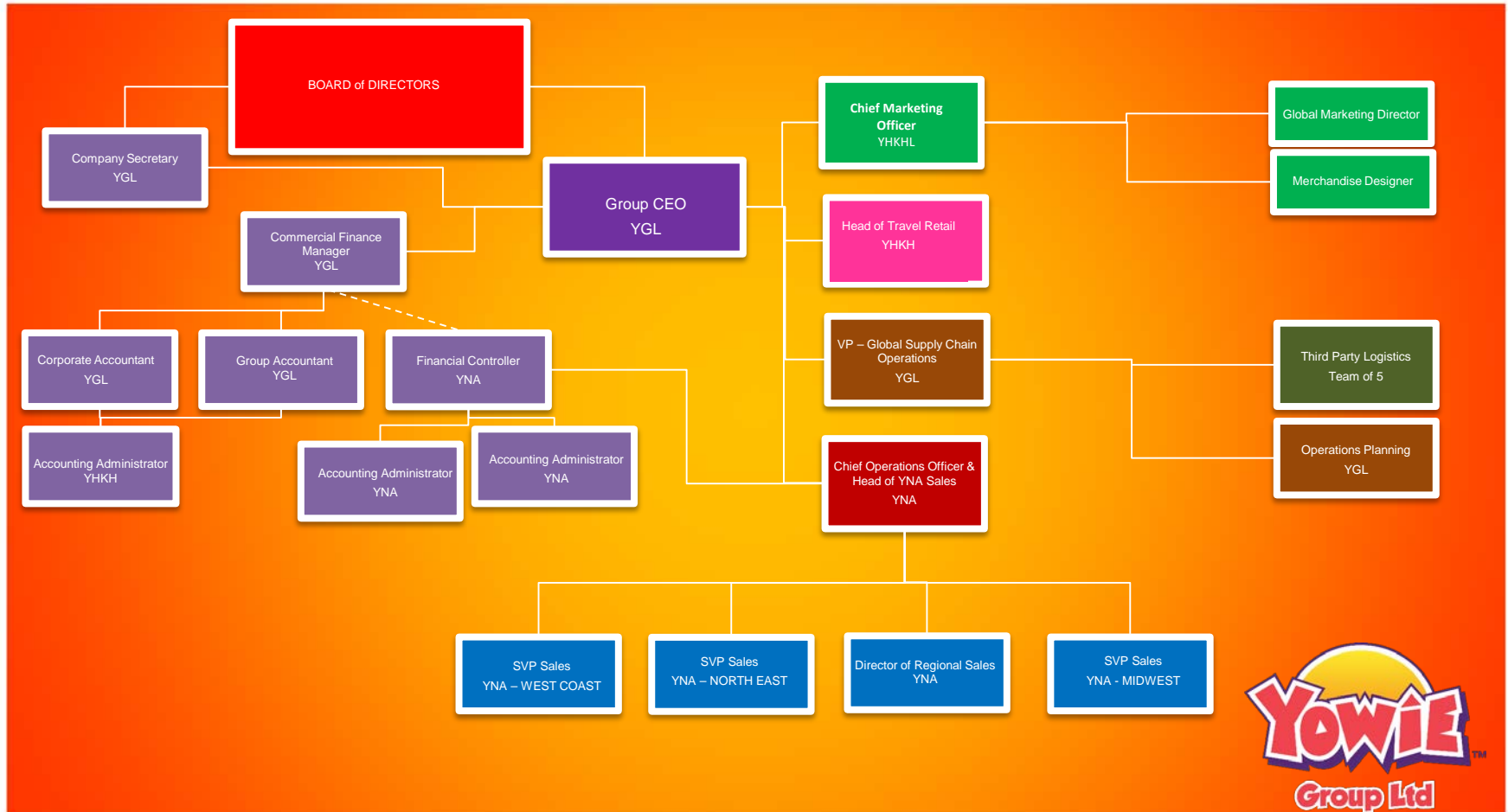
Yowie Webisode & Cartoon Animation Development



- 🐾 Yowie reaches a strategic five year animation agreement with the Bruce Davey - Mel Gibson-backed Icon Animation group in the US to broaden the market appeal of the Yowie story and characters.
- 🐾 Icon will produce seven, three to six minute duration webisodes for release in 2018 over Instagram, YouTube, Facebook and Yowie World, with an aim toward syndicated cartoon series.



Group Organizational Structure



YOWIE



Board & Management Team

Non-Executive Chair:

Louis Carroll

Non-Executive Director:

Trevor Allen

Executive Director:

Patricia Fields

Global Chief Executive Officer:

Bert Alfonso

**President/Chief Operating
Officer/General Manager YNA:**

Mark Schuessler

Chief Marketing Officer:

Cove Overley

**VP, Global Supply
Chain Operations:**

Leo Valle

Why Invest in Yowie?



- 🐾 Fastest growing Novelty Brand in the U.S. with significant category margins
- 🐾 No.1 novelty item in the chocolate category in stores that carry Yowie
- 🐾 On trend Mission supporting conservation and environment
- 🐾 Highest quality collectable in the category
- 🐾 Play and learn digital assets via mobile
- 🐾 Brand attributes with international appeal
- 🐾 Potential to expand into brand licensing and digital media
- 🐾 Cash-backed balance sheet – US\$25m Q1 2018
- 🐾 Management team with deep industry experience



Yowie™

