



8 January 2018

Ms Hayley Pratt
Adviser, ASX Listings Compliance
ASX Compliance Pty Ltd
Level 40, Central Park
152 – 158 St Georges Terrace
Perth WA 6000

Dear Hayley

Yowie Group Ltd – ASX aware query

Yowie Group Ltd (**Yowie** or **the Company**) refers to your letter dated 4 January 2018 and provides the following responses to your letter:

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

Yes - The revised guidance contains a range of information. The board considers the revision to net sales growth guidance (Guidance) would be likely to have a material effect on share price.

- 2. If the answer to question 1 is “no”, please advise the basis for that view.**

Not applicable

- 3. When did YOW first become aware of the Revised Revenue Guidance?**

On 29 December 2017 the board became aware of the need to revise the Guidance. At that point it halted trading in YOW securities.

See further Yowie’s responses below.

- 4. If the answer to question 1 is “yes” and YOW first became aware of the Revised Revenue Guidance before 3 January 2018, did YOW make any announcement prior to 3 January 2018 which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe YOW was obliged to release the information under Listing Rules 3.1 and**

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3.1A and what steps YOW took to ensure that the information was released promptly and without delay.

- (a) On 28 December 2017 management informed directors separately of its opinion that the Guidance should be reviewed and offered an opinion about the extent of the reduction. At 8am (EDST) on 29 December 2017 the board met and concluded that there was a need to revise the Guidance. The board became aware of that need at that time following review, interrogation and discussion of the material provided by management.
- (b) At some time after 8am (EDST) on 29 December 2017 and before commencement of trade on that date, the directors of Yowie determined that Yowie should request a trading halt and Yowie's Company Secretary was instructed to request that a trading halt be implemented prior to the commencement of ASX market trading on Friday 29 December 2017.
- (c) A halt in trading in Yowie's securities was implemented from the commencement of trading on Friday, 29 December 2017 until the commencement of trading on Wednesday, 3 January 2018.
- (d) Over the New Year long weekend, the board spent time forming a considered view of the extent to which sales growth guidance needed to be revised. Having done so, it made the revised guidance available before trading in its securities recommenced from its trading halt on Wednesday, 3 January 2018.
- (e) Yowie considers that by reason of the trading halt being implemented from the commencement of trading on Friday 29 December 2017, it was obliged by Listing Rules 3.1 and 3.1A to announce the information in the Announcement prior to the market opening on Wednesday, 3 January 2018.
- (f) The Announcement was given by Yowie to ASX for release to the market prior to the commencement of trading on Wednesday, 3 January 2018

5. When did YOW first become aware of the information that there was an 11.7% decline in North America net sales?

The board became aware that there was an actual 11.7% shortfall in North American net sales compared to the prior corresponding half year period after the end of the half year on 31 December 2017 and whilst the company was in trading halt.

6. If YOW first became aware of the information that there was an 11.7% decline in the North American net sales before 3 January 2018, did YOW make any announcement prior to 3 January 2018 which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting

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specifically on when you believe YOW was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps YOW took to ensure that the information was released promptly and without delay.

In the context of all information, trading history and disclosures to the market the board is not of the view that the North American H1 2018 shortfall to the prior corresponding period of 11.7% is material. It is relevant to the assessment of the revision of the Guidance. In any event, the board is of the view that the information was disclosed promptly and without delay.

- 7. Please confirm that YOW is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

Yowie confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

- 8. Please confirm that YOW'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 the Entity with delegated authority from the board to respond to ASX on disclosure matters.**

Yowie confirms that its responses to the questions above have been authorised and approved by its board.

Yours sincerely,

A handwritten signature in black ink, appearing to read "N Bassett", with a long horizontal line extending to the right.

Neville Bassett
Company Secretary

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