

## Quarterly Activities Report for the Period to 31 March 2014

### Highlights

- Order placed for 2<sup>nd</sup> high speed confectionary foil wrapping machine
- Achieved production of 1,428,878 Yowie in line with the planned first quarter forecast
- Shipped completed product to distribution centres in Illinois and Texas in preparation of shipping to retailer distribution centres
- Renegotiated US manufacturing and patent agreements to more favourable commercial terms
- Launched Yowie App available for free download
- Successfully raised \$9.1 million in equity capital

### Operations

During the March quarter Yowie Group Ltd:

- Placed an order for a second high speed confectionary foil wrapping machine. The machine is expected to be available for delivery into the St Augustine Florida manufacturing facility in September 2014 and to be fully commissioned and ready for production by October 2014. A second wrapping machine will allow Yowie to double production output at the Florida based manufacturing facility.
- Achieved production of 1,428,878 Yowie in line with the planned first quarter forecast and shipped completed product to distribution centres in Illinois and Texas in preparation of shipping to retailer distribution centres.
- Ordered capsules and packaging materials, including foils, trays cartons, cases and 2 SKU's for the US and Australian markets to produce a further 5,000,000 Yowie.
- Put in place the required Recall, Incident, HACCP and other plans to achieve operating guidelines.
- Arranged global (except Mexico) General Liability and Umbrella Liability Insurance cover.

**Head Office**  
Yowie Group Ltd  
Level 45, 108 St Georges Terrace,  
Perth WA 6000

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Phone +61 8 9486 7066  
Fax +61 8 9486 8066  
ABN 98 084 370 669



## Sales and Marketing

Milestones achieved during the quarter included:

- Successfully launched [www.yowieworld.com](http://www.yowieworld.com) a new Yowie digital experience designed to extend the Yowie brand experience beyond confectionary. Yowieworld.com is free and has been designed to add value to the Yowie confectionery purchase by bringing Yowie collectables to life through games, quizzes, interactive stickers books and soon will also provide 'live' on line connection to endangered animals in zoos, aquariums and wildlife parks. Yowie World provides the opportunity to learn more about the protection of endangered animals and their threats of extinction
- Undertook trade presentations with US and Australian retailers with a promising level of distribution interest.
- Successfully completed three stages in Yowie creative development:
  - New 3D Yowie Characters
  - New Yowie Style Guide
  - New Yowie World digital experience

## Corporate

- The Company successfully raised \$9.1 million through the issue of 13,000,000 ordinary fully paid shares at \$0.70 per share.
- As at 31 March 2014, the Company held cash reserves of \$11.5 million.

Yowie Group Ltd planned progress towards the launch of the Yowie brand in the US and ANZ is well advanced with in-store trials being formulated. Yowie Group Ltd is committed to becoming a respected and successful global brand company.

A handwritten signature in black ink, appearing to read "Wayne Loxton".

Wayne Loxton  
**Executive Chairman**  
**Yowie Group Ltd**

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### **About Yowie**

Yowie Group Ltd is a global brand licensing company specialising in the development of consumer products designed to promote learning, understanding and engagement with the natural world through the adventures and exploits of six endearing Yowie characters. Educating children and adults about the environment and ecology is at the heart of the Yowie proposition.

Yowie Group employs its company-owned intellectual property rights in the outsourcing of the manufacturing and distribution of the Yowie chocolate confectionery product and in the development of a Yowie digital platform and Yowie branded licensed consumer products. The Company's vision for the Yowie brand includes distribution of Yowie product in North America, with further expansion planned into Australia, New Zealand and throughout Asia, where the Yowie brand is known and brand equity remains strong, even with the brand not having been active in the market for around eight years. Expansion into Europe and the Middle East are key strategic priorities for a second-stage brand rollout.

Yowie Group Ltd was first listed on the Australian Securities Exchange [www.asx.com.au](http://www.asx.com.au) in December 2012 under code name 'YOW'. The Company's registered head office is in Perth, Western Australia.

For more information go to [www.yowiegroup.com](http://www.yowiegroup.com)

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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

**YOWIE GROUP LTD**

ABN

98 084 370 669

Quarter ended ("current quarter")

31 March 2014

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	-	-
1.2 Payments for (a) staff costs	-	-
(b) advertising and marketing	(24)	(78)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital <sup>1</sup>	(2,092)	(4,743)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	26	45
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Other (royalty income)	4	10
<b>Net operating cash flows</b>	<b>(2,086)</b>	<b>(4,767)</b>

<sup>1</sup> Includes \$904k purchases of raw materials and manufacturing costs for the current quarter and \$2,018k year to date.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	(2,086)	(4,767)
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property (product development)	(181)	(562)
(d) physical non-current assets	(68)	(240)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(249)</b>	<b>(802)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(2,335)</b>	<b>(5,569)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	9,214	14,561
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other (capital raising costs)	(352)	(667)
<b>Net financing cash flows</b>	<b>8,862</b>	<b>13,894</b>
<b>Net increase / (decrease) in cash held</b>	<b>6,527</b>	<b>8,325</b>
1.21 Cash at beginning of quarter/year to date	5,063	3,222
1.22 Exchange rate adjustments to item 1.21	(58)	(15)
1.23 <b>Cash at end of quarter</b>	<b>11,532</b>	<b>11,532</b>

+ See chapter 19 for defined terms.

## Payments to directors of the entity and associates of the directors

### Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	180
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments include:

- Payments of directors' fees and consulting fees to directors

## Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

## Financing facilities available

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	11,532	5,063
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>		<b>11,532</b>	<b>5,063</b>

**Acquisitions and disposals of business entities**

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	-	-
5.2	Place of incorporation or registration	-	-
5.3	Consideration for acquisition or disposal	-	-
5.4	Total net assets	-	-
5.5	Nature of business	-	-

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+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: N J Bassett  
(Company Secretary)

Date: 23 April 2014

Print name: Neville Bassett

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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