



# Investor Presentation

July 2013

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YOWIE GROUP LIMITED



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# Yowie Group Limited

A new global brand owner  
and licensing company

# YGL Capital Structure

## Issued Capital

- Market capitalization AUD \$9million
- 59,236,535 fully paid Ordinary shares
- 29,799,052 Listed Options - exercise price 20c – expiry Dec 15, 2015
- Top 40 Shareholders control over 80% of Yowie Securities



# New Capital Structure incl. \$5m



| Top 5 Shareholders                                                                            | Shares            | %                 |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|
| K. P. Hudson                                                                                  | 12,034,353        | 21                |
| Daleford Way                                                                                  | 4,500,000         | 8                 |
| C&L. Lubich & Family PF                                                                       | 2,750,000         | 5                 |
| Seefeld Investments                                                                           | 2,700,001         | 5                 |
| Loxton Investment                                                                             | 2,354,000         | 4                 |
| <b>Total</b>                                                                                  | <b>24,338,354</b> | <b>42</b>         |
| Related Party                                                                                 | Shares            | Options           |
| Wayne Loxton                                                                                  | 5,290,667         | 3,050,000         |
| Bob Watson                                                                                    | 4,500,000         | 2,250,000         |
| Mark Avery                                                                                    | 1,350,000         | 675,000           |
| Patricia Fields                                                                               | 300,000           | 150,000           |
| <b>Total held by Directors</b>                                                                | <b>11,440,667</b> | <b>6,125,000</b>  |
| <b>Total Shares Options on issue</b>                                                          | <b>59,236,535</b> | <b>29,799,052</b> |
| <b>% held by Directors</b>                                                                    | <b>20%</b>        | <b>21%</b>        |
| Effect of Capital Raising                                                                     | Shares            | Options           |
| <b>Total shares/options on issue currently</b>                                                | <b>59,236,535</b> | <b>29,799,052</b> |
| <b>\$5 mill Capital raising (assuming shares issued at 15 cents per share) = 36% of total</b> | <b>33,333,333</b> |                   |
| <b>Expanded Capital Post Raising</b>                                                          | <b>91,569,868</b> | <b>29,799,052</b> |

# \$5 million Capital Raising Use of Funds

The use of funds for the \$5m raising is as follows:

- Purchase 2 wrapping machines – \$1,000,000
- Initial inventory (6 million units) – \$2,000,000
- US rollout marketing – \$500,000
- First fill chocolate, foil, cartons, trays – \$500,000
- Working capital – \$1,000,000



# Board & Management Team

- Executive Chair : Wayne Loxton
- Executive Director COO : Mark Avery
- Non Executive Director : Bob Watson
- Non Executive Director : Patricia Fields



# Director Bios

**Executive Chairman:** Wayne Loxton – extensive corporate executive experience spanning over 30 years at M.D. & Director level across companies, disciplines and international markets

**Executive Director:** Mark Avery – a former CEO of ThemeSTAR (AEGIS), division of Anschutz Entertainment Group who operate 100+ venues globally with revenues of \$1bill annually. Over 30 years experience in the entertainment industry across global market operations and leveraging entertainment intellectual properties

**Non Executive Director:** Bob Watson – a successful CEO, Company Director and entrepreneur with over 30 years experience building, managing & directing private and public companies globally. Director of Seek for 14 years from initial investor to active Director and Chairman. The Seek business grew to ASX Top 100 with \$3.5bill market capitalization

**Non Executive Director:** Patricia Fields – led the development & commercialization of the Yowie brand for Cadbury Schweppes Asia Pacific into \$100mill retail brand. 20+ years commercial and brand experience in FMCG industry, an ex Global Director for Cadbury Schweppes Plc.





# Yowie Brand History

- First launched in ANZ market in 1995
- 31 million units sold in 20 weeks (surpassed FY projection)
- 65 million units sold in first full year (\$100 million retail)
- Over 2 million children's books sold
- Yowie achieved No 1 in sales in children's book category
- Yowie rolled out into Singapore, Japan & UK markets
- Extensive licensing program – across food & non-food
- Yowie stole 30% market share from global and local established market leader Kinder Surprise
- In less than two years Yowie achieved 36.2% value share of Australian's childrens confectionery market
- Yowie became the No 1 selling single unit confectionery line in the ANZ market



# Yowie - An Award Winning Brand

## 1997 Sial D'or International Industry Trade Show

- Best new global supermarket product
- Best new global confectionery product

## Australian Market Awards

- Best in the Business - Business Review Weekly
- Best New Aus. Supermarket Product
- Best New Product - Safeway Food Stores
- Most Innovative & Best New Product - Foodweek Magazine



# Yowie Brand Ownership

- 1992 Partnership formed between Kidcorp (creators) & Cadbury
- Cadbury owned parts of Asia Pacific (only) – excluding China/India
- Kidcorp retained ownership to the rest of world including key growth opportunity markets of India, China & US



# Yowie Brand Ownership

- Cadbury were not interested in non food licensing opportunities (non-core business)
- Licensing was key to Yowie award winning success
- Cadbury investment and interest focused on company owned core brands and investment in Yowie was not supported
- Kidcorp finally secured full buyback in 2012 with Kraft takeover of Cadbury
- YGL now pursuing Yowie global brand potential – worldwide confectionery rollout plus extensive licensing & digital program



# Yowie Brand Profile

- Outstanding international award winning brand
- Highly differentiated best in class creative
- Global market potential
- Worldwide appeal across gender, age and culture
- Cross category licensing growth opportunity
- Relevant and timely ecology/environmental positioning
- Collector cult following
- Play & Learn proposition



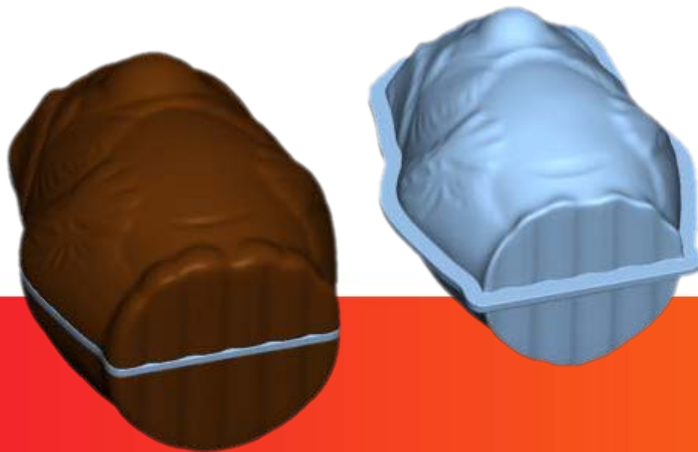
# Yowie Key Objectives

- Build a global confectionery led brand
- Launch a broad range of licensed products worldwide
- Establish a commercially successful digital platform



# The Yowie US Opportunity

- Yowie has exclusive rights to US Patents #5,925,321 & #6,099,872 valid until 2019
- Patents allow FDA approved production of non imbedded chocolate toy product
- US market opportunity represents 315 million people







# US Agreements in Place

- Manufacturing : Whetstone Chocolate Company
- Patent : Hank Whetstone /Secure until 2019
- Manufacturing Technology: Hank Whetstone/Secure until 2020
- \*Inclusions : Perfect Productions Hong Kong Ltd
- \*US Market Distribution: Ferrara Candy Company
- Digital Development: The Little Big Partnership

\* At final draft



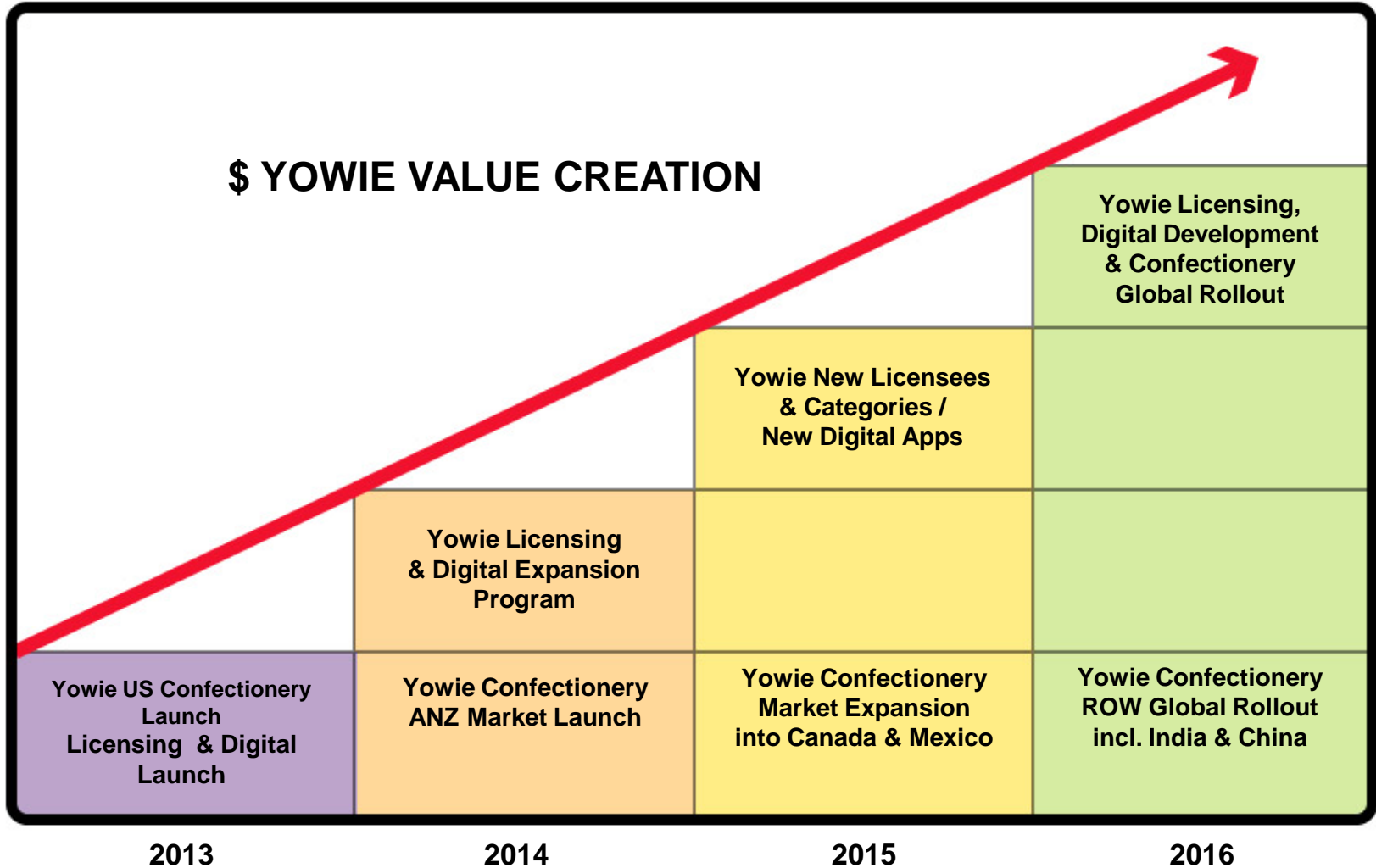
# US Launch Key Dates

## 2013 On Schedule Program

- April:** Factory acceptance packaging trials in Germany
- May:** Factory commissioning wrapping machine in Florida US
- June:** 90 Day US production trial commences
- Aug:** Inclusion/capsule production commences in China
- Sept:** US production commences
- Nov:** First shipment leaves factory for retail distribution



# Growth Strategy



# Yowie Strengths

- Experienced Board with unique experience – key capability in entrepreneurial start-ups, global brand management, international markets, digital & licensing development
- Yowie proven brand with strong equity still remaining in ANZ market plus internet fan base
- Patent protection in the US market
- Strong, experienced manufacturing & distribution alliances identified and in place
- Capital structure highly leveraged to share price with Top 40 controlling over 80% of securities
- Following capital raising YGL fully funded for U.S. full market Yowie rollout
- Board is committed to initially reinvest earnings for growth with an aggressive dividend policy once cash flow allows
- Short lead time to commence Yowie rollout in world's biggest consumer market

# Yowie Challenges

- Need to secure faster acceleration of manufacturing output to realize full value of US market patent
- Growth and expansion to outpace competition
- New investment to increase manufacturing capacity and allow expansion into new markets – ANZ/Canada/Mexico/China/India...



# Key Competitive Advantage

- US exclusive rights Patent
- Award winning proven brand
- Product offer and experience advantaged vs. worldwide market leader (Kinder Surprise)
- Global brand licensing opportunities
- Global digital platform including Mobile Apps



# Yowie Confectionery Product



# Yowie vs. Kinder Surprise on shelf







1. High Speed Foiling & Wrapping
2. Series 1 Inclusions
3. Confectionery Manufacturing



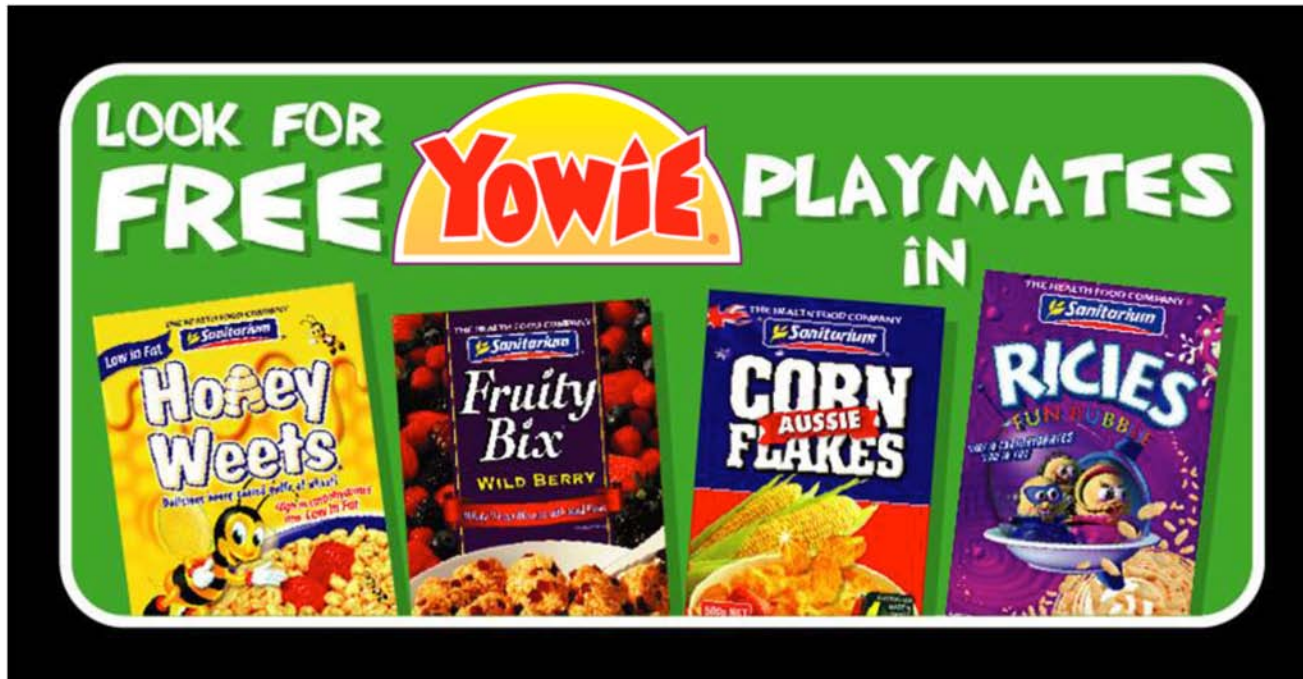


# Brand Strategy

- Extensive launch sampling program
- Off location power wing displays to build stock weight in store
- Limited edition natural replica inclusions
- Mobile app & digital platform
- Cross category licensing program
- Environmental play & learn



# Licensing & Digital – Core Value Drivers in Yowie Growth Strategy



Food Licensing



# Non-food Licensing



Body Boards



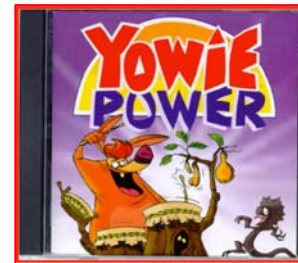
Garden Seeds



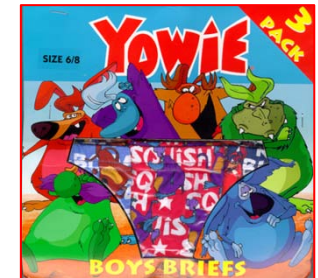
Puzzles & Games



Pencil Case & Satchel

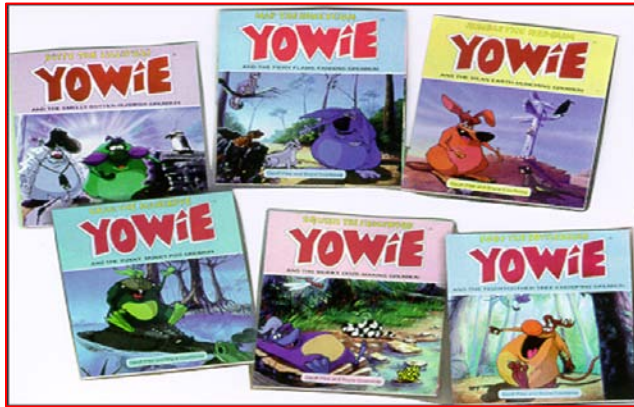


Music CDs  
& Games



Jocks n Socks

# Non-food Licensing



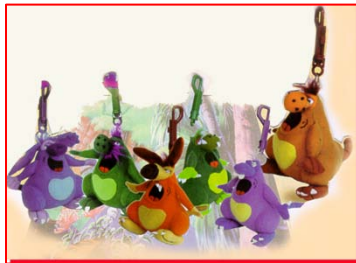
Publishing



Bubble Bath  
& Shampoo



Caps



Beanies & Danglers

# Digital Apps



# Yowie Brand Success

- A Winning Formula:
- Six endearing Yowie characters
- Portion controlled at 27gms
- Consumer preferred Cadbury chocolate
- High definition character foils for market impact & shelf standout
- Token inclusion with ecology story & trading value
- Premium natural replica collectable creature inclusions
- Yowie Power Supporters Club
- Collector cult following
- Extensive licensing and digital program
- Core proposition – Play & Learn - ecology and the natural world resonated strongly with consumers



# Invest in Yowie Today!

Yowie is a significant new value creating growth opportunity

- Exclusive patent rights to US market
- Global brand licensing opportunity
- Worldwide digital platform including mobile apps opportunity
- Global new markets/product expansion and growth opportunity
- Yowie is a proven brand winner ready to take its place on the world stage

**Invest for success .....in Yowie today!**







Coming soon to a store near you!

