



June 4, 2018

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

### Operational Update and New Series 4 Launch

Yowie Group Ltd (ASX:YOW) ("Yowie" or "the Company") is pleased to provide the following operational update:

- Continued growth in distribution across all US distribution channels
- Significant cost cutting program implemented; \$3m annualized savings
- Series 4 Launch in the US

#### Distribution Growth

In line with the Company's key strategic priority of increasing distribution, Yowie's share of the US market continues to increase as we add new accounts ranging the Yowie brand. Yowie is steadily growing the percentage of stores across North America that carry the Yowie brand to 42.1%\* in April (36.9% in April 2017).

The Convenience (17.1% from 9.1% a year ago) and Grocery (18.2% from 14.3% a year ago) channels have made the biggest gains during 2018. Yowie anticipates this distribution to steadily increase with the additions of CVS, 7-11 and other significant regional grocery and convenience chains.

#### Cost Cutting

Yowie has implemented an aggressive cost cutting process that is expected to yield over US\$3 million in annual savings compared to FY 2018. These savings have been achieved through reducing headcount, re-focusing and reducing marketing expenditure, restructuring the Company's sales and distribution network and the closing of the Company's Hong Kong office.

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## Series 4 Launch and Yowie Scope

Yowie announced the introduction of US Series 4, in support of the Wildlife Conservation Society and YowieScope Collector's App at the National Confectioner's Association Sweets and Snacks Show May 22-24 in Chicago.

Series 4, named the Wildlife Conservation Society Series (WCS) includes many of the conservation organization's leading flagship species including the Siberian Tiger and the Snow Leopard.

"This set of collectibles is our most detailed, researched series to date," said Cove Overley, Global Chief Marketing Officer. "The release of this new series is timed with the introduction of our latest App, Yowie Scope™ where children, families and collectors will be able to learn more about the species they collect in each Yowie with updated information, photos, videos and fun facts about the species they have collected. This type of engagement is a breakthrough in both collectible toys and novelty confections and it allows us to learn more about the interest of the Yowie collectors and helps drive a desire to complete collections with repeat purchasing."

- Yowie Scope™ can only be used when purchasing and collecting Yowie Surprise Chocolate.
- Each animal and character can be scanned and placed on a virtual collection gallery.
- Educational Information is updated to bring attention to the research and conservation status.
- A leaderboard allows users to compete for the best collections status.

"Yowie Scope delivers on the Yowie mission with new experiences and attracts new customers as we look to gain after-sales engagement," said Mark Schuessler, Global CEO.

"It is encouraging to report that we are making good progress on delivering our strategic priorities of increasing distribution and improving our cost base. Yowie is now a leaner, efficient and more focused Company. Innovation remains a consistent strength, as Series 4 and Yowie Scope prove. We expect these market leading initiatives to be well received and drive growth," said Mark Schuessler, Global Chief Executive Officer and Group Managing Director.

For more information, please visit [www.yowieworld.com](http://www.yowieworld.com), [www.yowiescope.com](http://www.yowiescope.com) or the group website at [www.yowiegroup.com](http://www.yowiegroup.com)

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### **About Yowie Group Ltd**

Yowie Group Ltd is a global brand licensing company specializing 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. 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 on the company go to [www.yowiegroup.com](http://www.yowiegroup.com)

The Yowie consumer website can be found at [www.yowieworld.com](http://www.yowieworld.com)

### **About Sweets and Snacks Expo**

The Sweets and Snacks show is an annual conference and exposition held in Chicago each Spring. The Show hosts retail and wholesale confectionery buyers from all over the world and provides an effective way to showcase confectionery products from the US and around the world.

### **About Wildlife Conservation Society**

Wildlife Conservation Society (WCS) was founded in 1895 as the New York Zoological Society (NYZS) and currently works to conserve more than two million square miles of wild places around the world in 16 priority regions, home to more than 50% of the world's biodiversity.

### **About Nielsen Retail Measurement**

Nielsen is a global leader in retail measurement services. Our purchasing data offers comprehensive and timely information on market shares, competitive sales volumes and insights into distribution, pricing, merchandising and promotion.

\* Percentage relates to the Nielsen measurement of the number of stores that carry the Yowie brand, thus indicating product availability to the consumer, based on ACV (All Commodity Volume) xAOC (eXtended All Outlets Combined: Food, Drug, Mass, Convenience).

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**Disclaimer**

This Announcement contains interpretations and forward-looking statements that are subject to risk factors associated with the confectionary and retail industries. You are cautioned not to place reliance on these forward-looking statements, which are based on the current views of the Company on future events. The Company believes that the expectations reflected in the announcement are reasonable but may be affected by a variety of variables and changes in underlying assumptions, which could cause actual results to differ substantially from the statements made.

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