

## Quarterly Activities Report for the Period to 31 December 2013

### Highlights

- First shipment of Yowie inclusions arrived in Florida
- Yowie chocolate delivered to Florida manufacturing facility
- First order of Yowie packaging materials received
- Successfully raised \$3.5 million in equity capital

### Operations

During the December quarter Yowie Group Ltd:

- Received the first shipment of Yowie capsules, containing Yowie limited edition collectables and information leaflets, into the Yowie chocolate factory in Florida. This followed the launch series of Yowie inclusions successfully passing independent production quality assurance during the previous quarter.
- Yowie chocolate was delivered to the Florida manufacturing facility following successful consumer testing and evaluation by over 1000 US adults and children.
- Received at the Florida manufacturing facility the first order of Yowie packaging materials including foils, trays, cartons and cases necessary to commence production.

### Sales and Marketing

Milestones achieved during the quarter included:

- New Yowie computer generated 3D characters have been completed to a stage suitable for future evolution into television and film quality character animation.
- A new Yowie Style Guide has been created detailing Yowie brand identity and intellectual property including specifications and application guidelines in preparation for expansion into licensing.
- A \$2million digital experience Yowie World.com has been completed ready for public launch in February
- A wide range of high quality market launch materials from packaging, merchandising and point of sale through to trade presenter in video format have been finalised in preparation for Yowie launch in both the US and ANZ markets.
- Product sampling has commenced to key strategic partners.

#### Head Office

Yowie Group Ltd  
Level 9, 190 St George's Terrace,  
Perth WA 6000

PO Box 7315, Perth WA 6850  
Phone +61 8 9486 7066  
Fax +61 8 9486 8066  
ABN 98 084 370 669





## Corporate

- The Company successfully raised \$3.5 million pursuant to the Prospectus dated 18 November 2013.
- As at 31 December 2013, the Company held cash reserves of \$5.1 million.

Yowie Group Ltd planned progress towards the launch of the Yowie brand remains on schedule together with Yowie Group Ltd.'s strategy and commitment to becoming a respected and successful global brand company

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

## 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 December 2013

### Consolidated statement of cash flows

| Cash flows related to operating activities                | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| 1.1 Receipts from customers                               | -                          | -                                     |
| 1.2 Payments for (a) staff costs                          | -                          | -                                     |
| (b) advertising and marketing                             | (53)                       | (54)                                  |
| (c) research and development                              | -                          | -                                     |
| (d) leased assets   | -                          | -                                     |
| (e) other working capital <sup>1</sup>                    | (1,605)                    | (2,651)                               |
| 1.3 Dividends received                                    | -                          | -                                     |
| 1.4 Interest and other items of a similar nature received | 10                         | 19                                    |
| 1.5 Interest and other costs of finance paid              | -                          | (1)                                   |
| 1.6 Income taxes paid                                     | -                          | -                                     |
| 1.7 Other (royalty income)                                | 2                          | 6                                     |
| <b>Net operating cash flows</b>                           | <b>(1,646)</b>             | <b>(2,681)</b>                        |

<sup>1</sup> Includes \$880k purchases of raw materials for the current quarter and \$1,114k year to date.

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

|  | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|--|----------------------------|---------------------------------------|
| 1.8 Net operating cash flows (carried forward)       | (1,646)                    | (2,681)                               |
| <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)      | (296)                      | (381)                                 |
| (d) physical non-current assets                      | (172)                      | (172)                                 |
| (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>(468)</b>               | <b>(553)</b>                          |
| <b>1.14 Total operating and investing cash flows</b> | <b>(2,114)</b>             | <b>(3,234)</b>                        |
| <b>Cash flows related to financing activities</b>    |                            |                                       |
| 1.15 Proceeds from issues of shares, options, etc.   | 3,440                      | 5,347                                 |
| 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)                   | (212)                      | (315)                                 |
| <b>Net financing cash flows</b>                      | <b>3,228</b>               | <b>5,032</b>                          |
| <b>Net increase (decrease) in cash held</b>          | <b>1,114</b>               | <b>1,798</b>                          |
| 1.21 Cash at beginning of quarter/year to date       | 3,825                      | 3,222                                 |
| 1.22 Exchange rate adjustments to item 1.20          | 124                        | 43                                    |
| 1.23 <b>Cash at end of quarter</b>                   | <b>5,063</b>               | <b>5,063</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<br>\$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

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<br>\$A'000 | Amount used<br>\$A'000 |
|-----|-----------------------------|-----------------------------|------------------------|
| 3.1 | Loan facilities             | -                           | -                      |
| 3.2 | Credit standby arrangements | -                           | -                      |

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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<br>\$A'000 | Previous quarter<br>\$A'000 |
|---|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank  | 5,063                      | 3,825                       |
| 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>5,063</b>               | <b>3,825</b>                |

**Acquisitions and disposals of business entities**

|   | Acquisitions<br>(Item 1.9(a)) | Disposals<br>(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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## 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 ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:     N J Bassett  
                  (Company Secretary)

Date: 31 January 2014

Print name:   Mr 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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