



Investor Presentation

September 2017

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YOWIE

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What is Yowie?

Confectionery • Collectables • Yowie World

Yowie Group Ltd is a global brand licensing company specialising in the development of consumer products designed to promote learning and increase both understanding and engaging with the natural world through the adventures and exploits of six endearing Yowie characters.



Confection with a cause

'Save the Natural World'

Yowie confectionery was created to carry this message to educate children.



Attwater's Prairie Chicken *Tympanuchus cupido attwateri* **CRITICALLY ENDANGERED**

Boom-boom bird

During the breeding season, males put on spectacular displays, inflating their orange throat sacs and making loud booming calls.

- Since 1900, population has dropped from about 1 million to a few hundred.
- Threatened by loss of prairie habitat.
- Now found only in two nature reserves in Texas.

Whale Shark *Rhincodon typus* **VULNERABLE**

Gentle giant

Despite its enormous size (as long as a city bus) it poses no danger to humans and even allows divers and snorkelers to swim alongside it.

- World's largest fish, grows to more than 40ft (12m) in length.
- Threatened by humans fishing for meat, oil and skins.
- Found in oceans in tropical climates.

Horned Guan *Oreophaps derbianus* **CRITICALLY ENDANGERED**

True tree dweller

Rarely comes to the ground, and even drinks water that collects in plants growing among trees branches.

- Turkey-sized bird found in mountain forests of Mexico and Guatemala.
- Bony horn is covered with red skin, and grows longer as the bird matures.
- Habitat rapidly disappearing as forest is cleared for agriculture.

WARNING: CHOKING HAZARD - Small parts. Not for children under 3 years. INC S2-14 Made in China

Ivory-billed Woodpecker *Campephilus principalis* **CRITICALLY ENDANGERED**

Wanted alive!

There is a \$50,000 reward for anyone who can lead scientists to a living Ivory-billed Woodpecker!

- Uses its powerful bill to find grubs and small creatures in dead trees.
- Threatened by clearing of forest habitat in southeastern USA.
- Last confirmed sightings in the 1930s.

Black-footed Ferret *Mustela nigripes* **CRITICALLY ENDANGERED**

Super senses

Hunting in prairie dog burrows at night, relies on sharp hearing and powerful sense of smell to locate prey.

- Stealthy nocturnal predator found on the Great Plains of North America.
- Long, slender body and short powerful legs ideal for hunting in burrows.
- Endangered by habitat loss and decline in prairie dog numbers.

CE **0-3** **WARNING: CHOKING HAZARD - Small parts. Not for children under 3 years. INC S2-9 Made in China**

READ AND KEEP THIS LABEL



Investment highlights



- 🐾 Fastest growing Novelty Brand in the U.S. with significant category margins
- 🐾 No.1 novelty item in the chocolate category in stores that carry Yowie
- 🐾 On trend Mission supporting conservation and environment
- 🐾 Highest quality collectable series in the category
- 🐾 Play and learn digital assets via mobile web
- 🐾 Track record of significant growth to date
- 🐾 Brand attributes with international appeal
- 🐾 Potential to expand into brand licensing and digital media
- 🐾 Cash-backed balance sheet – US\$26.8m at end FY17
- 🐾 Management team with deep industry experience



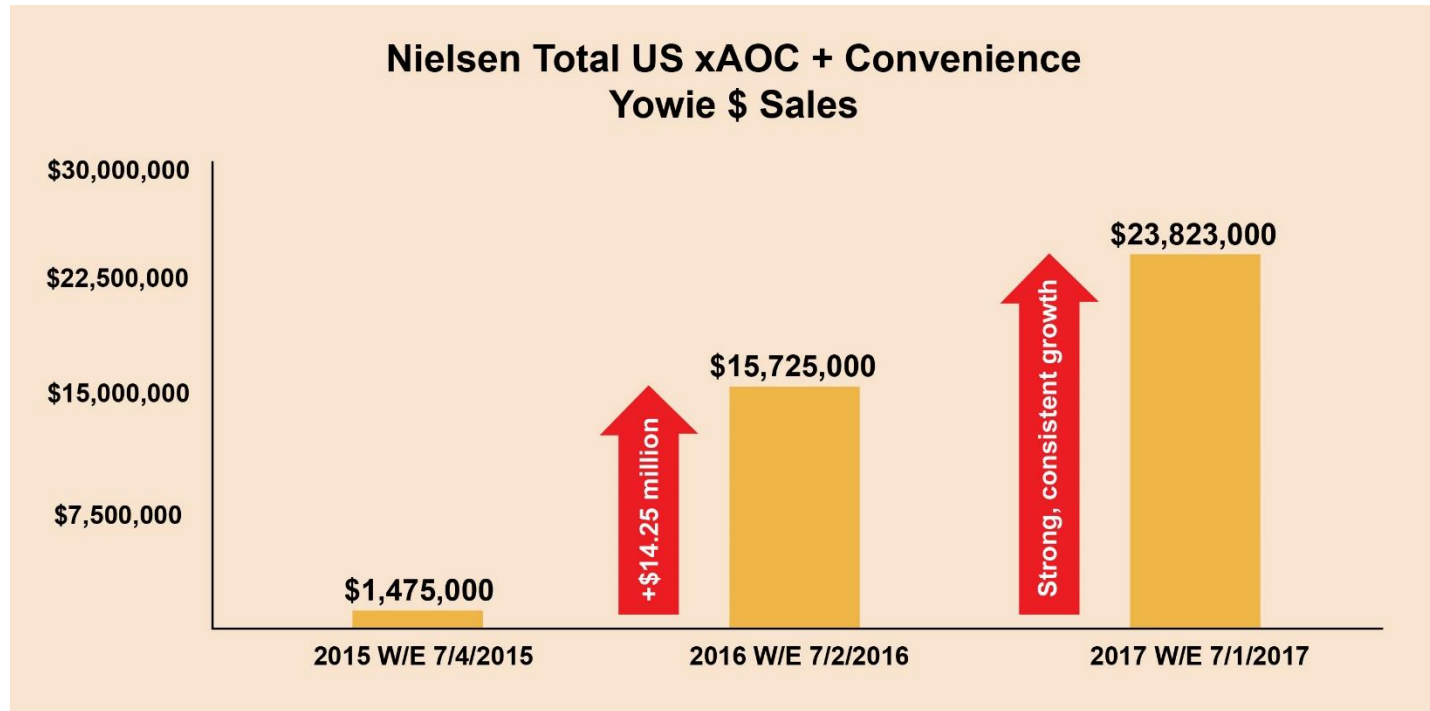
Highlights 2017



- Net sales increased 51% to \$19.5M
- Gross margin expansion of 300 basis points to 55%
- EBITDA loss excluding share based payments in 2017 narrowed to \$3.38M from \$4.07M in 2016
- Increased distribution in Grocery and Convenience where ACV increased from 7.4% on a 52 week basis to 10.5% on a 4 week basis in Convenience and from 9.4% to 13.5% in Grocery over the same periods.
- Increased US market share in Nielsen reported xAOC (extended All Outlet Combined) representing Grocery, Drug Mass, Dollar and Club channels in front-end chocolate confectionary from 0.70% to 0.98%
- Increased key account penetration through entry into Dollar General, Target, Meijer, and several Kroger divisions
- Successfully launched Series 2 with sales of around 12 million units
- Successfully launched Yowie back into the Australian market with key retailers including Kmart, Toys R Us, Big W, K-Mart, selected IGA stores and the Reject Shop. Net Sales for Australia in FY2017 were US\$1.91 million.
- The Yowie World social feeds also achieved significant milestones with more than 17 million combined 'Views' on the Yowie World Official YouTube channel and 18.6 million 'Views' on Yowie World Official Facebook.
- Initiated a partnership with the World Conservation Society to enhance "Save The Natural World" credentials including a jointly developed Collectable series
- On-boarded significant talent into the organisation



Category Leading Growth in U.S. Market



Source: Nielsen Total US xAOC + Convenience 7/1/2017



2017 Net Cashflow

| Cashflow from: | US\$ |
|---|-------------|
| Operating activities (\$19.2M Receipts from customers less \$24.2M payments to suppliers and employees) | (5,071,941) |
| Investing activities (\$537K PPE and \$538K Intangibles – Series & Other IP Development) | (1,083,205) |
| Financing activities (\$780K Stock option exercises) | 780,327 |
| Net cash flows for the year | (5,374,819) |



Cash Reserves

| | Consolidated | |
|---------------------|--------------|------------|
| | 2017 | 2016 |
| | US\$ | US\$ |
| Cash at bank | 26,108,980 | 9,963,309 |
| Short-term deposits | 768,600 | 21,729,956 |
| | 26,877,580 | 31,693,265 |



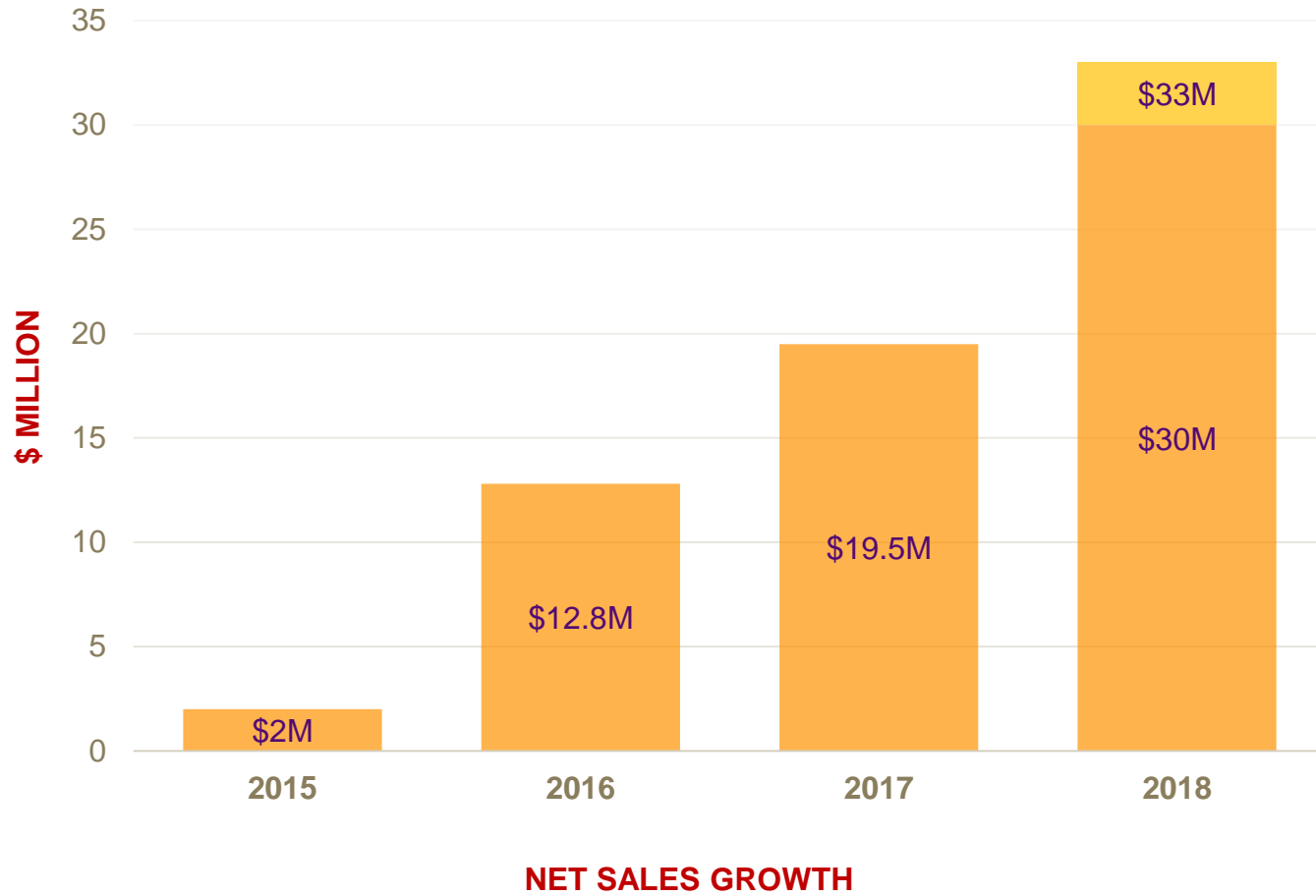
2018 Key Objectives



- 1) Revitalise US sales growth through launch of Series 3 and Discovery World into expanded Tier 1 retail footprint
- 2) Expand distribution in Australia and launch into Canada market. Develop UK via test market
- 3) Outlook: Revenue growth of 55% to 70% over 2017
- 4) Generate positive EBITDA x-share based comp in 2018
- 5) In partnership with Icon Animation, launch Yowie publishing and develop 7 webisodes for Yowie character development
- 6) Monetize web sales through merchandise offerings



Net Sales Growth '15 to '18



Financials Overview 2018

- * Net sales growth 55% to 70%,
Q1 flat due to series launch timing
- * Maintain strong gross margin
above 50%
- * Generate positive EBITDA
x share based comp
- * Generate positive after tax profits in Q4
- * Strong working capital position



Growth Strategy

SALES

Channel expansion – U.S market

- Increased customer base
- Increased breadth & depth of distribution
- Market Expansion – Global
- Increase Merchandising

MARKETING

Trial, test & learn strategy (as per sales)

- Build investment based on results
- Mixed media & key market testing
- Increase brand awareness
- Develop world conservation partnerships

PEOPLE

Acquire and develop talent

- Enhance innovation frequency
- Strengthened support functions
- Increase sales force

SUPPLY

Ensure a reliable and efficient supply chain

- Reduce cost of production as scale increases
- Seek new sources of supply

DIGITAL

Create new revenue streams in new categories

- Publishing
- Webisodes development
- Film and Cartoon



Continued rapid growth in U.S. Retail Market



In just three years:

3 Tier-one national retail accounts

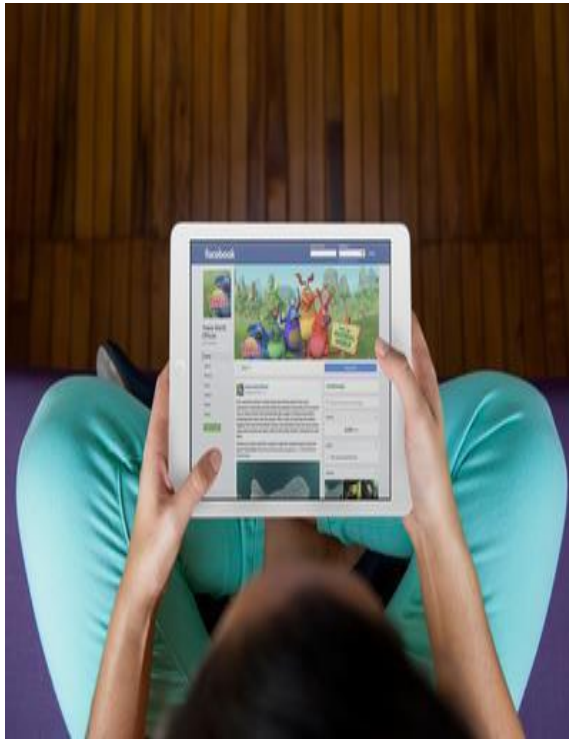
40,000+ Stores

Sales across 50 current active account/account groups

Four-person US based retail sales team is in place



Social media strategy: Investment



- 🐾 \$2M+ digital marketing ongoing investment through Yowieworld.com, including FREE Yowie App
- 🐾 Includes \$1.5M+ in advertising support with kids making Yowie ads for kids
- 🐾 Engage In-Store promotional opportunities with annual Eco C
- 🐾 Affiliate with local zoos, aquariums and ecology-based venues (WCS)
- 🐾 Host local Yowie Collectors 'Swap Meets' – to trade, swap and share
- 🐾 Free Yowie posters detailing limited edition collectables

Social media strategy: Results



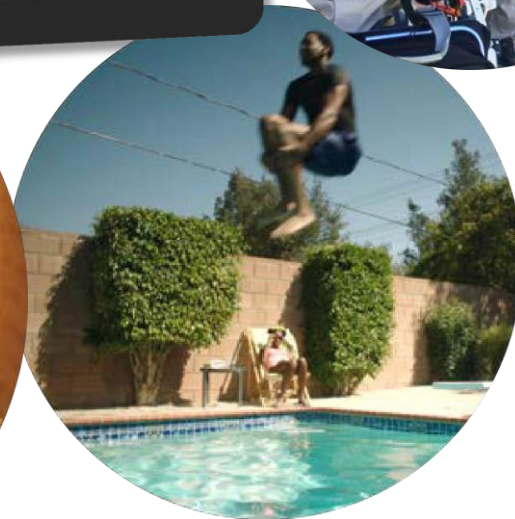
- 🐾 Yowie's social media marketing strategy has paid dividends already. The Yowie World website has hit a new milestone with over 221K unique visitors since it launched, including 31K in August alone;
- 🐾 The Yowie app has more than 10,000 downloads since launch;
- 🐾 On Instagram, strategic follows, proactive comments, and proactive likes have grown by 324%;
- 🐾 Yowie's YouTube channel has over 60 million total views, counting both Yowie and user produced videos;
- 🐾 But no platform has shown growth quite like Facebook, as shown on the next slide, with more than 900% YoY growth;



Marketing Campaign Series 3



- 🐾 1.4 Million Dollar Investment on Ad Spend
- 🐾 120 Second Hero Mini-film using VR - Week of Oct 1st - Target 20 Million Impressions, FB, IG, YT, TW
- 🐾 30 Second Commercial Video shot in 20 locations where people use Yowie as an expression – Week of Nov 1st - Target 40 Million Impressions, FB, IG, YT, TW
- 🐾 1 Million Dollar - 7 Webisodes of the Yowie Story made by Icon Films - Spring 2018



Marketing Campaign Series 3

- 500K - 6 Book Series December 2017
- 250K - Investment in Influencer Campaign
- 200K - Investment in Yowie Collector App with QR Code Release
- 100K - Investment in DIY Videos for Capsules
- TOTAL: Over 3.5 Million Marketing campaign
- Total Impressions, over 110 Million!



Marketing Campaign Series 3



- Series 3 - Rescue Series, Fall 2017
- 26 To Collect!
- Includes 9 Yowie Adversary Characters!
- New Crystal Collection Poster with Rarity Scale
- Yowie World Collector App - Yowie and Species come to life on your mobile device and connects you to a network of collectors and swappers
- Yowie Honeycomb Collector case online exclusive released



YOWIE Adversaries



As seen in the BOOK SERIES



- Super Crystal Collectible
- Golden Crystal Collectible
- Diamond Crystal Collectible
- Emerald Crystal Collectible
- Sun Crystal Collectible

Series 3 Critically Endangered Species



Black Rhinoceros (*Diceros bicornis*)

Horned high speed herbivore

The fastest rhino in the world, the black rhinoceros can reach 34 mph (55 km/h), as fast as a car driving through the city!

- Lives in grasslands of eastern Africa.
- Their dung has a unique smelly signature so they can tell whose poo is whose!
- Feeds on leaves, branches and fruit of low bushes and shrubs.
- Close to extinction due to widespread poaching for horns.



Western Lowland Gorilla (*Gorilla gorilla gorilla*)

A powerful ape ape ape!

Gorilla groups are led by adult males called "silverbacks". They weigh over 550 pounds (250 kg), as big as three adult humans.

- Makes its home in the forests of western Africa.
- Eats mostly fruit and leaves.
- Critically endangered due to poaching and loss of forest habitat.



Chinese Pangolin (*Manis pentadactyla*)

Super scaly, super weird

This bizarre mammal resembles a scaly anteater, and defends itself by curling up into a ball.

- Found in the forests of east Asia.
- Hunts at night for insects, digging up ant and termite nests, capturing food with its 16' (40cm) long sticky tongue.
- Critically endangered and near extinction from poaching for food.



Series 3 Critically Endangered Species



Lar Gibbon (*Hylobates lar*)

Loud strong swinger

Also known as the white-handed gibbon, this primate swings between branches using its powerful arms and hooked hands.

- Found in the rainforests of southeast Asia.
- Eats mainly fruit, but is very selective – will taste fruit for ripeness before eating. Endangered from deforestation and the pet trade.
- Every morning they send loud calls through the forest marking their territories.

 ENDANGERED



Tasmanian Devil (*Ambystoma californiense*)

Not just a cartoon

This marsupial may not look like the famous cartoon, but can fly into a screaming, teeth-baring rage when threatened.

- Native to forests on the Australian island state of Tasmania.
- Nocturnal – scavenges at night for birds, snakes, fish and insects.
- Endangered and rapidly disappearing from deadly disease affecting only Tasmanian devils.

 ENDANGERED



Numbat (*Myrmecobius fasciatus*)

A "bat" that can't fly?

Don't be fooled by the name – the numbat isn't actually a bat, but a kind of marsupial.

- Nests in hollow logs in the woodlands of southern and western Australia.
- Feeds exclusively on termites, one of the few marsupials active during the day.
- Endangered status due to being hunted by foxes.
- Uses long snout and pointed tongue to eat around 20,000 termite per day.

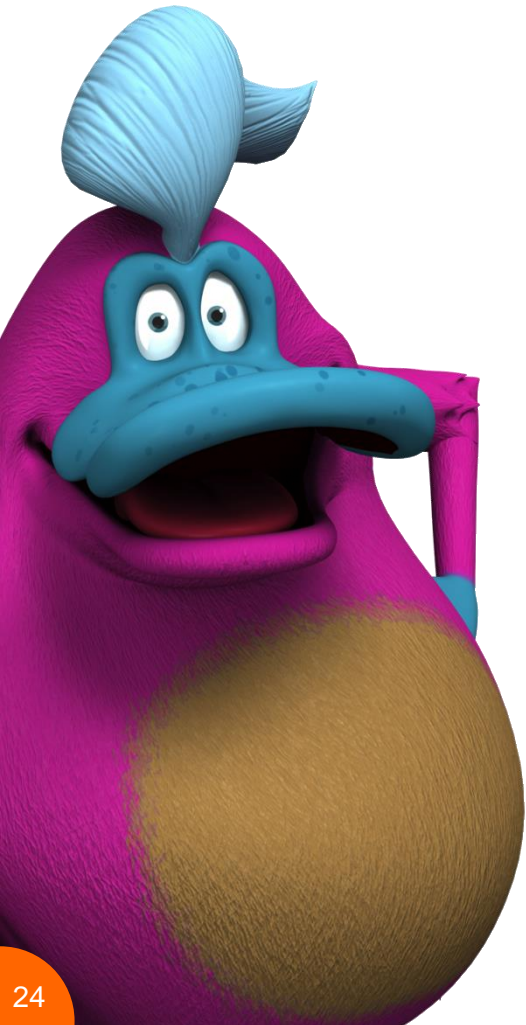
 ENDANGERED



Australia expansion on track



Free downloadable poster



26 To collect!

YOWIE RESCUE SERIES

3RD LIMITED SERIES

YOPTER Perfect for a morning joyride or a Greenie spotting patrol

GNASH The uber-cool tree-climbing Greenie

CRUDD The sulky mucky 300 Grammy

SLUDGE The fuzzy, fuzzy, fuzzy Greenie

YURT Cool on these blinding summer days and warm on frosty winter nights

SPARK The fiery flame-fueled Greenie

OOOZE The fuzzy ooze-making Greenie

CRUSHA The team spirit-munching Greenie

YOG The perfect delivery vehicle due to its smooth ride

Year Crystal Collectible
 Golden Crystal Collectible
 Diamond Crystal Collectible
 Emerald Crystal Collectible
 Rare Crystal Collectible

CRITICALLY ENDANGERED

- Backlan Camel (Middle East)
- Orange-Bellied Parrot (New Zealand)
- Western Lowland Gorilla (Central Africa)
- Black Rhinoceros (South Africa)
- Chinese Pangolin (East Asia)

ENDANGERED

- Chimpanzee (Africa)
- Mumbat (Northwest India)
- Tasmanian Devil (Australia)
- Lar Gibbon (Southeast Asia)

VULNERABLE

- African Bush Elephant (Africa)
- Blue-Winged Goose (Australia)
- Red Panda (China)
- Hippopotamus (Africa)

NEAR THREATENED

- Lion (Africa)
- Southern Ground Hornbill (Africa)
- Sun Bear (Malaysia)
- Strange-Nosed Chameleon (Africa)

FREE APP!
 Download on the App Store
 GET IT ON Google Play

NEAR THREATENED
 VULNERABLE
 ENDANGERED
 CRITICALLY ENDANGERED

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Competitive products growing in number



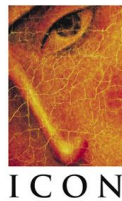
Competitive products growing in number



Yowie animation & film development



- Yowie reaches a strategic five year animation agreement with the Bruce Davey - Mel Gibson-backed Icon Animation group in the US to broaden the market appeal of the Yowie story.
- Icon will produce seven, three to six minute duration webisodes for release at Easter 2018 over Instagram, YouTube, Facebook and Yowie World, with a planned cartoon series to follow.



Historical financial performance

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Revenue (US\$) | 19,896,944 | 13,062,662 | 2,376,983 | 119,409 | 43,186 |
| Net Loss (US\$) | (7,297,601) | (7,397,939) | (2,791,076) | (5,913,790) | (2,420,900) |
| Closing Share Price (A\$) | 0.31 | 0.93 | 0.98 | 0.56 | 0.165 |
| Number of Shares | 214,055,365 | 206,372,375 | 139,230,199 | 117,824,223 | 70,594,871 |
| Market Capitalisation (A\$) | 66,357,163 | 191,926,309 | 136,445,595 | 65,981,565 | 11,648,154 |



YOWIE

Management Team

Non-Executive Director:
Trevor Allen

Executive Director:
Patricia Fields

Global Chief Executive Officer:
Bert Alfonso

**President/Chief Operating
Officer/General Manager YNA:**
Mark Schuessler

Chief Marketing Officer:
Cove Overley

**VP, Global Supply
Chain Operations:**
Leo Valle



Yowie™

