



26 May 2025

March 2025 Quarterly Activities Report

Yowie Group Limited (ASX: YOW) (the “Group” or “Yowie”) Yowie, a leading novelty confectionary brand is pleased to provide this Quarterly Activities Report based on unaudited results and Q3 FY25 Appendix 4C:

(all numbers are stated in United States Dollar, unless otherwise stated)

- Yowie has delivered a successful turnaround in its seasonal sales performance, shifting from a prior-year loss to a quarterly after tax profit. While seasonal revenues in previous years (Christmas and Easter) were higher, the Company was losing money on every sale. In contrast, Q3 FY25 reflects targeted, strategic decision-making in cost control, product improvement, and disciplined sell-in—leading to positive seasonal returns for the first time in the Company’s seasonal sales history.
- It is important to highlight that while we have materially reduced costs and made strategic improvements across the business, Yowie is currently starved of working capital as a result of the default by Keybridge Capital Limited (ASX: KBC) (Keybridge) of its at-call loan. Yowie urgently requires capital to fund the NBA launch and the next phase of Ernest Hillier’s seasonal sales. Despite positive momentum, ongoing media attention surrounding the debt owed by Keybridge has limited the Company’s ability to access alternative working capital facilities. Yowie is vigorously pursuing this debt recovery and notes that it has announced an intention to make an all-scrip takeover offer for Keybridge to seek control of Keybridge’s operations.

Highlights:

- Q3 EBITDA for quarter of \$33k vs previous corresponding period loss of -\$707k.
- Q3 net profit of \$65.4k after interest income.
- Q3 Group net operating cash inflow of \$59k, up from prior corresponding period outflow of -\$495k.
- Q3 Group net sales of \$3.95m, down 23.0% on prior corresponding period (pcp) (Q3 FY24: \$5.13m).
- Q3 North America net revenue of \$2.34m, down 8.6% on pcp (Q3 FY24: \$2.56m).
- Q3 Australia net revenue of \$1.61m, down 37.4% on pcp (Q3 FY24: \$2.57m).
- Changes to the Board and Leadership team, Mr Diesel Schwarze and Mr Daniel Agocs were appointed as Non-Executive Directors on 1st of April 2025 and Mr Leo Valle, Country Manager of Yowie North America, announced his retirement effective 30th April 2025.
- Ernest Hillier recorded a profit (\$146.7k) for the quarter, following the investment which has been made in improving production facilities and its food safety certifications.
- Yowie is in the later stages of preparing for the launch of its NBA-themed product range. The Company is finalising production and sales initiatives ahead of the planned release in FY26 which requires investment to meet its potential.



- During the quarter, Yowie called in its loan facility with Keybridge. Yowie continues to pursue full recovery of the outstanding loan balance and is assessing a range of capital management options. The Company will provide shareholders with updates on any material developments.
- Recent U.S. tariff developments on Chinese imports impact Yowie's input costs, with a partial temporary reprieve, this primarily affects its toy components, which are now sourced directly from the factory rather than through third parties which was how Yowie operated for 10 years. Had we not taken this step to go direct to the manufacturer, Yowie's unit economics combined with the recent tariffs would have made the business unsustainable.
- Cash on hand as at 31 March 2025 was \$197k.

Operational Review:

North America

Yowie North America net revenue was \$2.34m.

Cocoa Prices & Sales

While cocoa prices have increased significantly due to global supply shortages and rising demand, Yowie Group Ltd (ASX: YOW) elected not to implement price increases, in contrast to many industry peers. The Company believes that strategically investing margin to maintain current pricing will support stronger sell-through and reinforce customer loyalty.

Yowie continues to advance the launch of its upcoming NBA product range and maintains an active sales pipeline. However, during the quarter, a major customer implemented changes to store layouts within Yowie's product category, resulting in a material reduction in store facings. Based on historical sales per facing, this adjustment is expected to reduce annual revenue by up to approximately US\$1.9 million.

The Company is actively pursuing initiatives to mitigate the impact, both tactically with the affected customer and strategically through new customer acquisition and product development.

U.S. Tariffs Impact

Yowie continues to closely monitor the USA and China tariff situation. As previously advised, Yowie manufactures its US distributed product in the US, however, it sources inputs for that product from around the world. The two material inputs are chocolate and toys. The latter Yowie sources from China, at a budgeted cost of US\$2.5 million a year. Yowie is assessing alternative sourcing options, including any manufacturing options within the USA for its toys, however there can be no certainty that such arrangements can be implemented.

NBA Yowie Launch Update

Yowie is in the advanced stages of preparing for the launch of its NBA-themed product range. While significant progress has been made across product development, production planning, and sales strategy, the launch has experienced delays primarily due to broader supply chain disruptions and ongoing volatility in key input costs, including tariffs on imported toy components and record-high cocoa prices. Despite these challenges, the Company remains excited about the potential of the NBA range and continues to work closely with suppliers and partners to finalise preparations. Yowie now



anticipates a launch in FY26 and believes the product will be a strong addition to its portfolio, supporting future growth initiatives.

Leadership Transition

Mr. Leo Valle, Country Manager of Yowie North America, announced his retirement effective 30th April 2025. The Board extends its sincere gratitude to Mr Valle for his leadership and significant contribution to the brand's growth in the U.S. market over the past eight years and wishes him well in his retirement.

Australia

Yowie Australia net revenue was \$1.61m.

Easter sales were completed during the quarter across Yowie's owned brand and licensed brands including *Bluey*, *AFL*, and *NRL*. Products were sold nationally through major retailers, with strong sell-through rates achieved leading into the Easter period. Following the implementation of targeted improvements across the seasonal portfolio — including cost controls, product enhancements, price adjustments, and more disciplined sell-in volumes — the Company delivered a significant year-on-year performance improvement.

The Ernest Hillier chocolate manufacturing facility in Coburg played a critical role in producing and assembling key Easter product lines across the portfolio, and Yowie looks forward to building on this operational capability in future seasonal periods. Recently, a news story about Ernest Hillier and its history featured on Channel 7 News.

The Ernest Hillier operation continued to strengthen its business practices with the successful implementation of the Sedex SMETA 4-Pillar audit framework — a comprehensive assessment of ethical, social, and environmental standards across operations and the supply chain. Combined with the Company's existing FSC 22000 food safety certification this enhancement positions Ernest Hillier to elevate its responsible business practices and better service Tier 1 clients.

Post quarter-end, the rejuvenated *Ernest Hillier* brand now launched a limited Easter range into selected Melbourne metropolitan retailers. A broader rollout, including chocolate bars, chocolate-coated products, and gift items, is planned for the fourth quarter.

Financial and Corporate Overview

- Group net sales for Q3 FY25 was \$3.95m down 23.0% versus prior year, with the Ernest Hillier operations generating a profit for the quarter.
- During the quarter, Yowie called in its loan facility with Keybridge Capital Limited (ASX: KBC). On 9 February 2025, Keybridge appointed a voluntary administrator, with the administration ending on 8 May 2025, based on a funding facility provided by Keybridge's largest shareholder, WAM Active Limited. Yowie is a major creditor of Keybridge and continues to pursue full recovery of the loan balances outstanding (which are currently approximately \$4.15 million) and is actively assessing a range of capital management options. Yowie will continue to monitor developments and will update shareholders as further information becomes available.
- To strengthen its governance and support efforts to recover a material debt from related party Keybridge, Yowie appointed two independent Non-Executive Directors, effective 1 April 2025, being:



- Mr Diesel Schwarze, an award-winning advertising director with extensive experience working with global brands such as Chanel and Louis Vuitton, will provide brand storytelling and creative expertise aligned with Yowie's consumer growth strategy.
- Mr Daniel Agocs brings significant operational experience across logistics, manufacturing, and wholesale sales, supporting Yowie's efforts to navigate global supply chain challenges and expand its wholesale reach.
- On 12 May 2025, Yowie announced a 15% placement which raised \$324K.

The Board and management continue to thoroughly review costs across all aspects of the business, including raw materials costs, staffing structure, and sales and distribution models.

ASX additional Information

The aggregate amount of payments to related parties and their associates in the current quarter cash flows from operating activities were \$0.35m, comprising directors fees, salaries and superannuation.

This ASX announcement has been approved for the release by the board of Yowie Group Ltd.

ENDS

About Yowie

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. The Company's vision for the Yowie brand is to distribute on a widening basis the Yowie product in North America and ANZ, with further international expansion.

DISCLAIMER

This Announcement contains interpretations and forward-looking statements that are subject to risk factors associated with the confectionery 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.

The Company and its Directors, agents, officers or employees do not make any representation or warranty, express or implied, as to endorsement of, the fairness, accuracy or completeness of any information, statement, representation or forecast contained in this announcement and they do not accept any liability for any statement made in, or omitted from, this Announcement.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Yowie Group Limited

ABN

98 084 370 669

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows	Current quarter \$US'000	Year to date \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers ¹	3,024	10,398
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs ²	(2,046)	(6,821)
(c) advertising and marketing	(29)	(81)
(d) leased assets	-	-
(e) staff costs	(591)	(1,644)
(f) administration and corporate costs	(331)	(940)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	97
1.5 Interest and other costs of finance paid	-	(8)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other income	32	119
1.9 Net cash from / (used in) operating activities	59	1,121

¹ Receipts from customers are net of trade discounts, volume rebates and various bill-backs

² Operating costs also include freight, storage, brokerage commission, royalties and merchandising

Consolidated statement of cash flows	Current quarter \$US'000	Year to date \$US'000
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(44)
(d) investments	-	-
(e) intellectual property ³	-	(46)
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	(256)	(2,186)
2.4 Dividends received (see note 3)	-	-
2.5 Other (security deposit)	-	-
2.6 Net cash from / (used in) investing activities	(256)	(2,276)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings (finance lease)	(55)	(167)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (return of capital)	-	-
3.10 Net cash from / (used in) financing activities	(55)	(167)

³ New series development

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Consolidated statement of cash flows		Current quarter \$US'000	Year to date \$US'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	269	1,578
4.2	Net cash from / (used in) operating activities (item 1.9 above)	59	1,121
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(256)	(2,276)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(55)	(167)
4.5	Effect of movement in exchange rates on cash held	180	(58)
4.6	Cash and cash equivalents at end of period	197	197

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	197	269
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	197	269

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	3,140	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	3,140	-
7.5 Unused financing facilities available at quarter end		3,140
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Lender: Keybridge Capital Limited Interest rate: 10% p.a. Maturity date: At call facility Unsecured/secured: Unsecured		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	59
8.2 Cash and cash equivalents at quarter end (item 4.6)	197
8.3 Unused finance facilities available at quarter end (item 7.5)	3,140
8.4 Total available funding (item 8.2 + item 8.3)	3,396
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 May 2025

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.