29 October 2026

September 2026 Quarterly Activities Report

Yowie Group Limited (**ASX: YOW**) (the "**Group**" or "**Yowie**") provides its Quarterly Activities Report and Appendix 4C based on unaudited results for the period ended **30 September 2026**, being the first quarter of the 2027 financial year ("**FY27**").

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

Group Highlights

- Revenue: $1.9m (pcp: $2.4m)
- Net operating cash outflows: $0.68m (pcp: $0.48m)
- Cash at period end: $0.07m
- First sell-in of seasonal Violet Crumble and Polly Waffle licenced Christmas ranges produced at Ernest Hillier, contributing to strong Australian revenue growth in September
- US manufacturing arrangement for the Group's largest product format extended through to April 2027, securing continuity of supply through the key trading periods ahead
- FY26 audited Annual Report lodged; Company continuing to work with ASX on its reinstatement to quotation

Operational Review

North America

US Sales Performance and Distribution Expansion

US gross sales for the quarter declined 35% compared with the prior corresponding period (PCP), largely reflecting the impact of the previously announced significant reduction in ranging by a major US retail customer.

Notwithstanding this impact, Yowie continued to make encouraging progress in rebuilding and diversifying its US retail distribution footprint, particularly across the convenience, dollar and grocery channels. The Group reported positive distribution developments across several established retail accounts, including Family Dollar, Casey's, Circle K and Murphy USA.

In grocery, Yowie continued to secure expanded ranging and promotional opportunities with retailers including Smart & Final, WinCo, FoodMaxx and Albertsons/Safeway. The NBA x Yowie range has supported retailer engagement and promotional activity, providing further opportunities to strengthen the brand's presence across US retail channels.

Looking ahead, the Group remains focused on broadening its customer base and reducing reliance on individual retailers, with further distribution and promotional opportunities being progressed for the NBA x Yowie and Puzzle Pack ranges in early 2027.

US Manufacturing and Supply Chain

As reported in the June 2026 Quarterly Activities Report, the manufacturing and commercial arrangement with Yowie's third-party manufacturer of Yowie products for the US market was scheduled to conclude on 28 October 2026.

During the quarter, Yowie and the manufacturer executed an amendment to the manufacturing agreement extending the arrangement through to 30 April 2027.

The extension secures continuity of supply for Yowie's existing US product format, the Group's largest individual product contributor to revenue, through the key trading periods ahead. Yowie continues to evaluate longer-term manufacturing and supply-chain options to improve continuity, flexibility and economics in the US business.

Australia

Australian gross sales increased 15% compared with the prior corresponding period (PCP), supported by seasonal confectionery activity and the continued expansion of Yowie's everyday product range.

Seasonal and Licensed Range Growth

September marked the commencement of sell-in for the Violet Crumble and Polly Waffle Christmas ranges, manufactured at Ernest Hillier under the Group's seasonal licensing arrangement with Robern Menz. These ranges contributed to improved sales performance during September, supported by seasonal demand from key retail customers.

Everyday Range and Distribution

The new Yowie 20g everyday range commenced supply into Woolworths during the quarter, replacing the previous 28g US-manufactured format and supporting a more competitive everyday shelf price positioning against the market leader. The Yowie Puzzle Pack range also continued its national rollout, supporting the Group's broader strategy to expand distribution and strengthen Yowie's presence across Australian retail channels.

Manufacturing Review

With this new capability installed and own-brand and seasonal volumes growing, management has commenced a review of the Group's Australian manufacturing operations at Coburg North, operated by EH Operations Pty Ltd. The review is assessing site utilisation, labour efficiency, the cost of operating the site and the mix of production undertaken, with the objective of establishing a more profitable and cost-effective manufacturing model for the Australian business. The review is ongoing and no decisions have been made. The Company will update the market as appropriate.

Cash Flow and Working Capital

The Group recorded increased operating cash outflows during the quarter, reflecting elevated working capital requirements associated with seasonal confectionery production, inventory investment, new product introductions and the timing of customer receipts and supplier payments.

In Australia, working capital requirements increased as Ernest Hillier commenced manufacturing and supplying Christmas confectionery ranges, with production expenditure incurred ahead of the associated customer collections. In the United States, reduced sales volumes from a major retail customer also placed pressure on operating cash generation during the period.

Management continues to focus on working capital efficiency, inventory management and cash flow forecasting, while progressing additional funding arrangements, including working capital facilities to support the Group's operational requirements and planned growth initiatives.

Financial and Corporate Overview

Working Capital Facility

- During the quarter, the Group's secured working capital facility with Keybridge Capital Limited was fully drawn at its A$4.0 million limit. The facility matures on 30 November 2027.
- Subsequent to quarter end, Keybridge Capital agreed a further A$0.5 million extension of the facility, increasing the facility limit to A$4.5 million and providing additional working capital capacity while the Company progresses the funding initiatives outlined below.

Funding

The Company is progressing funding initiatives to strengthen its balance sheet and support its working capital requirements and growth pipeline. These include a proposed equity capital raising, together with debtor and trade finance facilities in Australia and the United States.

ASX Reinstatement

The Company is pleased to have lodged all outstanding periodic reports, including its audited Annual Report for the year ended 30 June 2026. The Company's securities remain suspended from quotation, and the Company continues to work with ASX on the timetable for, and any conditions attaching to, reinstatement. The Company will keep the market informed as this process progresses.

Annual General Meeting

The Company's FY2026 Annual General Meeting will be held on Friday, 27 November 2026 in Sydney. The Notice of Meeting will be released to the market and dispatched to shareholders in due course.

Systems and Reporting

FY27 is the first financial year in which the Group's results are prepared on its NetSuite ERP platform, implemented across all three operating subsidiaries from 1 July 2026. Consolidated reporting is now produced from a single global system, improving the timeliness and consistency of the Group's financial and operational reporting.

Clarification of FY26 Quarterly Cash Flow Reporting

Following a query from ASX, the Company provides the following clarification of the operating cash flows reported in its FY26 quarterly cash flow reports (Appendix 4C).

The sum of the individual quarterly amounts reported for the September 2025, December 2025 and March 2026 quarters differs from the year-to-date amounts reported in the March 2026 Appendix 4C for two line items, as set out below. The same difference carried forward into the year-to-date amounts reported in the June 2026 Appendix 4C.

US$'000	Sep 25 Qtr	Dec 25 Qtr	Mar 26 Qtr	Aggregate of quarters to Mar 26	Mar 26 YTD reported	Difference
Receipts from customers	2,468	3,007	1,996	7,471	**6,345**	(1,126)
Product manufacturing and operating costs	(2,201)	(2,649)	(1,590)	(6,440)	**(5,314)**	1,126
Net effect on operating cash flows	**267**	**358**	**406**	**1,031**	**1,031**	**–**

The difference arises from the treatment of the reversal of excess historical returns and spoilage accruals in Yowie North America, together with other accrual and GST adjustments recognised in the first half of FY26. These comprised approximately US$0.9 million relating to the reversal of returns and spoilage accruals and approximately US$0.2 million relating to the other adjustments, totalling US$1.126 million.

In the September 2025 and December 2025 quarterly reports, the effect of these non-cash adjustments was included within receipts from customers, with an equal and offsetting amount included within product manufacturing and operating costs. In preparing the financial report for the half-year ended 31 December 2025, and following discussion with the Group's auditor, the reversal was instead presented as an adjustment to cost of goods sold, which removed the offsetting amounts from both line items. This treatment was disclosed in the half-year financial report (Directors' Report and Note 9). The year-to-date amounts in the March 2026 and June 2026 Appendix 4C reports were prepared on this revised basis; however, the individual September 2025 and December 2025 quarterly amounts were not restated, which gives rise to the difference when the quarters are aggregated.

The change was a reclassification only. It had no impact on net cash from operating activities, total cash flows or the cash balance reported in any period. The year-to-date amounts reported in the June 2026 Appendix 4C reflect the treatment adopted in the Group's financial statements, and the Company considers those amounts to be the appropriate basis for FY26.

The Company has applied this treatment consistently in FY27. As the September 2026 quarter is the first quarter of FY27, the current quarter and year-to-date amounts in the accompanying Appendix 4C are the same.

ASX Additional Information

The aggregate amount of payments to related parties and their associates in the current quarter cash flows from operating activities was $0.05m, comprising of salaries and superannuation.

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

ENDS

About Yowie

Yowie Group Limited is an Australian-based chocolate and confectionery company operating across branded consumer products, licensing and manufacturing. The Group designs, manufactures and distributes chocolate and confectionery products across Australia, New Zealand and the United States, led by its flagship Yowie brand. In addition to its core chocolate range, the Group develops licensed and proprietary products across multiple consumer categories. Since late 2023, the Group has also owned and operated Ernest Hillier, Australia's oldest chocolate manufacturer, providing in-house production capability and supporting the expansion of its branded and licensed confectionery portfolio. The Group's strategy focuses on growing its brands, scaling manufacturing capability, and expanding distribution across core markets with selective international growth.

Disclaimer
This announcement contains forward-looking statements that are subject to risks and uncertainties associated with the confectionery and retail industries, and broader macroeconomic conditions. Actual results, performance or achievements may differ materially from those expressed or implied.

No representation or warranty is made as to the fairness, accuracy or completeness of the information contained in this announcement. To the maximum extent permitted by law, the Company and its Directors, officers and employees disclaim all liability and responsibility for any direct or indirect loss or damage suffered by any person arising from the use, interpretation or reliance on this announcement or its contents.

The Company remains committed to complying with its continuous disclosure obligations under the ASX Listing Rules and will provide further updates as required.

Appendix 4C

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

Name of entity	
Yowie Group Limited	
ABN	**Quarter ended ("current quarter")**
98 084 370 669	30 September 2026

Consolidated statement of cash flows		**Current quarter $US'000**	**Year to date (3 months) $US'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers [1]	1,638	1,638
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs [2]	(1,432)	(1,432)
	(c) advertising and marketing	(24)	(24)
	(d) leased assets	-	-
	(e) staff costs	(452)	(452)
	(f) administration and corporate costs	(450)	(450)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(11)	(11)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other income	47	47
1.9	**Net cash from / (used in) operating activities**	**(684)**	**(684)**

[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 (3 months) $US'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(16)	(16)
	(d) investments	-	-
	(e) intellectual property [3]	(5)	(5)
	(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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (security deposit)	(9)	(9)
2.6	**Net cash from / (used in) investing activities**	**(30)**	**(30)**

[3] New series development

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	692	692
3.6	Repayment of borrowings (finance lease)	(21)	(21)
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**	**671**	**671**

Consolidated statement of cash flows	Current quarter $US'000	Year to date (3 months) $US'000

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	114	114
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(684)	(684)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(30)	(30)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	671	671
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**71**	**71**

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	71	114
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)**	**71**	**114**

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	53
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** *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.*	**Total facility amount at quarter end $US'000**	**Amount drawn at quarter end $US'000**
7.1	Loan facilities	2,767	2,767
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	2,767	2,767

7.5	**Unused financing facilities available at quarter end**	-

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

Facility Limit: AUD$4,000,000

Interest rate: In respect of the Loan up to a principal amount of $250,000.00, 11% per annum subject to any interest rate discount set out in the agreement (having the effect of reducing the Interest Rate to 9% per annum).

In respect of the Loan to the extent that it exceeds $250,000.00, 14% per annum subject to any interest rate discount (having the effect of reducing the Interest Rate to 12% per annum).

Maturity date: 30 November 2027

Unsecured/secured: Secured up to $250k

Subsequent to quarter end, Keybridge Capital agreed a further AUD$500,000 extension of the facility, increasing the facility limit to AUD$4,500,000 (excluding capitalised interest), as announced on the 5 October 2026. Other than the increase to the facility limit the key terms of the Facility Agreement remain unchanged.

8.	**Estimated cash available for future operating activities**	**$US'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	**(684)**
8.2	Cash and cash equivalents at quarter end (item 4.6)	71
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	71
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**0.10**

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.

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: It is anticipated the Company's net operating cash flows will fluctuate in the near term. This is due to the seasonality of the business and the need to absorb working capital into inventory after the Company significantly reduced inventory holdings over the prior 24 months. The Company remains focused on cost discipline, with ongoing initiatives to reduce operating expenses and improve gross margins across its product portfolio.

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: Yes. The Company has entered a short-term working capital facility with Keybridge. This facility has been increased since 30 September 2026, as mentioned above.

In addition, the Company is progressing funding initiatives to strengthen its balance sheet and support its working capital requirements and growth pipeline. These include a proposed equity capital raising, which the Company expects to form part of its pathway to reinstatement. The company will also setup debtor and trade finance facilities in Australia and the United States.

The Company intends to undertake a capital raising of approximately $6 million in two tranches. Tranche 1 is expected to settle in mid-November 2026 using the Company's existing placement capacity under Listing Rule 7.1. Tranche 2 is subject to shareholder approval at the Company's 2026 Annual General Meeting to be held on 27 November 2026, with completion expected shortly thereafter. The proceeds will be used to fund working capital, the repayment of borrowings and future growth initiatives.

The Board believes the capital raising will be successful; however, there is no certainty that any capital raising or facility facilities will proceed, or as to their terms. The Company will update the market in accordance with its continuous disclosure obligations.

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: Yes. The Company continues to pursue recovery of loans (as disclosed in the 30 June 2026 Annual Report), and has reduced costs, including Director and Executive remuneration, legal fees, and unfavourable royalty arrangements.

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.

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: .....

Authorised by: .....
(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.