

Wednesday, 1 May 2019

ASX Codes : KBC; KBCPA

MARKET ANNOUNCEMENT

TAKEOVER BID UPDATE – CASH POSITION OF YOWIE GROUP LTD

Keybridge Capital Limited (ASX: KBC) (**Keybridge**) refers to its 13 March 2019 ASX Announcement¹ (**Bid Announcement**) of its intention to make a conditional off-market takeover bid for all of the fully paid ordinary shares in Yowie Group Ltd (ASX: YOW) (**Yowie**) (the **Bid**) and its Bidder's Statement (dated 24 April 2019) lodged with ASIC and served on Yowie on 24 April 2019² (**Bidder's Statement**).

After market closing on 30 April 2019, Yowie lodged its Cashflow Report for the quarter ending 31 March 2019³ which disclosed, amongst other matters, that:

- Yowie incurred net cash outflows during the March 2019 quarter of US\$1.787 million (compared with US\$0.853 million net cash outflows incurred during the previous quarter ending 31 December 2018⁴);
- Yowie's cash position had declined from US\$18.751 million (as at 31 December 2018⁴) to a balance of US\$16.982 million (as at 31 March 2019); and
- Yowie Management projects that its gross cash outflows for the upcoming quarter ending 30 June 2019 will be US\$4.025 million.

Keybridge notes that the Bid is subject to certain conditions, which include (**Minimum Cash Condition**):

- As disclosed in the Bid Announcement: (**Minimum cash**) *Yowie's cash (being cash at call or in the form of deposits or bills with a maturity date of no longer than 12 months) being not less than US\$17 million at any time during the Bid period.*⁵
- As disclosed in the Bidder's Statement: (**Minimum cash**) *At all times during the Offer Period, the amount of cash held by the Yowie Group (being cash at call or in the form of deposits or bills with a maturity date of no longer than 12 months) is not less than US\$17,000,000.*⁶

Keybridge is currently considering the implications of Yowie's Cashflow Report and reported cash position of US\$16.982 million (as at 31 March 2019) in relation to the Minimum Cash Condition (of US\$17 million) under the Bid.

Keybridge will provide an update on the impact (if any) to the Bid for Yowie in due course.

1 Refer Keybridge's ASX Announcement dated 13 March 2019: Takeover Bid for Yowie Group Ltd at 9.2 cents
2 Refer Keybridge's ASX Announcement dated 24 April 2019: Lodgement of Bidder's Statement for Yowie Group Ltd and Notice of Register Date
3 Refer Yowie's ASX Announcement dated 30 April 2019: Appendix 4C – Quarterly Cashflow Report for March 2019
4 Refer Yowie's ASX Announcement dated 25 January 2019: Appendix 4C – Quarterly Cashflow Report for December 2018
5 Refer Annexure A (Proposed Bid Conditions)
6 Refer Section 11.7 (Conditions of the Offer) in the Bidder's Statement

FOR FURTHER INFORMATION:

John Patton
Chairman
Tel: (03) 9686 7000
Email: jpatton@keybridge.com.au

Victor Ho
Company Secretary
Tel: (08) 9214 9767
Email: cosec@keybridge.com.au

ABOUT KEYBRIDGE CAPITAL LIMITED (ASX: KBC)

Keybridge is an investment and financial services group with a diversified portfolio of listed and unlisted investments/loan assets in the private equity (US), life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:HHY), Molopo Energy Limited (ASX:MPO), Metgasco Limited (ASX: MEL) and Yowie Group Ltd (ASX:YOW). Keybridge is also the Investment Manager of HHY.