

Thursday, 2 May 2019

ASX Codes : KBC; KBCPA

MARKET ANNOUNCEMENT

KEYBRIDGE NOT TO PROCEED WITH TAKEOVER BID FOR YOWIE GROUP LTD

Keybridge Capital Limited (ASX: KBC) (**Keybridge**) refers to its 1 May 2019 ASX Announcement¹ in relation to its conditional off-market takeover bid for all of the fully paid ordinary shares in Yowie Group Ltd (ASX: YOW) (**Yowie**) (the **Bid**)².

Keybridge has considered Yowie's March 2019 Quarterly Cashflow Report³, which disappointingly reported a significant operating loss, a nearly 50% decline in operating revenue from the previous quarter and a decline in the cash position of the company from the beginning of the quarter (1 January 2019) of US\$18.751 million to US\$16.982 million (as at 31 March 2019).

Keybridge's Bid is subject to defeating conditions as set out in its 13 March 2019 ASX Announcement⁴ and its Bidder's Statement (dated 24 April 2019)⁵ including, without limitation, the Minimum Cash Condition⁶ (of US\$17 million).

Keybridge has now determined that:

- (a) The defeating conditions have been breached and will not be fulfilled;
- (b) Keybridge does not waive the triggered defeating conditions; and
- (c) Any acceptance of Offers received will not constitute a binding contract with Keybridge.

Accordingly, Keybridge advises that it will not be proceeding with the Bid.

FOR FURTHER INFORMATION:

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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.

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- 1 Refer Keybridge's ASX Announcement dated 1 May 2019: Takeover Bid Update – Cash Position of Yowie Group Ltd
 - 2 Refer Keybridge's ASX Announcements dated 13 March 2019: Takeover Bid for Yowie Group Ltd at 9.2 cents and 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 Keybridge's ASX Announcement dated 13 March 2019: Takeover Bid for Yowie Group Ltd at 9.2 cents
 - 5 Refer Keybridge's ASX Announcement dated 24 April 2019: Lodgement of Bidder's Statement for Yowie Group Ltd and Notice of Register Date
 - 6 As referred to in Keybridge's ASX Announcement dated 1 May 2019: Takeover Bid Update – Cash Position of Yowie Group Ltd