



ASX ANNOUNCEMENT

ASX: YPB | 28th May 2019

YPB Connect platform update - 75 million ProtectCodes™ issued

Product authenticity and consumer engagement solutions provider YPB Group Ltd ("YPB") is pleased to provide an update on the rising adoption of YPB's proprietary QR codes known as "ProtectCodes" as well as accompanying subscriptions to the "Connect" platform both in Asia and Australia.

Market adoption of ProtectCodes has accelerated in recent months and YPB is pleased to announce that it has now broken through a 75m "Codes issued" milestone.

ProtectCodes are supplied to our brand customers to apply to their product packaging. Consumers scan the QR codes to verify the authenticity of the product and the scanning process also triggers an opportunity for the brand to interact directly with their end customer through YPB's Connect platform.

YPB's Connect platform ("Connect") is YPB's proprietary software platform which is sold to customers as a SaaS offering that complements the use of ProtectCodes and other YPB anti-counterfeit product markers.

The Connect platform receives data from consumer scans and provides subscribing brands with detailed information and reports on their end-consumer behaviors including the location, timing and other purchasing information that significantly adds to their market knowledge.

The Connect platform is sold on a monthly subscription (SaaS) basis and the codes are sold on a per unit basis. As YPB's markers are applied to more products the usage of the Connect platform is consequently growing. Recently a number of YPB's product customers have significantly scaled up the adoption of the ProtectCodes and the Connect platform including:

PT Combiphar (www.combiphar.com)

After successful trials on its first stock keeping unit (SKU) which is Indonesia's most popular cough syrup line, the pharmaceutical giant PT Combiphar is the largest user of YPB's Connect platform solution to date.

Cannabis Confirmed (www.namastetechnologies.com)

'Cannabis Confirmed' is a joint initiative between Namaste Technologies and YPB to provide an authentication and customer engagement solution to the rapidly growing "Vape" market. Product authenticity is a significant concern in the Cannabis market and brands are looking at innovative ways to connect with their consumers. YPB has now signed 4 Vape suppliers to Cannabis Confirmed and is looking to extend the initiative to other e-commerce retailers in the sector.



Impact International (www.impacttubes.com) and (www.kimpaituba.com)

Impact is YPB's Sydney-based partner in tube packaging with a substantial Joint Venture in Europe through Kim Pai Lamitube. Impact already applies YPB's tracer to well-known Australian export products to China and has now agreed to offer YPB's ProtectCodes for consumer engagement to its higher volume tube customers.

Cellmid Limited (www.cellmid.com.au)

Cellmid has adopted YPB's technology to protect their rapidly growing évolis® product range which has recently gained approval for importation into the EU and is also gaining popularity in Asia and the USA.

YPB Group Limited CEO John Houston said,

"The growing adoption of ProtectCodes and the Connect platform is highly significant for us as it confirms the viability of YPB's solutions and adds to our revenue base with scalable volume-based pricing for the issue of ProtectCodes, combined with software subscription revenues. The unique insights into consumer purchasing behaviours that can be gained from the information generated by consumer scans and delivered through Connect can be highly valuable when applied to the brand's future marketing and product development.

It is highly pleasing to see the emergence of more and more branded product companies taking advantage of the dual benefit of the YPB system that identifies counterfeit products and allows packaged goods companies to form a direct relationship with their end-customers in a cost effective way."

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For further information please contact investor@ypbsystems.com

About YPB

YPB Group Ltd (ASX:YPB) brings packaging to life through its proprietary technology suite that provides certainty of authenticity and connects brands directly to consumers enabling new levels of market intelligence and ROI data capture. In an evolving marketplace and with the rapid growth of cross border commerce, our expertise presently focuses on the rapidly growing consumer markets of Australia, South East Asia and China.

www.ypbsystems.com