

ASX/MEDIA ANNOUNCEMENT

ASX: YPB | 10th July 2017

YPB wins Mexican National Lottery print contract

- **Affyrmx JV in Mexico wins four year supply contract with revenues of A\$1.4m per annum**
- **Four print runs per week to supply winning ticket registers with specialised security features**
- **The most significant contract win to date in Mexico**

Brand Protection and Customer Connection solutions company YPB Group Ltd (ASX: YPB) is pleased to announce that its JV with Affyrmx LLC has been selected by Loteria Nacional Para La Asistencia Publica, Mexico's National Lottery Office, to supply its register of winning tickets.

The contract is a four (4) year agreement with a total estimated value of A\$5.6m over the term with annual revenues to the JV of A\$1.4m. The profit margin on the contract is confidential, but due to high materials costs and less proprietary intellectual property content it is at the low end of the margin range of YPB's product suite.

The agreement requires four print runs of the registers per week for distribution throughout Mexico for a number of Mexican lotteries. The registers are printed on specialised security paper that is weatherproof and virtually indestructible using high security inks and includes YPB's patented PROTECT technologies.

Loteria Nacional Para La Asistencia Publica (Lotenal), an agency of the Finance Ministry of the Mexican government, is committed to raising financial resources through the sale of lottery tickets in different raffles to promote the process of income redistribution aimed at providing assistance to those in Mexican society who may be experiencing hardship in their daily lives.

YPB Executive Chairman John Houston said: "This is the most significant contract we have won in Mexico. The contract win demonstrates the strength of our JV's relationships in Mexico and our ability to package technology solutions to supply high quality and competitively priced Vital Government Documents. We are honoured to have been selected by Loteria Nacional Para La Asistencia Publica and look forward to a long and mutually beneficial relationship."

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PROTECT | DETECT | CONNECT

ABOUT YPB

YPB Group (ASX: YPB) is a pioneer in advanced brand protection solutions. Listed on the Australian Securities Exchange, YPB is expanding its global footprint with an established presence in Australia, China, Thailand, USA, and Mexico.

YPB's patented Anti-Counterfeit technology combined with its Security Packaging and Anti-Theft solutions, Consulting Services and YPB's proprietary CONNECT platform enables clients to PROTECT their high value brands from the risks of counterfeit, product diversion and theft while providing the tools to CONNECT directly with their customers.

PROTECT

Smart Security Packaging and labeling for Brands

YPB offers a wide range of Smart Security Packaging and Labeling solutions that can be incorporated into almost any material and offer cost effective strategies to PROTECT the integrity and value of products and brands in high-risk markets.

Government Vital Documents

YPB offers solutions to Governments to PROTECT their Vital Documents that include ID cards, Visas, Passports, Vehicle Labels and many other applications.

Retail Anti-theft

YPB offers clients the latest technology in Retail Anti-Theft and Labeling solutions effective for mainstream retailers, boutiques and exporters to PROTECT against theft.

IP solutions & forensic services

YPB's IP solution specialists work with quality brands and Governments, to develop bespoke brand protection strategies and solutions that will deliver real protection and safety for brands, products and consumers.

Secure Supply Chain

YPB offers secure supply chain solutions to Governments, banks and companies wanting to ensure the integrity of their supply chain using a combination of YPB's authentication technology and secure track and trace solutions, delivering real protection for high value documents, brands, products and consumers.

DETECT

Scanner and Tracer protection solutions

YPB's patent protected state-of-the art Tracer technology is invisible, cannot be copied or destroyed. Brand owners who include YPB's tracers in their packaging can use YPB's scanners to verify their product's authenticity. If a counterfeit is detected YPB's forensic services can consult with a brand owner to develop strategic, tailored solutions to protect the brand against counterfeiting and product diversion.

CONNECT

Smartphone applications to Detect and Connect

YPB's sophisticated, user friendly and powerful smartphone applications allow brand owners and consumers to identify and report suspected counterfeit or diverted products. They also allow brands to connect and engage directly with their customers via QR codes, Near Field Communication, secure track and trace and product scanning. The YPB CONNECT platform delivers brand owners valuable and actionable intelligence about their products and customers to measure, tailor and individualise direct marketing campaigns through a 'big data' analytics capability.

www.ypb systems.com