

## ASX ANNOUNCEMENT

ASX: YPB | 4 October 2017

### YPB raises \$3.425m by the Placement of 85.625 million shares

Brand Protection and Customer Connection solutions company YPB Group Ltd (ASX: YPB) has successfully raised \$3,425,000 in placements to professional and/or institutional investors. The Company had previously announced on 7 September 2017 that it had raised \$2,575,000 from such investors, the foregoing reflects a further \$850,000 raised.

In addition to the above, two of the Company's directors have contributed a total of \$500,000, that subject to shareholders' approval at a meeting to be held in November 2017 would result in the issuance of a further 12,500,000.

As a result of the placements, YPB has issued 85,625,000 ordinary shares at \$0.04 per share, utilizing capacity available under ASX Listing Rules 7.1 and 7.1A. The Company will use the funds raised as stated in the prior ASX release to fund the first instalment of the Motif Micro acquisition and for additional working capital.

In accordance with Listing Rule 3.10.5A in relation to the shares issued under the Company's 7.1A capacity details of the placement are:

#### Effect of the raising

The effect of the announced raising and other issues since the commencement of the placement on the capital structure of the Company are set out below:

#### Shares

	Number	Dilution
<b>Shares on issue at commencement of raising</b>	<b>214,848,642</b>	
<b>Placements</b>		
Approved - Resolution 3 at 31 May 2017 Shareholders meeting	10,244,024	
Approved - Resolution 4 at 31 May 2017 Shareholders meeting	45,000,000	
Shares issued under LR7.1 placement capacity	36,763,030	13.61%
Shares issued under LR7.1A placement capacity	18,451,453	6.01%
<b>Total Shares on issue after Placements</b>	<b>325,307,150</b>	<b>20.44%</b>

### Post placement equity holdings

Pre-placement shareholders who did not participate in the Placements	69.88%
Pre-placement shareholders who did participate in the Placements	13.33%
Participants in Placement who were not previously shareholders	16.79%

### Options

<b>Options currently on Issue (no Options were issued in the placements)</b>	<b>Number</b>
Options – Listed exercisable at \$0.20 on or before 31 October 2017	40,043,884
Options – Unlisted exercisable at \$0.50 on or before 28 February 2019	3,000,000
Options – Unlisted exercisable at \$0.75 on or before 28 February 2019	3,000,000
Options – Unlisted exercisable at \$0.50 on or before 4 March 2020	1,000,000
Options – Unlisted exercisable at \$0.50 on or before 1 August 2018	200,000
Options – Unlisted exercisable at \$0.35 on or before 1 August 2018	200,000
Options – Unlisted exercisable at \$0.35 on or before 27 October 2018	280,000
Options – Unlisted exercisable at \$0.50 on or before 27 October 2018	280,000
Options – Unlisted exercisable at \$0.50 on or before 7 April 2018	114,000
Options – Unlisted exercisable at \$0.75 on or before 27 April 2018	114,000
Options – Unlisted exercisable at \$0.35 on or before 12 December 2026	16,000,000
Options – Unlisted exercisable at \$0.45 on or before 12 December 2026	16,000,000
Options – Unlisted exercisable at \$0.55 on or before 12 December 2026	16,000,000
Options – Unlisted exercisable at \$0.65 on or before 12 December 2026	16,000,000
Options – Unlisted exercisable at \$0.35 on or before 24 March 2019	173,000
Options – Unlisted exercisable at \$0.50 on or before 24 March 2019	173,000
<b>Total Options</b>	<b>112,577,884</b>

The Board believe that the benefits flowing from the funds being raised quickly through these placements outweigh the inability of all shareholders to participate.

The issue was not underwritten and the direct costs of the raising are \$126,100 plus GST commission on the funds raised under the placements.

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## 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, Mexico, India and Pakistan.

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 customers.

### 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 customers.

## 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 customers 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.ypbsystems.com](http://www.ypbsystems.com)