

ASX/MEDIA ANNOUNCEMENT

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YPB kicks off intensified sales and marketing effort in ANZ

- **A series of whitepapers will highlight key technologies critical to Asian market access and protection of brands and their consumers**
- **Marketing effort to be supported by increased sales staff**

Brand Protection and Consumer Connection solutions company YPB Group Ltd (ASX: YPB) wishes to keep shareholders abreast of its strategies in ANZ and the direction of its product development. An intensified marketing push in ANZ launches today with the release of the first of three white papers that discuss the importance of certain consumer access and anti-counterfeit technologies to export success into Asian markets. This whitepaper series, outlined below and available on our website, will be accompanied by new sales staff in ANZ (funded by cost re-allocations) and new routes to market such as the recently announced partnership with Australian Made.

The first whitepaper covers QR codes. QR codes have become the drivers of e-commerce in China and increasingly the rest of Asia. They are a cost effective and convenient means for brands to directly communicate with and sell to consumers. Brands exporting to Asia but not employing QR codes are severely and unnecessarily handicapped. QR codes are now effectively mandatory in Asian markets.

YPB CONNECT software generates QR codes and facilitates direct connection with consumers through its marketing and data analysis capabilities. While QR codes are excellent portals to the consumer, they are highly vulnerable to being faked. Consequently, they need Anti-Counterfeit protection. YPB offers a number of layers of protection in its PROTECTcode QR range and associated technologies. The level of protection in the PROTECTcode range will increase in the next few months with further product releases.

The second paper will be on serialisation. Serialisation is simply item-specific unique identification with each item of production having its own serial number. Serialisation supports complete visibility through the supply chain, facilitating immediate identification of problem products and product recall. It also adds another layer of anti-counterfeit protection. Its use will grow strongly over the next decade and will be mandated in some industries as is occurring in pharmaceuticals. QR codes are the ideal means of practically implementing serialisation but most commercial QR codes simply hold a web address. YPB CONNECT and the AliHealth platform now being sold by YPB in China both have strong serialisation capabilities. The power of serialisation as an Anti-Counterfeit tool is magnified when the consumer can confirm the authenticity of a serial number and when the level of trust in the serial number database is high. That will be best achieved via a distributed, immutable record.

The third paper will cover blockchain technology. Blockchain is simply a distributed, in contrast to a centralised, database. It can't be hacked, copied, altered, destroyed or faked. Blockchain will become an increasingly important tool in demonstrating provenance, supply chain security and product authenticity via the credibility of database integrity.

The opportunities for YPB in ANZ are significant and growing rapidly. Exporters chasing the Asian prize need protection from fakes and connection to remote and almost invisible customers. We have refined our marketing and selling strategies and increased our sales firepower. Our technologies are in the sweet spot of solutions needed to safely and effectively export to Asia and product releases over coming months will advance our prospects of supporting the growth of ANZ exports to Asia.

For a full copy of the whitepaper please see: <http://ypbsystems.com/about/news/QR-Code-Article.php>

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ABOUT YPB (ASX: YPB)

In a rapidly changing world, brands need to do more than make great products, they need to **PROTECT** their consumer by allowing them to verify that their purchase is real and as a result buy with confidence. This is a proven initiative to trigger the consumer to **CONNECT** with brands.

YPB provides real protection for quality brands with a focus on product authenticity. Simultaneously, we provide a gateway for brands to connect with their consumers and engender trust in authenticity by utilising the power of the smartphone.

In an evolving marketplace and with the rapid growth of cross border commerce, YPB leverages serialisation and patented authentication solutions so that insightful data can flow between brands and their consumers.

YPB is the obvious choice to **PROTECT**, **DETECT** and **CONNECT**.

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