



ASX ANNOUNCEMENT

ASX: YPB | 13 February 2019

Capital raise

Product authenticity and consumer engagement solutions provider YPB Group Ltd ("YPB") is pleased to announce that it has accepted commitments of \$1,250,000 (one million two hundred and fifty thousand dollars) from institutional and sophisticated investors to participate in a two tranche placement priced at \$0.01 per share to subscribe for a total of 125,000,000 fully paid ordinary shares, with the second tranche (described below) subject to YPB shareholder approval. A free attaching listed option (ASX:YPBOA) will be issued for each ordinary share issued under tranches one and two of the placement, subject to YPB shareholder approval.

In accordance with ASX LR 3.10.3 the Company provides the following information regarding the capital raise:

Securities to be issued are:

- 125,000,000 fully paid ordinary shares at an issue price of \$0.01 per share
- 125,000,000 listed options to subscribe for fully paid ordinary shares, exercisable at \$0.025 and expiring 30 April 2020. It is intended that the options will be added to the existing class of listed options under ASX code YPBOA.

The purpose of the issue is to provide funding for:

- Further technical development and commercialisation of the world leading Motif Micro materials technology
- Business development activities
- Costs associated with the capital raise and for general working capital purposes.

The Company reserves the right to alter the way funds are applied.

The placement is not being issued to a particular class of security holders.

110,000,000 of the fully paid ordinary shares under the placement are anticipated to be issued on 18 February 2019 under the Company's available placement capacity in accordance with ASX listing rule 7.1 (tranche 1) and the balance of the placement, being 15,000,000 ordinary shares and 125,000,000 options (tranche 2) are intended to be issued following YPB's Annual General Meeting to be held on or around 9 April 2019, subject to shareholder approval being given for the relevant resolutions.

The raise was led by EverBlu Capital Pty Ltd as sole lead-manager.



An investment overview presentation is attached to this announcement, noting that the capital structure and details outlined in slide 14 are 'pre-raise' and current as at 12 February 2019.

--End--

For further information please contact investor@ypbsystems.com

For any corporate queries please contact info@everblucapital.com or +612 8249 0000

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.

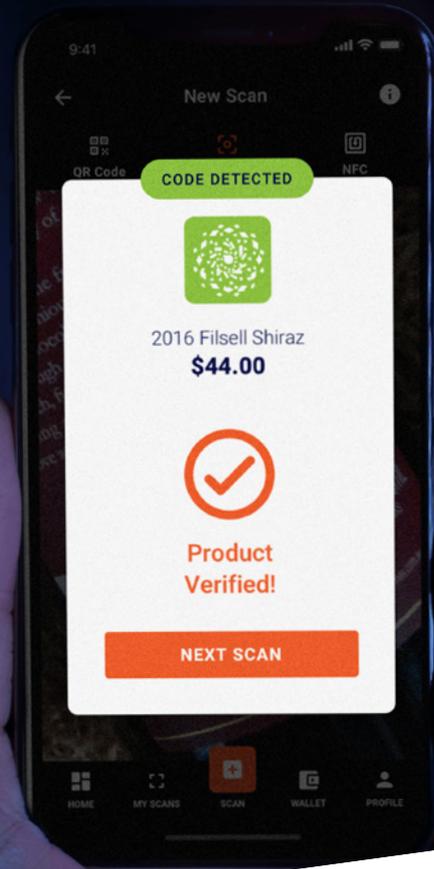
In an evolving marketplace and with the rapid growth of cross border commerce, our expertise presently focuses on the rapidly growing consumer markets of Australia, South East Asia and China.

www.ypbsystems.com



Investor overview

February 2019



Disclaimer

The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in, or related to YPB Group Limited [Company] including in tokens issued by a subsidiary. In preparing this presentation, the Company did not take into account the investment objectives, financial situation and particular needs of any particular investor.

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Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change. No assurance is given by the Company that any capital raising or debt financing referred to in this presentation will proceed.

All amounts are in Australian dollars unless otherwise stated.

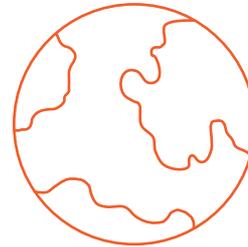
Established, Experienced, Protected, Poised for growth



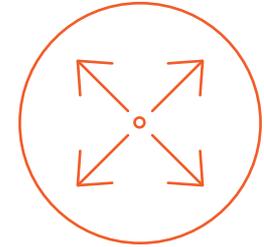
Technical expertise –
20 patents in
anti-counterfeit



China official
anti-counterfeit
accreditations –
CSPIA, CATA



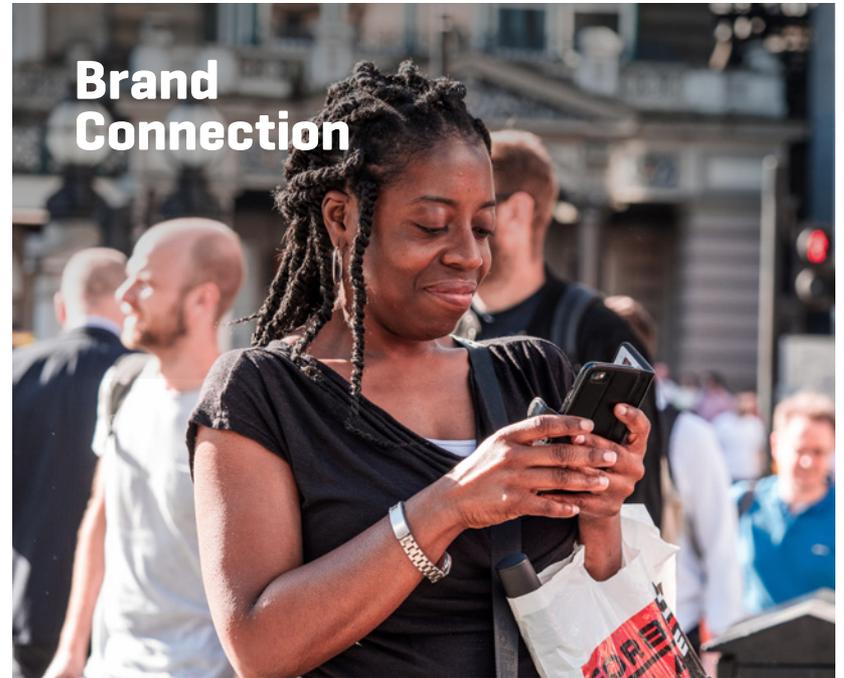
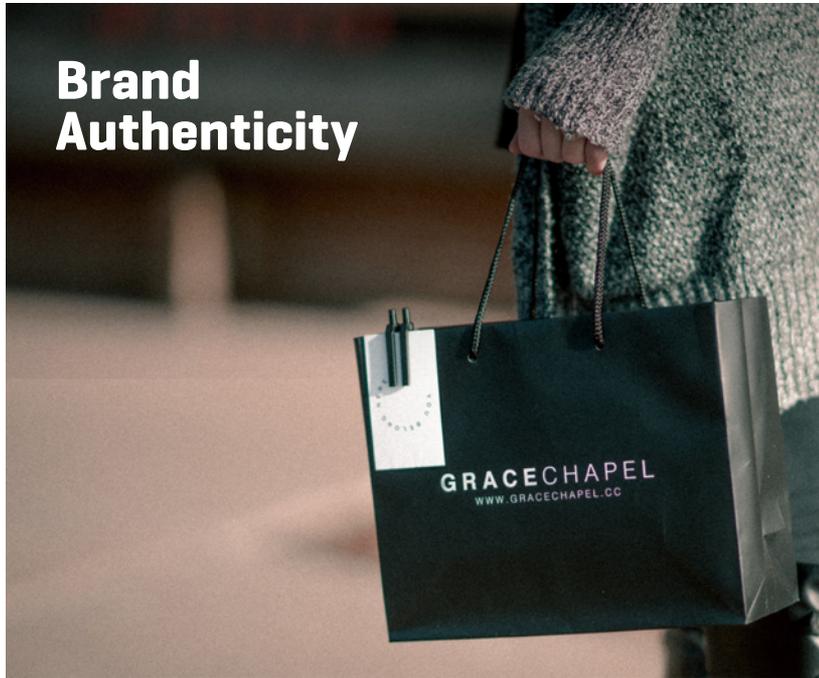
Existing customers in
ANZ, China, South East
& South Asia, USA



Highly scalable,
annuity revenue

Authenticity triggers engagement

With YPB brands can meaningfully listen to, learn from and communicate with, each and every consumer



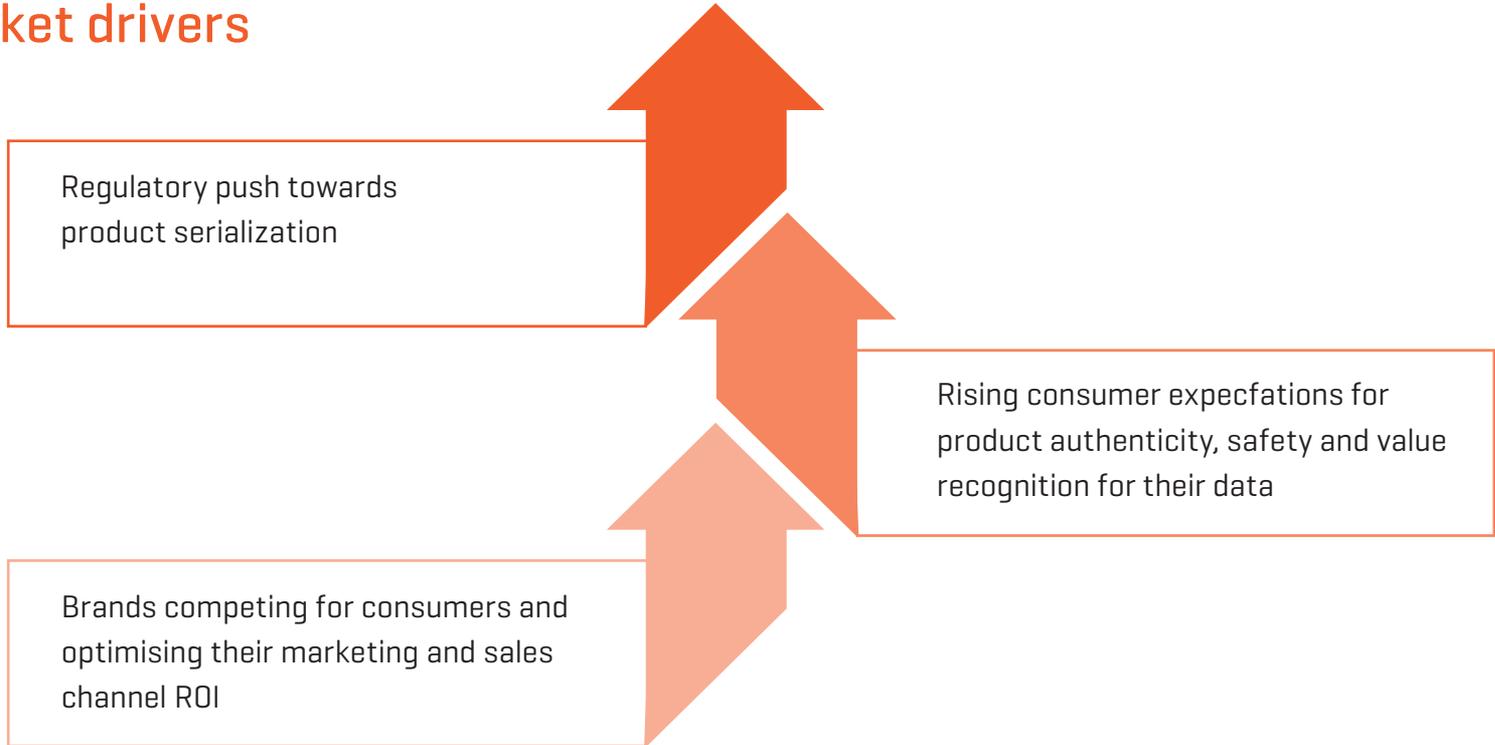
Brands want to know:

- > “Who is looking at our products?”
- > “Who is buying our products and why?”
- > “What other products are they looking at, and buying?”
- > “Where are the products going after the initial point of sale?”
- > “Our packaging is our last line of communication to our customers, how can I make it smarter?”



Market Drivers

YPB is ideally placed to generate revenues from market drivers



Bridging the physical to digital gap

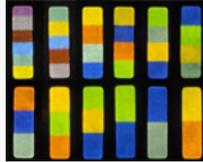
Fake in. Fake out. The trust gateway has been broken until now...

Problem



QR codes can easily be copied corrupting the digital environment

Solution



YPB's Motif Micro

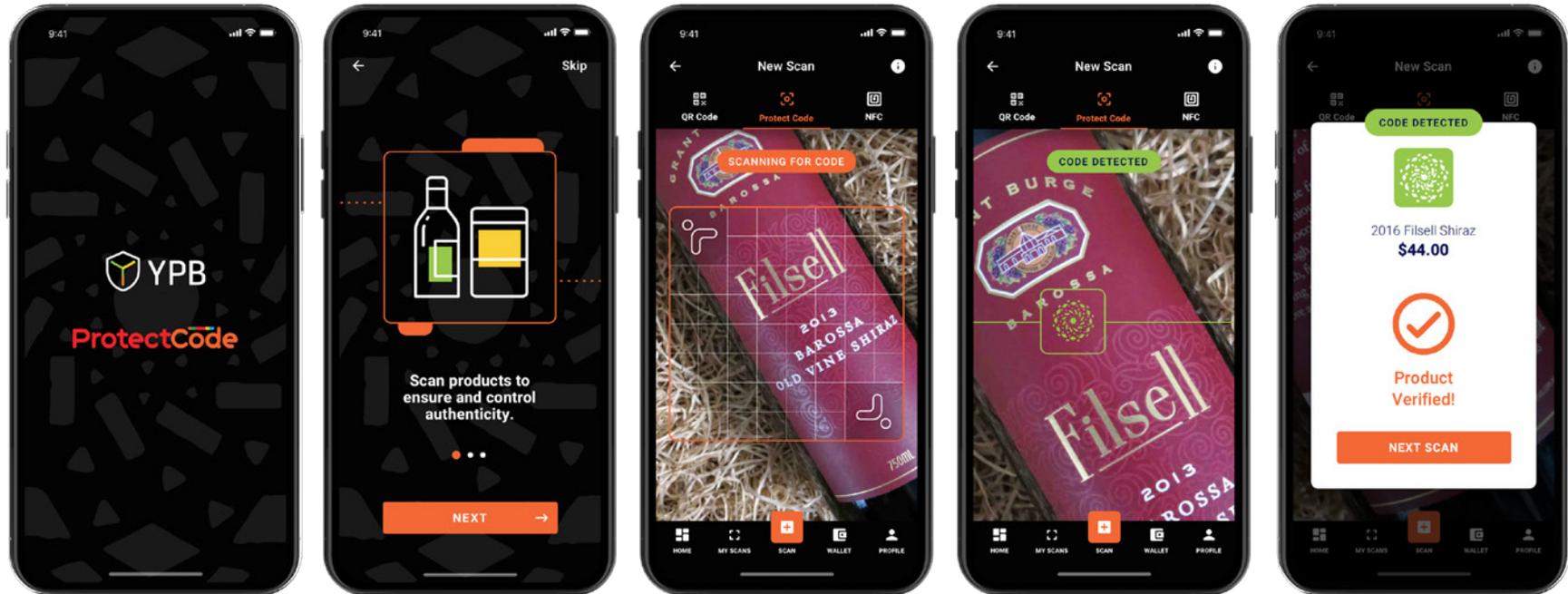
MIT developed micro particle technology that is:

- > Invisible
- > Unfakeable
- > Irreproducible
- > Commercially scalable
- > Think "DNA for packaging"

	Current Solution	YPB Solution
Brand		
Product		
QR Code		
Supply chain		
Retail		
Consumer		
Trusted Output		

Smartphone readability - Motif Micro is a world-first

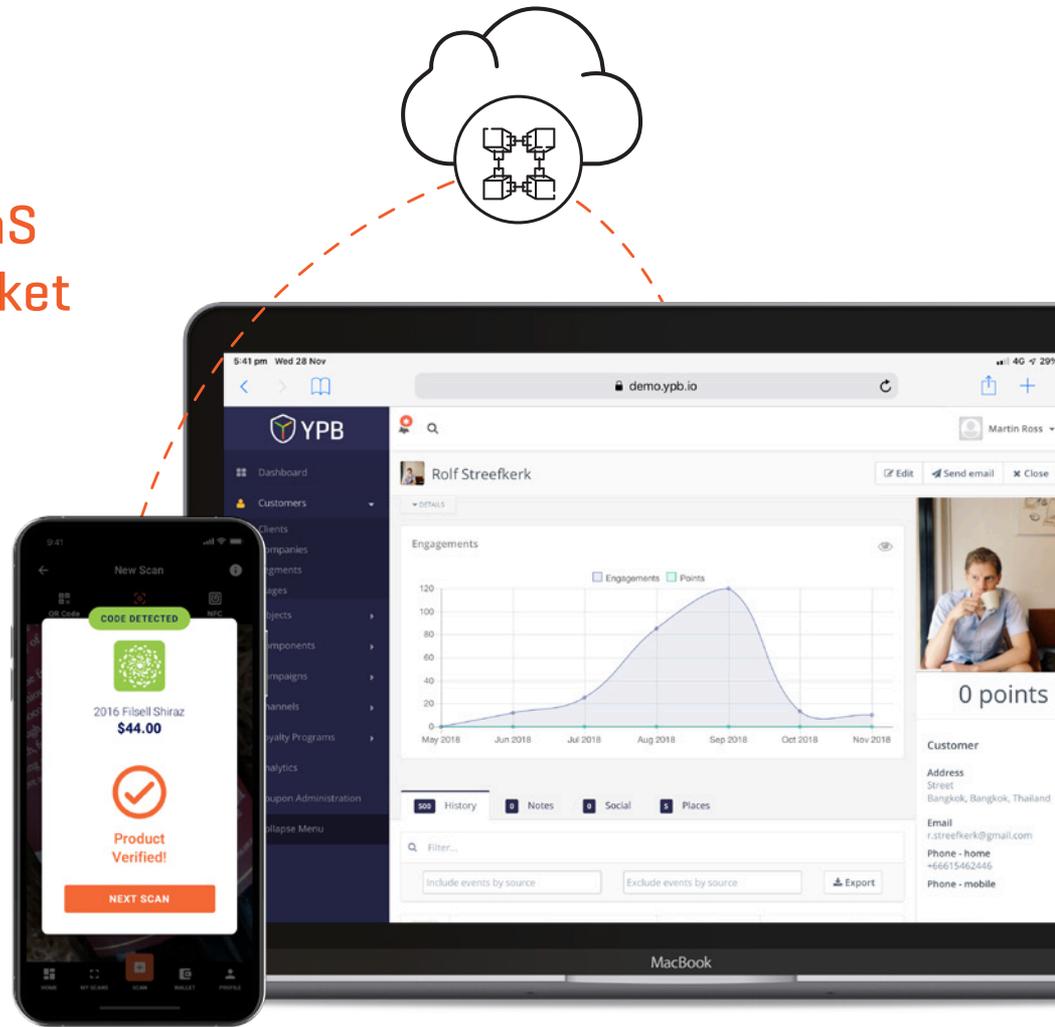
Every consumer's phone can now scan to reveal product authenticity



YPB Connect

Cloud-based, API integrated, SaaS platform that provides deep market intelligence

- > World's leading product authenticity and customer engagement platform
- > Captures and reports on each product scan
- > Going two-way in 2019 with direct consumer to brand engagement empowered by blockchain



YPB's end-to-end solution

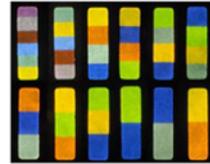
Unique, patented, market driven, globally scalable



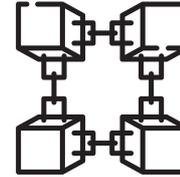
Unfakeable
physical mark



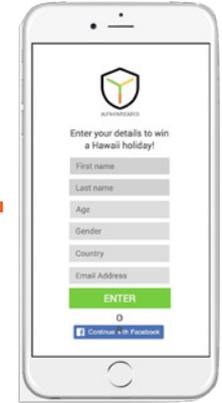
Smartphone
readability



Motif Micro
Unique serial
identity



Blockchain
verified



Direct brand
to consumer
engagement

Milestones achieved in 2018 calendar year

- Group-wide consolidation and overhead reduction achieved without reducing revenues and earnings potential

- Smartphone readability achieved with Motif Micro

- Institutional investor support with First Growth Funds [ASX:FGF]

- Significant new distribution channels with major partners

- Record numbers of new client signings with early revenues commencing

- Repayment of Bracknor loan facility

- Key sales hires with depth of industry experience and global networks

Objectives for 2019

- Increase revenue growth from existing clients and distribution channels
- New client and distributor signings through strengthened sales team
- Commercialise Motif Micro through licensing sales
- Expand institutional presence on share register

- Continue technical development of Motif Micro materials technology towards product unit level serialization readable by smart phone
- Target and complete synergistic M&A transactions to accelerate growth of group revenue and earnings
- List new token and create additional group balance sheet value

Board and key executives

John Houston

Chairman and Chief Executive Officer

- › Over 40 years' experience in building successful businesses across the globe
- › Built the US \$2bn "Greenfield" mobile phone company in Thailand
- › Operated a US \$350m per annum EBITDA business in Switzerland
- › Sold an international business based in Singapore for 70x EBITDA in cash.

George Su

Non-Executive Director

- › Over 30 years business experience in the Asia Pacific region and is currently the Chief Executive of Richlink servicing ultra-net worth Chinese investors
- › Formerly head of the Australian operations of China's largest investment bank, CITIC Securities

Adrian Tan

Chief Financial Officer

- › 14 years of professional experience in both the government and private sectors across Europe and Asia.
- › Most recently CFO at Lazada Express Limited (subsidiary of Alibaba)

Anoosh Manzoori

- › CEO of Shape Capital Pty Ltd, an M&A advisory and investment firm specialising in the technology sector with global deal-flow and capital networks.
- › Executive Chairman of listed investment company First Growth Funds (ASX:FGF)
- › Previously founder and CEO of one of Australia's largest cloud hosting companies reaching over 75,000 customers before selling the company to MYOB Limited in 2008

Gerard Eakin

Non-Executive Director

- › Over 30 years in Australian equities in both portfolio management and equity research
- › Formerly Head of Australian Equities at Rothschild Australia Asset Management, managing funds of approximately \$3Bn as well as other senior roles in major investment banks Founder of Manifest Capital Management

Dr. Paul Bisso

Chief Technology Officer

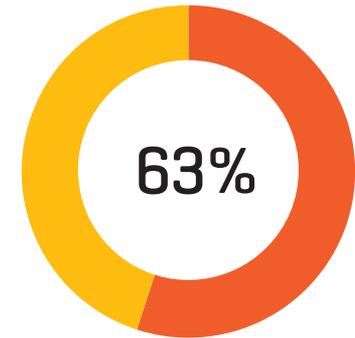
- › Internationally renowned materials expert
- › Co-invented the Motif Micro technology at MIT
- › Previous developed systems for the U.S. Dept. of Defence

Company snapshot

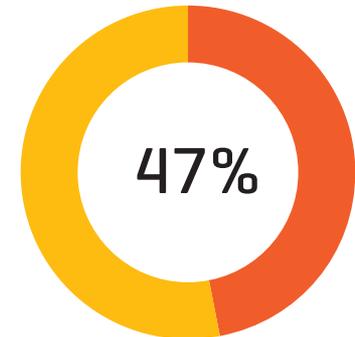
ASX Code:	YPB
Industry code:	Commercial & Professional Services
Fully paid ordinary shares:	801,377,924
Listed options:	127,132,473
Last traded Price:	\$A0.015
Market Capitalisation:	\$12,020,669
12 month high:	\$0.06
12 month low:	\$0.01
Debt:	\$1.5m convertible note*

* Details of convertible note terms announced 29 August 2018

Top 25 Holders



Directors & Management



YPB poised for significant growth

1.

Multi-award-winning, commercialised and patented product suite

2.

Increasing revenues in key markets with new client signings

3.

Unprecedented Channel partners signed in 2018

4.

YPB Token anticipated to provide increased revenues and non-dilutionary funding

5.

Fully licensed and operating in China

6.

Exclusive global license for world-leading Motif Micro materials technology that revolutionises product packaging

7.

Creator of the world's first smartphone readable, invisible and irreproducible product label markers



Consumer Engagement Solutions

For further information contact:
Investor@ypbsystems.com

