

# YPB Group Ltd. ABN 68 108 649 421 ASX code: YPB

#### **GLOBAL LEADER IN ANTI COUNTERFEIT TECHNOLOGY**

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**ASX: YPB** 

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# YPB hits milestone with A\$275k invoice to China customer

- First material invoice issued to Shensaier for YPB's invisible tracer products & T2 scanners
- Ongoing orders expected from Shensaier imminently under exclusive five-year contract
- Invoices delivered to additional clients pre 30 June

Anti-counterfeiting technology company YPB Group Limited (ASX: YPB) ("YPB, the Company") has delivered its first material invoice to Shenzhen Shensaier Limited (Shensaier) one of it's recently signed high volume China contracts, for the provision of YPB's invisible tracer products and T2 scanners.

Now issued, the invoice for approx. A\$275,000 is expected to be the catalyst for recurring orders under the contract signed with YPB on 12 January 2015 for its unique anti-counterfeit products. The contract, which runs for an exclusive five year period, is worth a potential US\$12.2 million (76 million RMB, AU\$16 million) based on projected revenues over this period.

Shensaier is one of China's largest suppliers of high quality UV printing ink and paints to the liquor and tobacco industries. It will include YPB's tracer in inks used on tobacco and liquor packaging for major Chinese brands.

"The commercial relationship between YPB and Shensaier is off to an excellent start as evidenced by this significant invoice," said YPB Group CEO John Houston.

"We expect this to be an important milestone in the journey to supply our tracers and scanners to Shensaier on a consistent basis and realise the revenue potential as a result."

The invoice also marks a vital step in the ramp up period required before annualised volumes projected by Shensaier are reached. This is expected to culminate in annual revenues of more than US\$4.58 million (AU\$6 million) for YPB.

The Company expects it's high volume tracer contracts to continue to ramp-up over coming quarters and deliver significant ongoing revenues over the course of the 4 and 5 year terms.

Prior to 30 June 2015 YPB also issued additional invoices relating to other parts of the business. The company expects to provide the market with an update regarding revenue and financial performance for Q2 in the coming weeks.

YPB CEO, John Houston said:

"June has been the strongest revenue month in YPB's short listed history and represents a defining moment for the Company plus provides validation of our business model. Having now successfully secured our first acquisitions, bedded down our two high volume scanner-tracer contracts and relaunched the brand reporter business, the foundations have been laid for the Company to generate significant ongoing revenues and deliver shareholder value."

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### **About YPB Group**

YPB Group (ASX:YPB) is a leading worldwide solutions provider in brand protection, product authentication and anti-counterfeit technology listed on ASX in Australia and operating in China, USA, Australia and South East Asia. The company has developed innovative technologies that PROTECT and DETECT. YPB's Patented Tracer and scanner solutions PROTECT products from the risks of counterfeit and diversion. Brand Reporter powered by YPB allows Brands, Governments and consumers to DETECT the incidence of counterfeit.

YPB's solutions are customizable to the market needs and we are continuing to create innovative new products for brands, manufacturers, retailers, governments and consumers.

#### **PROTECT**

YPB has developed patented invisible Tracer material that can be embedded into products and packaging during or after the manufacture process. The Tracers are inexpensive and cannot be seen, removed or destroyed.

Using YPB's handheld scanner the Tracer can then be detected in products to determine if they are real or fake.

YPB currently has contracts in place with major packaging and product manufacturers in China and is growing in the USA, Australia and Thailand.

### DETECT

Brand Reporter is YPB's technology platform designed for Governments, Brands and consumers to identify, manage, track and report counterfeit or divergent products within supply chains or at point of sale. The customised solutions are simple and easily deployed applications available on all popular smartphones.

Brand Reporter also utilizes crowd sourcing information and allows consumers to interact with products in the market using QR codes, track and trace, product scanning and consumer engagement features which can be customised to specific needs.

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