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ASX: YPB

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YPB to protect Australian Made logo in world first

- YPB's forensic covert tracer now available in Australian Made logo on AAL products
- Australian Analytical Laboratories (AAL) has chosen YPB for exports to China

YPB Group Ltd (ASX:YPB) is delighted to announce that following the inclusion of its forensic covert tracer in the Australian Made logo on AAL beauty products, the Australian Made Campaign will publish the attached release on its website and social media platforms, which receive 90,000 and 200,000 hits respectively each month.

Australian Analytical Laboratories (AAL) has recently commenced the manufacture of Australian Made beauty products for distribution into the China market on the back of 30 years of successful sales and distribution into the Scandinavian market. AAL has chosen YPB's PROTECT tracer technology to secure the brand via the Australian Made logo located on its packaging.

An initial trial production run incorporating YPB's tracer into the Australian Made logo has been successfully completed and AAL estimates first year volumes exceeding 100k units with strong growth predicted.

With the middle class across Asia now numbered at approximately 800 million, this represents a significant growth market for Australian companies, especially those producing Australian Made certified products. YPB is well positioned with its suite of solutions to assist such companies in protecting their products and brands.

YPB Executive Chairman John Houston said: "We are pleased that our invisible tracer has been selected to protect AAL's Australian Made Logo for beauty products. Australian exporters are increasingly aware of the rapid take-up of the quality "Australian Made" brand by the emerging middle class across Asia, with 350 million middle class consumers in China alone. This subjects trusted brands to counterfeit and YPB's solutions can be tailored to PROTECT any brands' products, and allow the brand owners to CONNECT with their customers around product authenticity."

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About YPB

YPB Group (ASX: YPB) is a pioneer in advanced brand protection solutions. Listed on the Australian Securities Exchange, we are expanding our global footprint with an established presence in China, USA, Australia and South East Asia.

YPB's patented anti-counterfeit technology combined with its security packaging solutions, consulting and forensic services enables businesses to protect their high value brands from the risks of counterfeit and product diversion.

YPB's full range of services will give businesses the ability to cost effectively protect their brands, easily detect counterfeits and give them the opportunity to connect with their consumers about the authenticity of their brand.

PROTECT

Security print packaging and labeling

YPB offers a wide range of intelligent security packaging and labeling solutions that can be included into almost any material and is a cost effective brand protection solution for companies wanting to protect the integrity and value of their brands in high-risk markets.

IP solutions & forensic services

YPB's IP solution specialists will work with quality brands and Governments, to develop personalised brand protection strategies and solutions that will deliver real protection and safety for 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 that 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 will consult with a brand owner to develop strategic solutions to protect the brand 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 divergent products and allows brands to connect and engage with consumers via QR codes, near field communication, track and trace, product scanning and consumer engagement. Giving brand owners valuable and actionable "big data" about their consumers and products through a powerful data analytics capability.



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Country-of-origin branding combined with traceability technology to defend against counterfeiters

Australasian Analytical Laboratories (AAL) has been successfully manufacturing beauty products in Australia for the Scandinavian market since 1986.

While its brands are well-established in Scandinavia, the company recently embarked on a new venture contract manufacturing for the Chinese market, and recognised the importance of introducing Chinese consumers to the 'Australianness' of its products. The AAL team decided to register its newest range with the Australian Made Campaign so the Australian Made certification trade mark could be integrated into product packaging, to help associate its products with Australia's high quality, health and safety manufacturing standards.

"Australia has a great reputation overseas and we know Chinese consumers value the Australian Made logo as a means of identifying genuine Australian products," AAL Director, Roger Starks, said.

"When shoppers see the Australian Made logo on a product they know it is authentically Australian."

The Australian Made logo's registration as a certification trade mark in China also provides an essential legal framework which AAL can rely upon in the event that products carrying the logo are copied.



"We are trying to do everything we can to reduce the risks associated with expanding into a new market, so it is reassuring that the Australian Made logo

provides additional protection against piracy and copy-cat manufacturers," Mr Starks said.

In order to further defend the new range against possible counterfeiters, AAL had the Australian Made logo printed on-pack in conjunction with tracing technology from YPB Systems (YPB).



YPB's Forensic Covert Marker technology was embedded directly into the ink on the labels – although it can be integrated into a broad range of manufacturing processes, to merge with product, print or packaging before or after production.

Because the technology consists of a clear, inorganic compound which can only be detected and verified with a matching handheld scanner, it is inconspicuous. In addition, once applied, it cannot be removed, destroyed or copied.

YPB Executive Chairman John Houston said exporters were becoming increasingly aware of the rapid take-up of 'Australian Made' brands by middle class consumers across Asia, and was pleased the invisible tracer had been selected to protect AAL's Australian Made logo-branded beauty products.

"High demand makes trusted brands subject to counterfeit and YPB's solutions can be tailored to protect any brand's products, allowing brand owners to connect with their customers around product authenticity," Mr Houston said.

To find out more about YPB's tracing technology visit <u>www.ypbsystems.com</u>.

The Australian Made Campaign

ABOUT THE AUSTRALIAN MADE, AUSTRALIAN GROWN LOGO

The green-and-gold Australian Made, Australian Grown (AMAG) logo is the only registered country-oforigin certification trade mark for the full range of genuine Australian products and produce.

It has been helping Australian consumers, farmers, processors and manufacturers for thirty years.

The AMAG logo can only be used on products that are registered with the not-for-profit organisation Australian Made Campaign Limited. The strict set of rules governing the logo's use also require that it must always be used with one of five descriptors; 'Australian Made', 'Australian Grown', 'Product of Australia', 'Australian Seafood' or 'Australian' (for export use only). To use the logo goods must meet the criteria set out in Australian Consumer Law as well the more stringent Australian Made, Australian Grown Logo Code of Practice. Almost 2500 businesses are registered to use the AMAG logo, which can be found on some 15,000 products sold here and around the world.

Australian Made Campaign Limited is located at Suite 105, 161 Park Street, South Melbourne, VIC 3205.

www.australianmade.com.au