

PROTECT | DETECT | CONNECT

Building a Global Franchise in
Anti-Counterfeit and Customer Engagement



PROTECT | DETECT | CONNECT

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1 The Big Picture

YPB PROTECTS AND GROWS BRAND VALUE VIA ANTI-COUNTERFEIT AND CUSTOMER ENGAGEMENT TECHNOLOGIES.

HUNGRY MARKET

Urgent brand
need + marketers'
burning want

HUGE MARKET

Extensive products,
sectors and
geographies

RAPID PENETRATION

High growth, low
cost, low capital,
low risk multiplier
partnership model

READY FOR LIFT-OFF

Launchpad built,
technologies,
relationships, talent
assembled for rapid
lift-off

ANTI-COUNTERFEIT

CUSTOMER
ENGAGEMENT

GOVERNMENT
VITAL DOCUMENTS

RIGHT PLACE & RIGHT TIME

YPB stands to profit from sweeping shifts in global trends.



Emerging pan-Asian middle class

China 350 Million
India 267 Million
ASEAN 190 Million
TOTAL 807 Million



Massive decline of mass marketing

Audiences have
shifted to personalised
media intake.



Rise of Customer Engagement

Emerging technologies
allow engagement through
personal devices.
Explosive growth in
WeChat and Line.



Rapid evolution in Government Vital Documents

Need for new-generation
protection technology

2 The Need & The Want

1.7 TRILLION

Value of global counterfeit market

285 BILLION

Spend on anti-counterfeit
measures by 2020

32.4 BILLION

Spend on customer engagement
by 2018

1

COMPANY

has developed an end-to-end solution

THE WANT - IS IT FAKE OR REAL?

FAKE OR REAL

KEY INSIGHT

Exporters must address the rapidly growing 800m plus middle class in Asia



YPB'S STRATEGY

To provide solutions to exporters to protect their brands and connect to customers around authenticity.

THE WANT – DIRECT CUSTOMER ENGAGEMENT

MASS MARKETING IS DEAD

General demographic targets

General geographic relevance

Expensive to maintain brand presence

Difficult to convert purchase intention

No way to qualify success of campaign

No individual customer feedback

No ongoing database

INTELLIGENT CUSTOMER ENGAGEMENT

Individual targeting

Location & time specific engagement

Very low cost of total operation

Intention can be converted immediately

Campaigns backed by complete analytics

Direct two-way dialogue with customers

Complete data accumulates over time



Direct Engagement Marketing offers brands the opportunity to build **intimate, active and ongoing relationships** with customers.

Our Solutions

YPB'S SOLUTIONS

The world's first end-to-end anti-counterfeit and customer engagement solution


PROTECT




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Integration of anti-counterfeit technology for global brands and government vital documents.



Verification through supply chain and end user / customer authentication.



Customer engagement technology offers direct line of dialogue between brand and customer.

YPB'S FORENSIC COVERT TRACER IS INVISIBLE

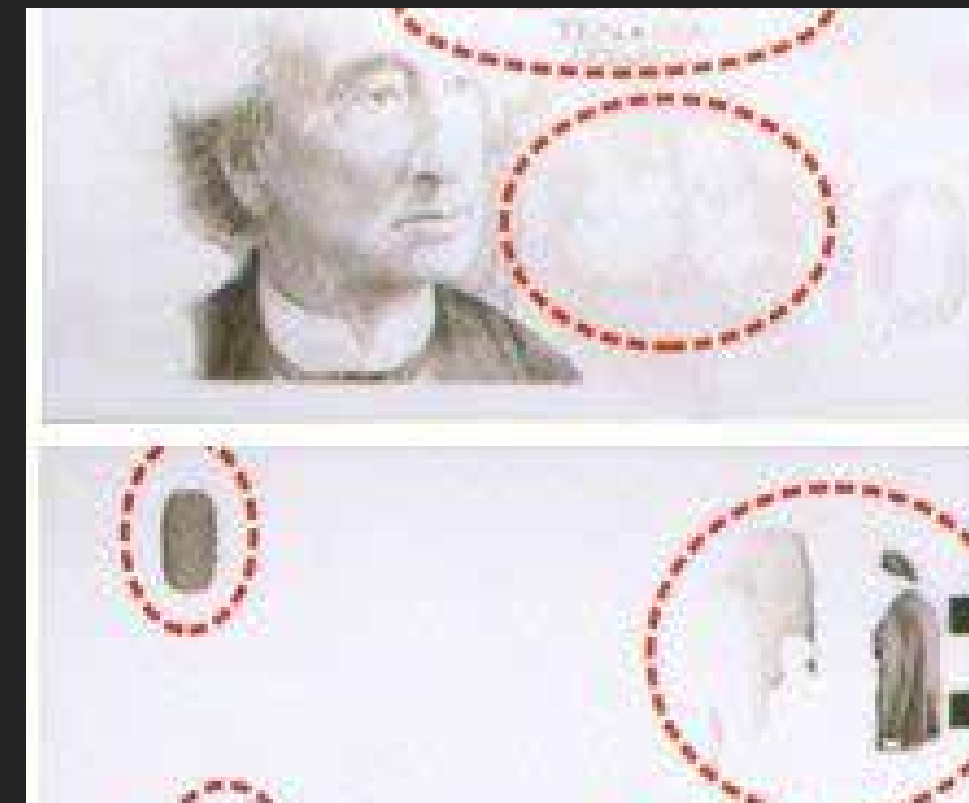
INVISIBLE - CANNOT BE COPIED - CANNOT BE DESTROYED - COST EFFECTIVE



Colour Shifting Ink
900 Suppliers



UV Security Ink
113,000 Suppliers



IR Security Ink
4,700 Suppliers



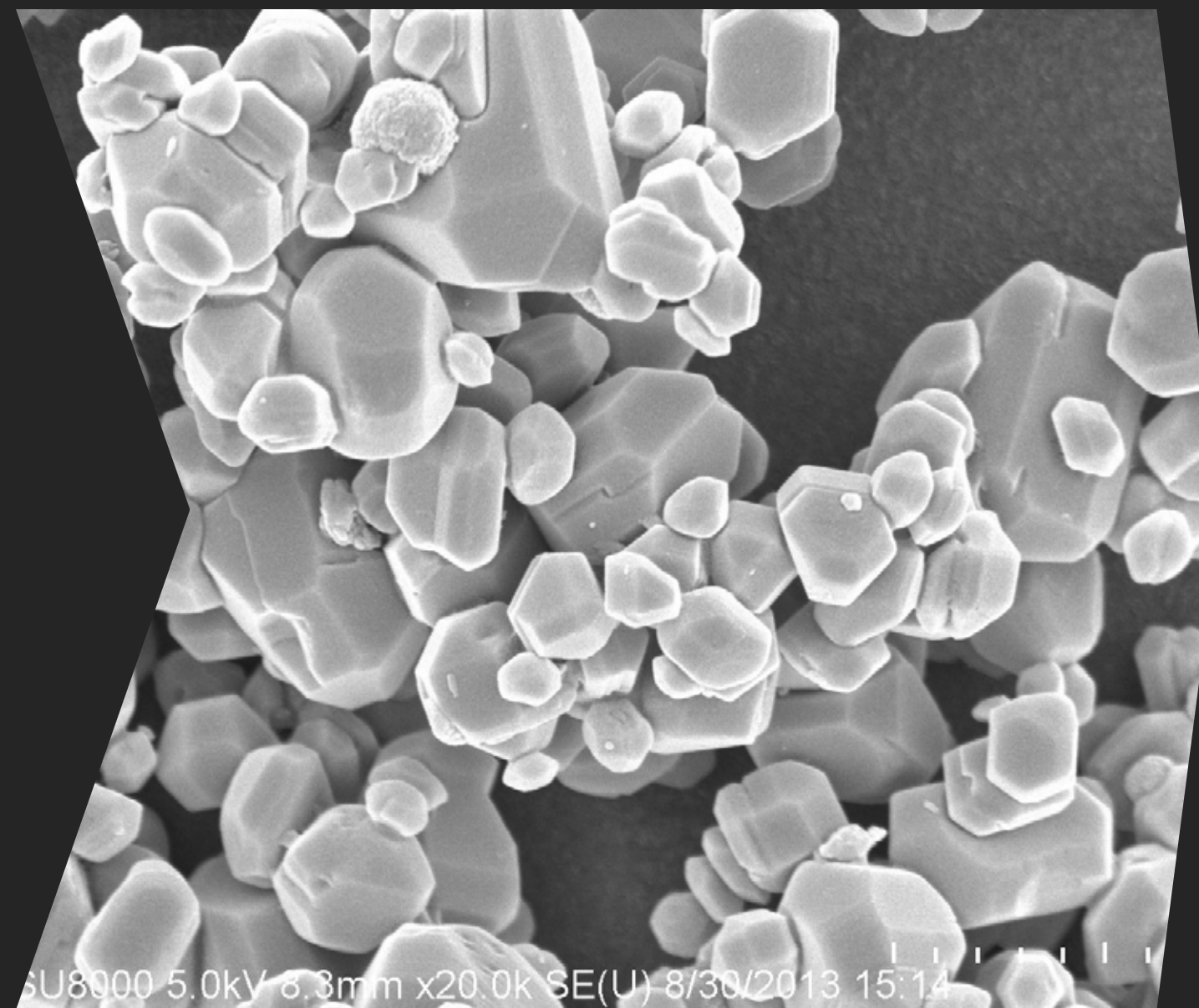
Hot Stamping
20,000 Suppliers

IF YOU CAN SEE IT, IT CAN BE COPIED!

YPB'S TRACER IS EASILY APPLIED

SCANNER GIVES IMMEDIATE AUTHENTICATION

YPB particle size 2-5 microns



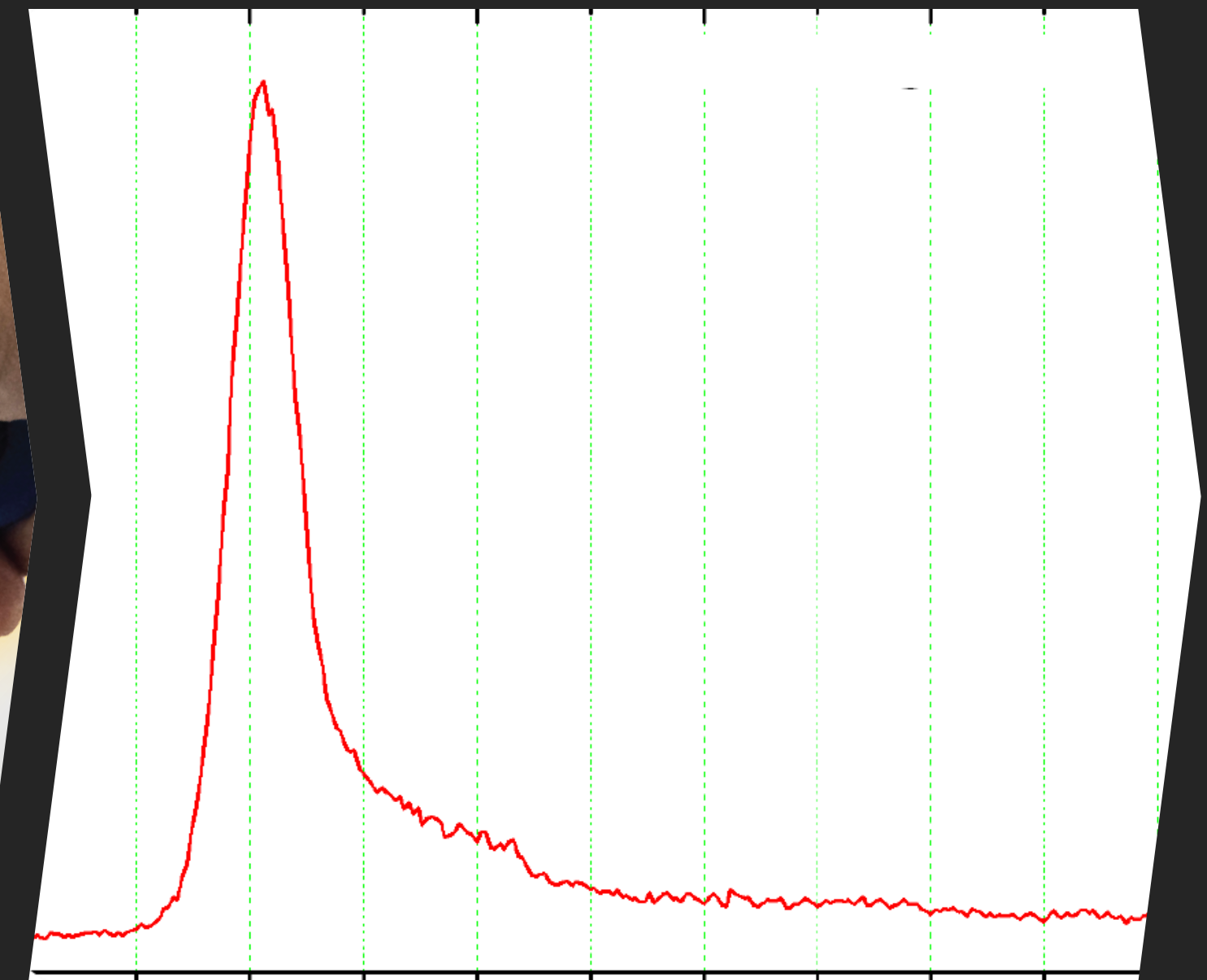
YPB INVISIBLE TRACER

YPB tracer on product



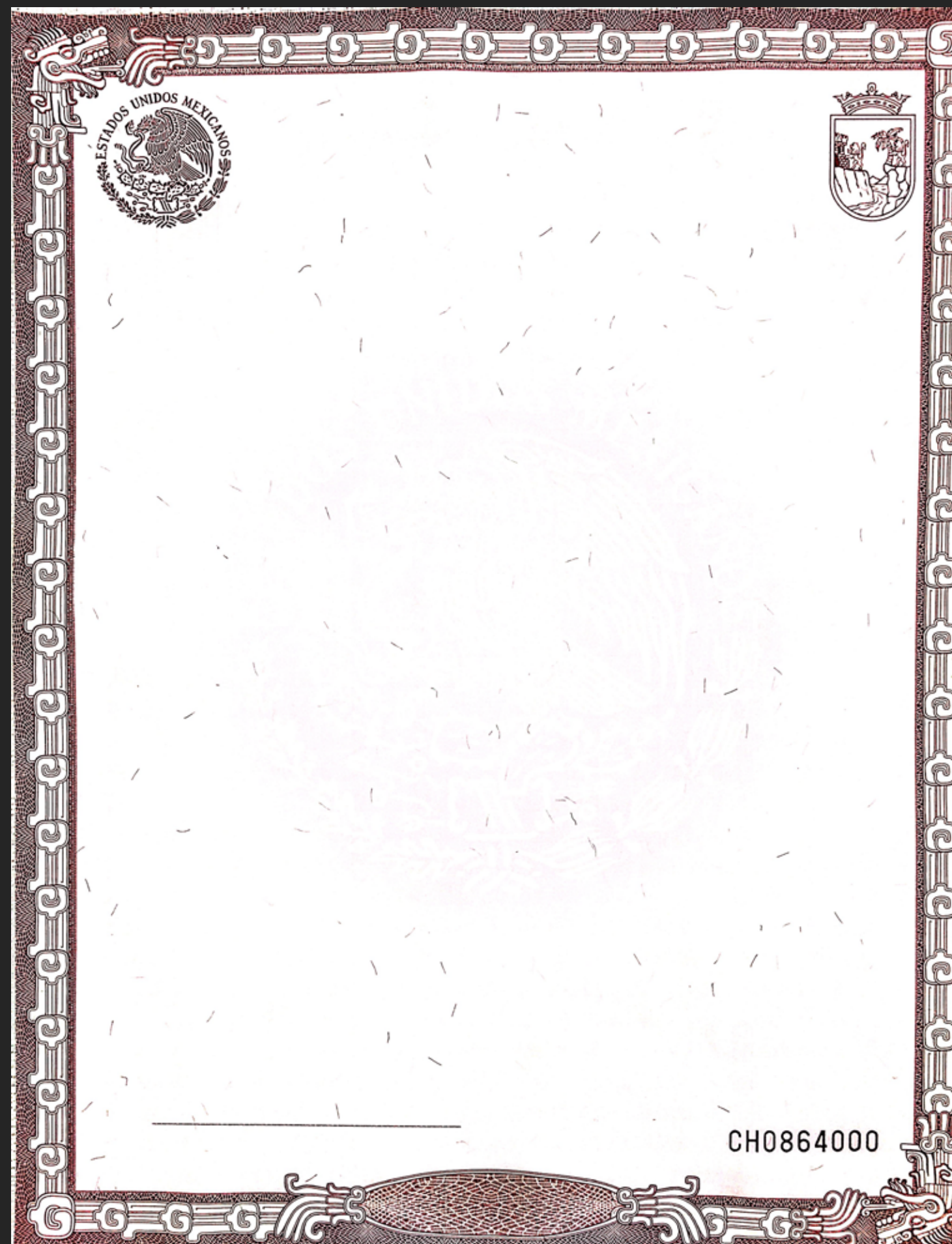
YPB SCANNER EXCITES THE TRACER

YPB scanner reads the signature



YPB TRACER EMITS AN
INVISIBLE RESPONSE

GOVERNMENT VITAL DOCUMENTS



Vital Record Document



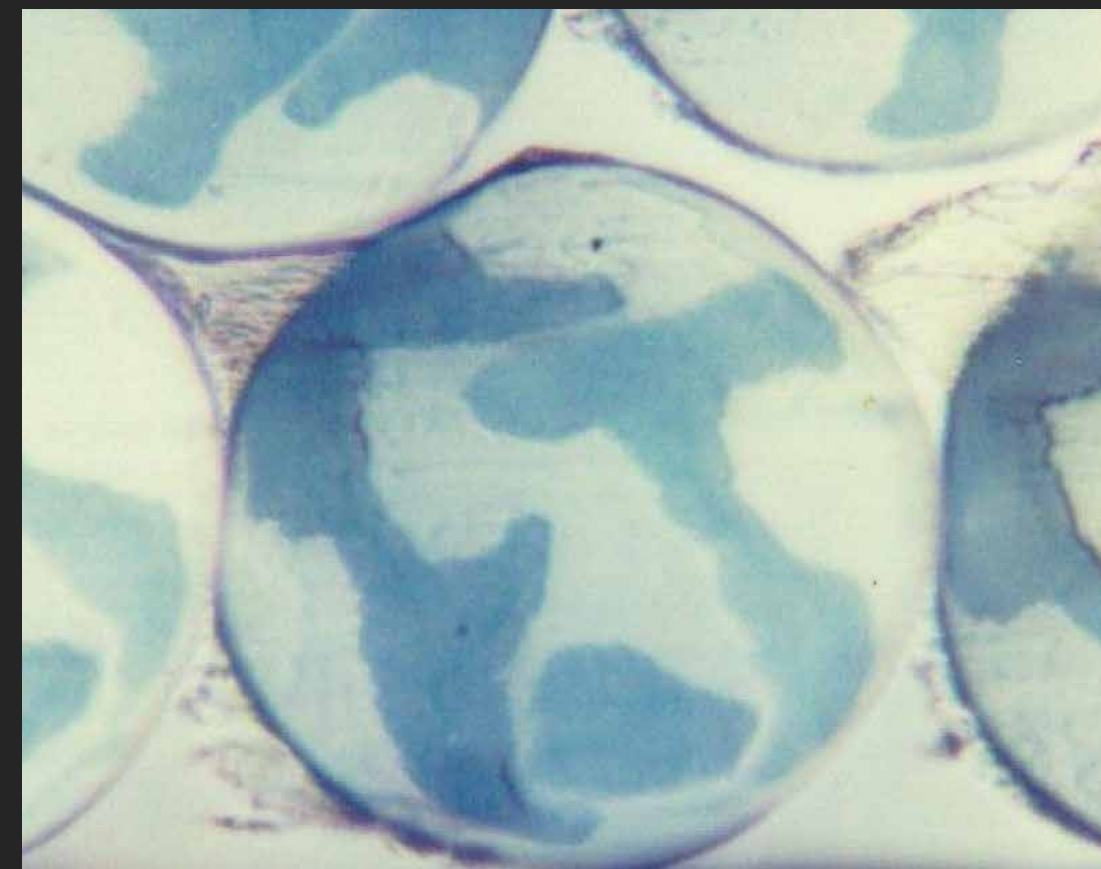
YPB Varisec™ Foil



ePassports



Forensic Fibres



YPB MultiSec™ Thread

CUSTOMER ENGAGEMENT

AUTHENTICITY *TRIGGERS* ENGAGEMENT
YPB EMPOWERS BOTH

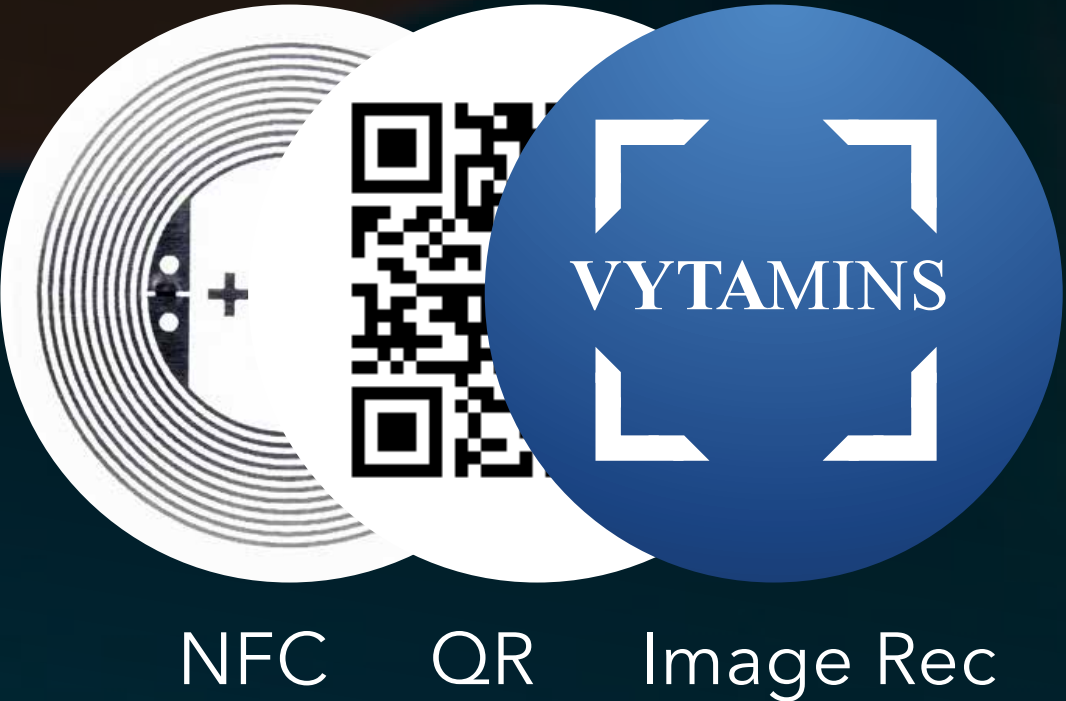
Brand Authenticity



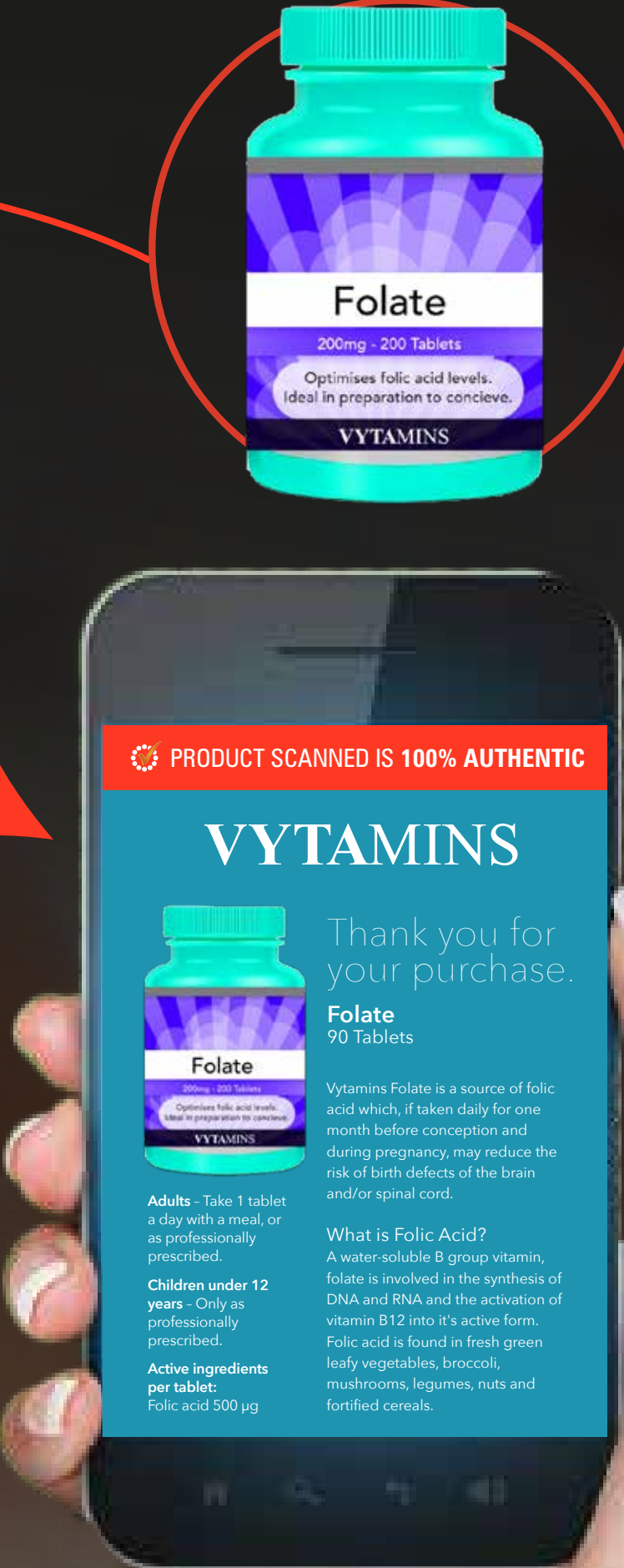
Brand Engagement

ANTI-COUNTERFEIT INTEGRATED WITH CUSTOMER ENGAGEMENT

Digital Authentication & Information Display



Technology integrated onto the label / bottle / cap provides digital verification of authenticity, as well as customer engagement such as detailed product information or videos.



YPB's Patented Covert Forensic Tracer



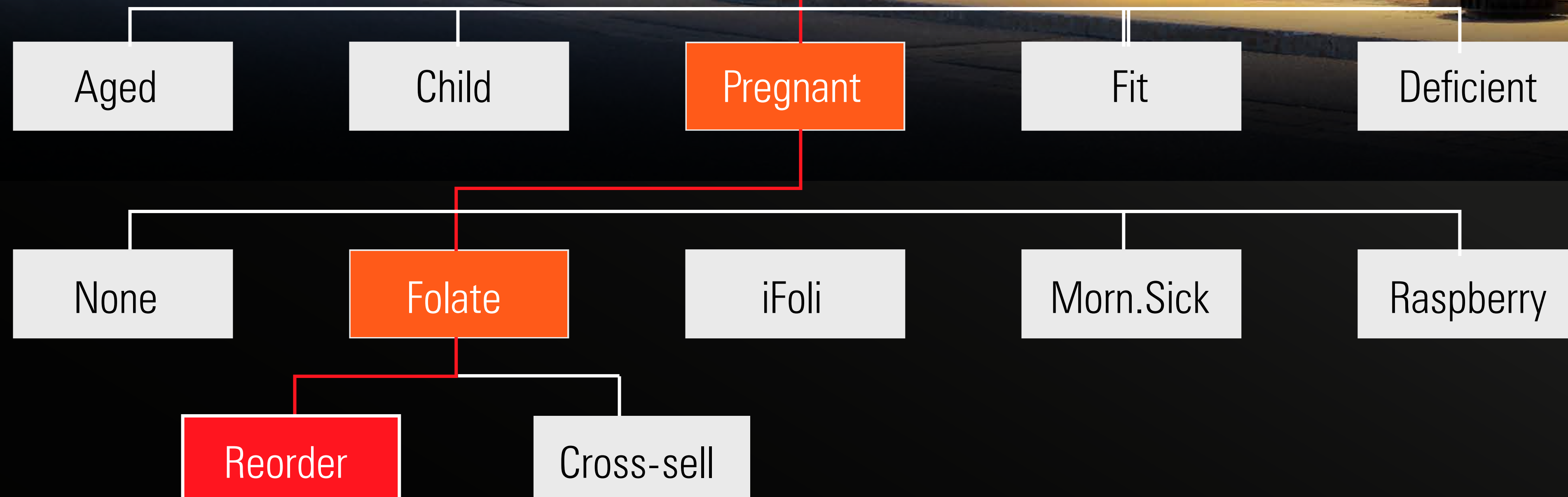
The Covert Forensic Tracer cannot be copied, seen or destroyed - and integrates directly into packaging or labels.

YPB proprietary Scanner provides immediate confirmation of authenticity, from point-of-manufacture, through logistics chain and at point-of-sale.

CONNECT

The power of Tailored Messaging

Rachel Addams
Age: 35



CONNECT

The power of Location Targeting

Chemist



Point A



Point B



Location based delivery
diverts foot-traffic into store.
Message can be customised
on a case-by-case basis to
reflect each particular
customer's requirements.

4 Validation

YPB HAS A UNIQUE MARKET POSITION

75

Companies certified in
China by CTAAC to sell
Anti Counterfeit technology in PRC

15

Companies certified to sell Tracers

1

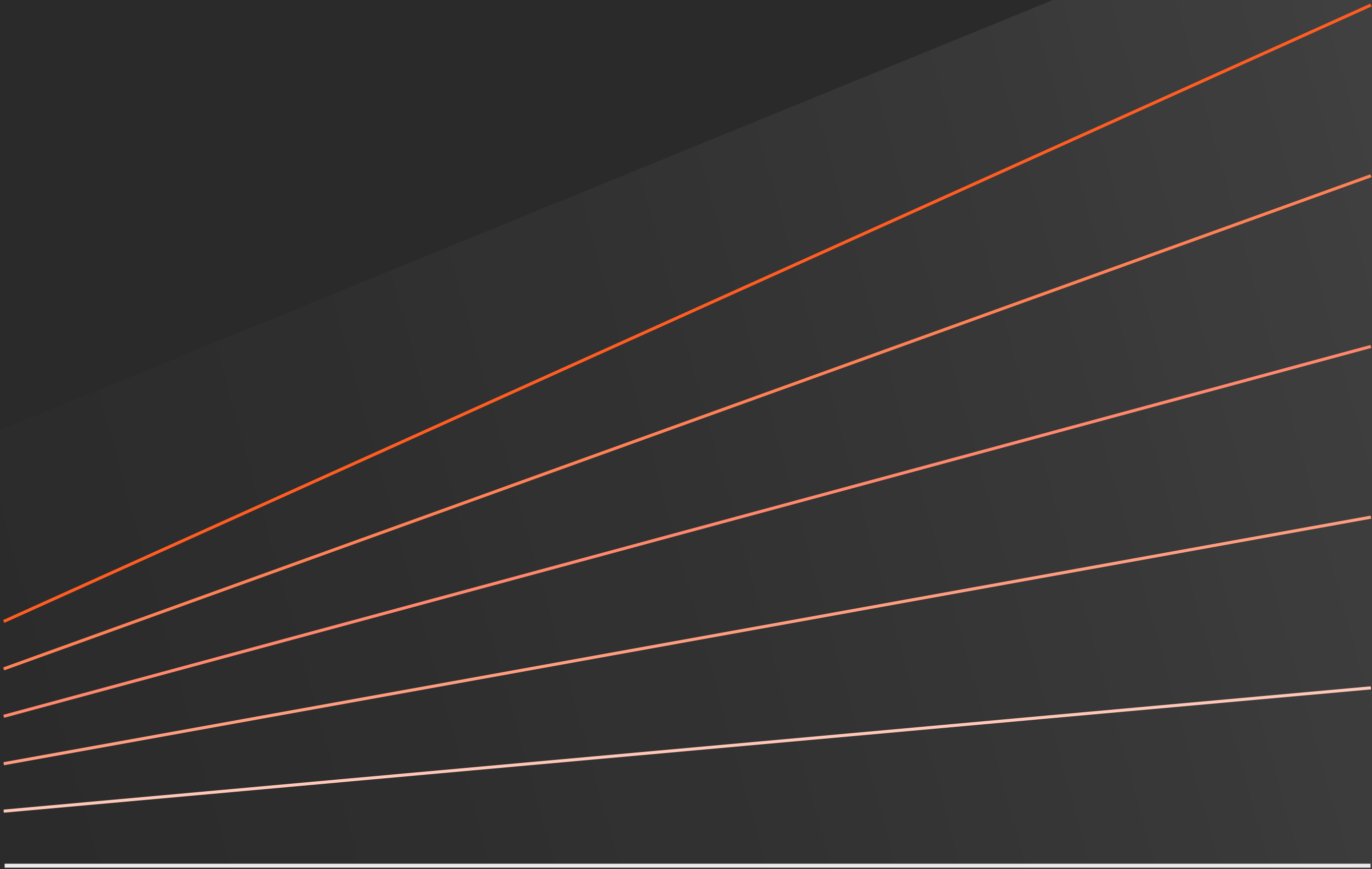
Company certified by CTAAC in China
that sells invisible tracers



Launchpad Complete,
Ready for Lift-off

BUILT THE WORLD'S FIRST BRAND PROTECTION + CUSTOMER ENGAGEMENT FRANCHISE

IP = 2 Granted
Products = 1
Footprint = China
SOB = China





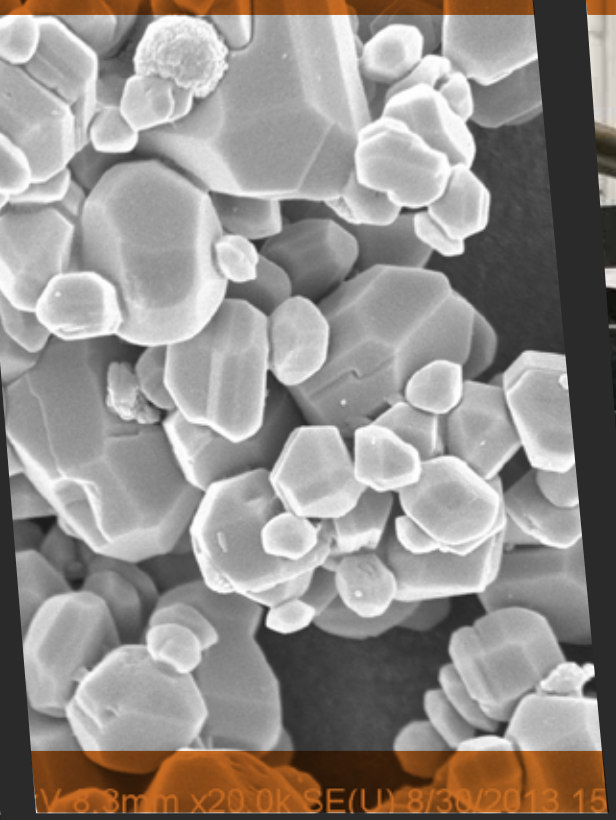


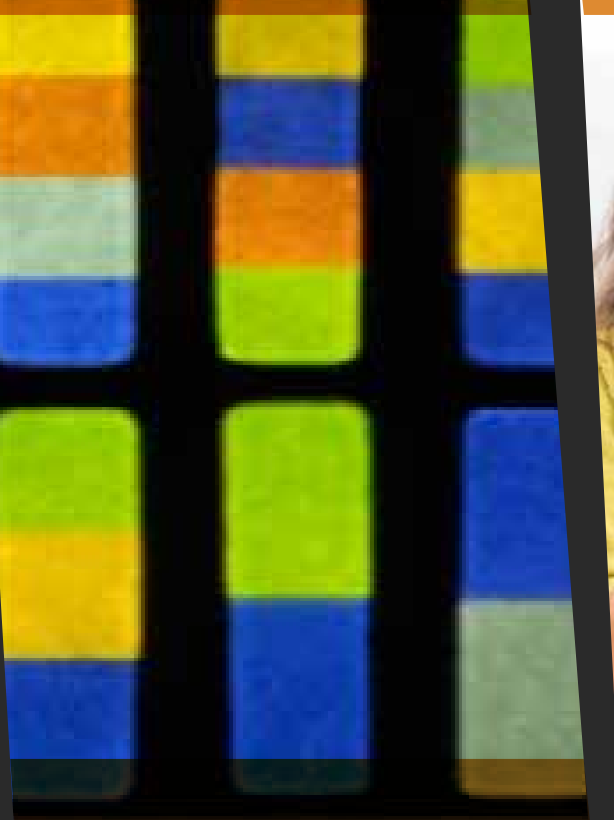

IP = 8 Granted
8 Pending

Products & Services = 7

Footprint = China
Thailand
Australia
USA
Mexico

SOB = Global







































YPB HAS BUILT A MULTI-STREAM REVENUE PLATFORM

	Forensics & IP Analytics	Government Vital Documents	Forensic Covert Tracer	Print Management	Brand Reporter	Motif Micro	Customer Engagement
							
Product	Lab Services	YPB's core IP	YPB Patented IP	YPB IP in Print	YPB IP	Nano tech codes	YPB Connect
Revenue Model	Fee for service	Fee per document	Fee per application	Fee per application	SaaS	Fee per application	SaaS
Client Type	Fortune 500 Companies	Government	Brands	Brands	Brands	Brands	Brands
Revenue Potential	★★	★★★★★	★★★★★	★★	★★	★★★★★	★★★★★

CLEARLY TARGETED SOURCES OF BUSINESS

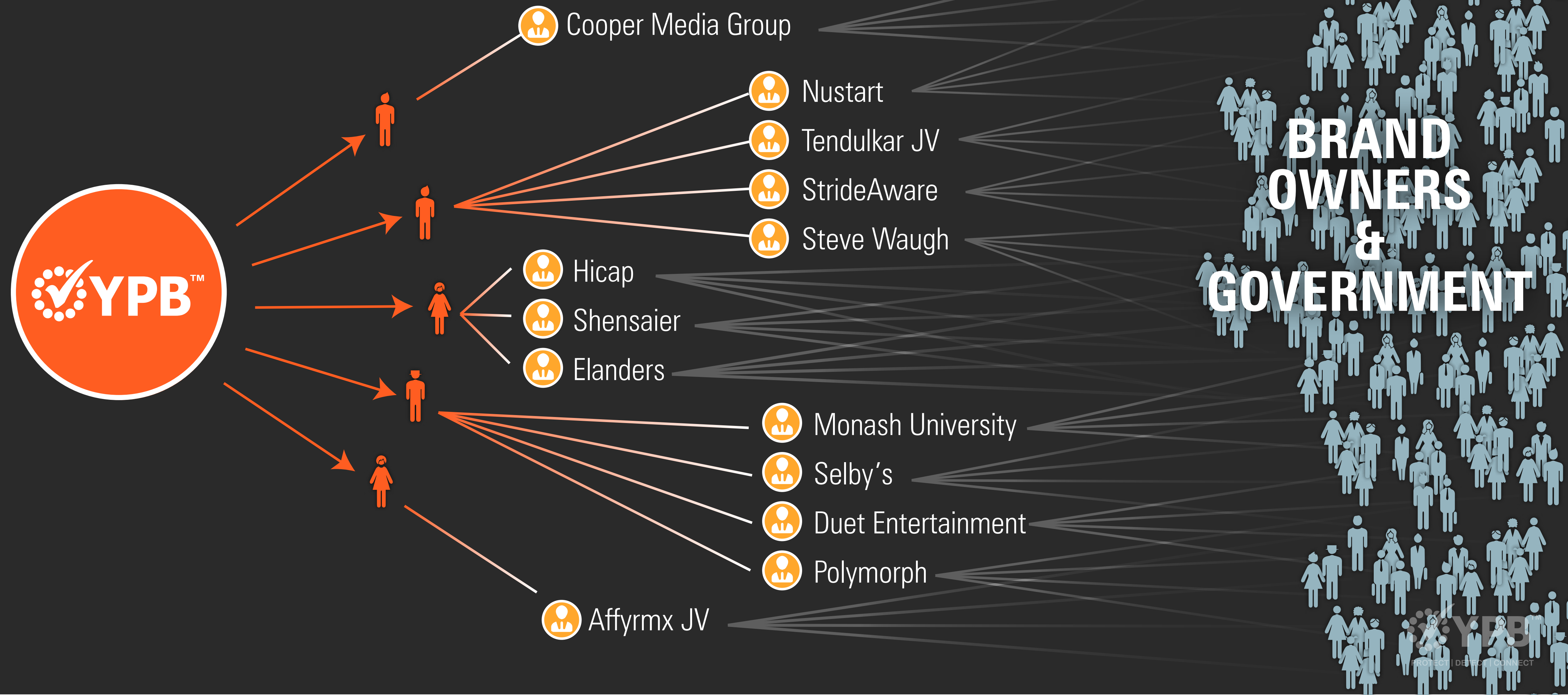
Geographies, Sectors, Products

-  Anti-Counterfeit
-  Customer Engagement
-  Government Vital Documents

	GOVERNMENT VITAL DOCUMENTS	FASHION & RETAIL	FOOD & BEVERAGE	SPORT	FINANCIAL INSTITUTIONS	FMCG	PHARMA & HEALTH	EXPORTERS
ANZ		 	 	 			 	 
INDIA				 				
SE ASIA						 		 
USA		 		 				 
CHINA						 		
MEXICO								

YPB MULTIPLIER PARTNERSHIP MODEL

High growth, Low cost, Low capital, Low risk



YPB'S MAJOR GOVERNMENT VITAL DOCUMENTS OPPORTUNITY IN MEXICO

AFFYRMX
GROUP

MARKET & OPPORTUNITIES

50m - 60m

VITAL RECORDS

total market size
US\$7.2m - US\$8.8m

1.2m - 1.3m

VISAS

total market size
US\$700,000

25m - 30m

LOTTERY TICKETS

total market size
US\$5.8m - US\$7.6m

10m - 12m

IDENTITY CARDS

total market size
US\$20m - US\$25m

20m - 25m

EMMISSION CERTIFICATES

total market size
US\$7.2m - US\$8.8m

**This is not a forecast - YPB's potential revenue varies by opportunity.*

YPB HAS THE ONLY SECURITY FOIL NOW APPLIED TO PASSPORTS

199

Countries Issue Passports

125M

Passports Issued Annually

\$4.2M

Total Market Revenue for VariSec™ Foil

Initial target share of 20% to grow to 30% - 40% in 3 years

\$3.3M

Total Market Revenue for MultiSec™ Thread

Initial target share of 10% to grow to 30% - 40% in 3 years

PASSPORT



107 Million
ordinary Passports

18 Million
utilise YPB VariSec™

196
Countries

3
Countries

125M PASSPORTS ISSUED ANNUALLY

7 Competitor Analysis

ANTI COUNTERFEIT TECH COMPARISON

ATTRIBUTE	RFID	NFC	HOLOGRAM	MICRODOT	UV&IR INKS	CODED TAGGANTS	YPB
COST PER APPLICATION (\$USC)	15-30	10-25	2-5	2-5	2	1-2	1
PASS/FAIL READER	✓	✓	×	×	×	✓	✓
UNIQUE PRODUCT ID PER UNIT	✓	✓	×	✓	×	PARTIAL	✓
RAPID AUTOMATED SCANNING	✓	✓	×	×	✓	×	✓
CAN BE SCANNED AT A DISTANCE >1M	✓	×	×	×	×	×	×
INVISIBLE TO THE EYE EVEN UNDER IR/UV/MAGNIFICATION	×	×	×	×	×	×	✓
DURABILITY - TRACEABLE IF BURNT	×	×	×	★	★	★	★★★★
EASE OF APPLICATION	★	★	★★	★★	★★★★	★★	★★★★
TRACK AND TRACE ENABLED	✓	✓	×	✓	×	✓	✓
READER UNDER US\$20	×	N/A	N/A	×	✓	×	✓

Financials

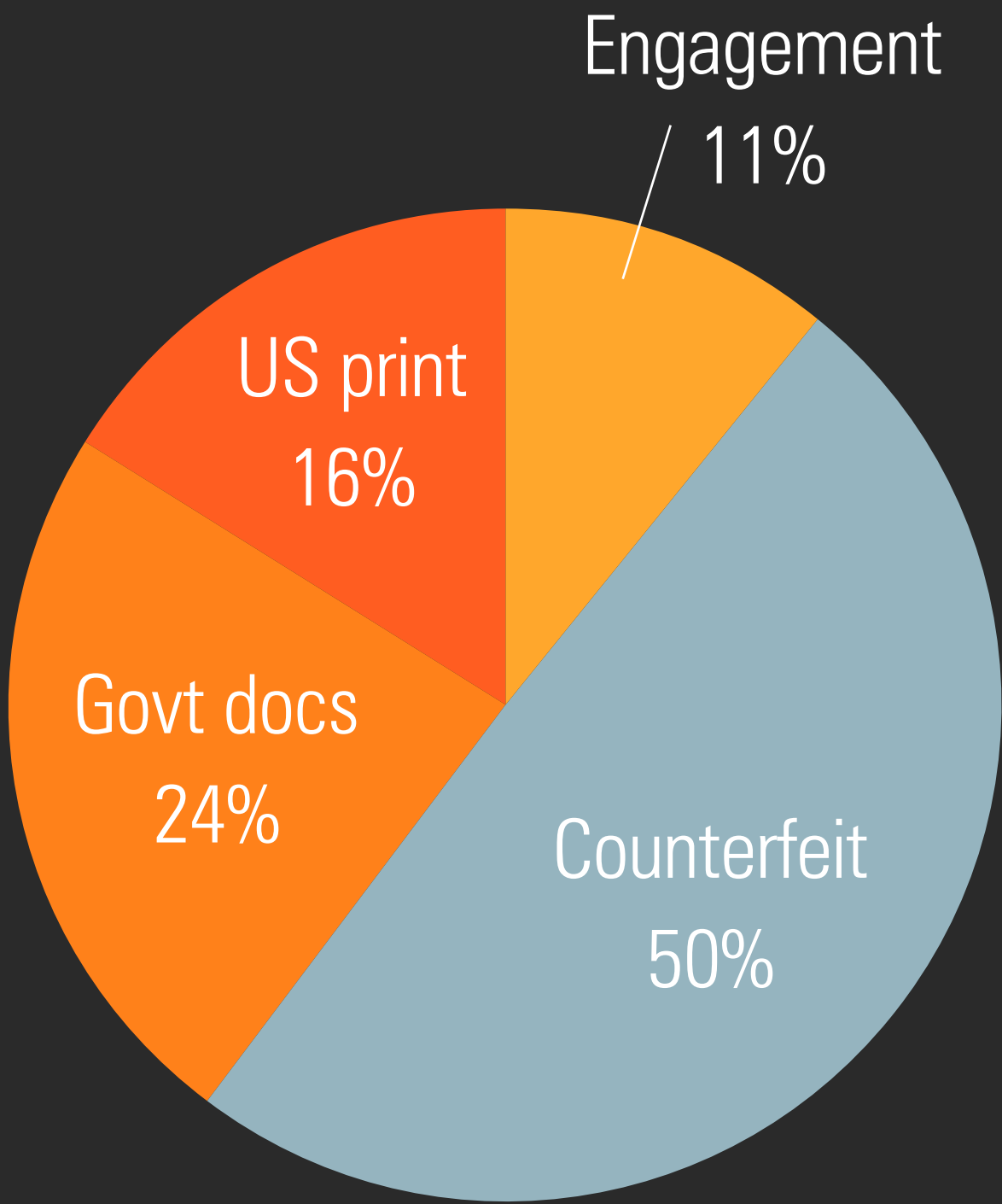
ISSUED CAPITAL

Ordinary fully paid	171,410,287
Options \$0.20 Oct 2017	40,043,884
Total securities	211,454,171
Market cap fully diluted \$0.26	\$55m

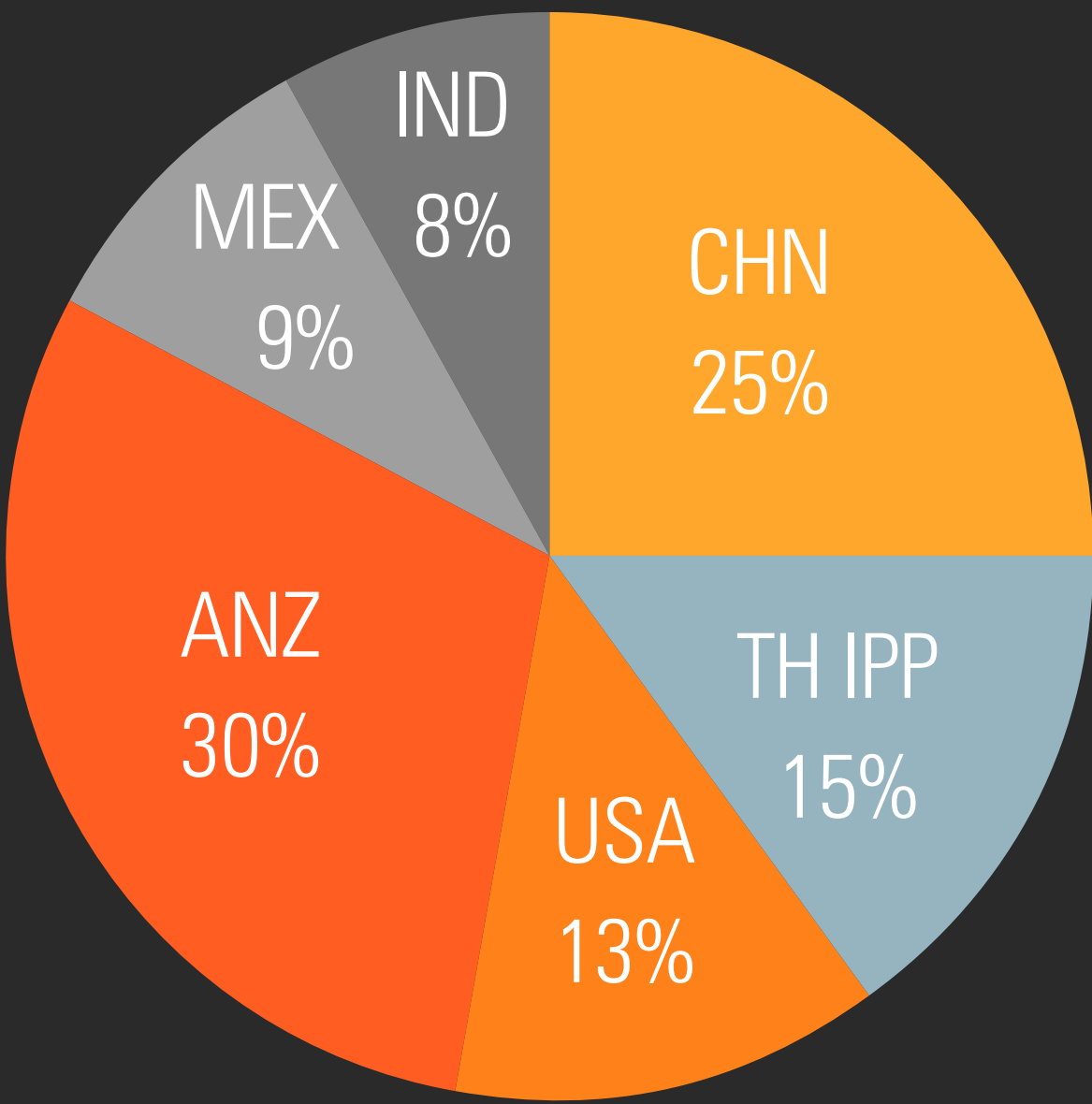
ACQUISITION HISTORY

Acquisitions		Scrip value		% total	
Brand Reporter	9/09/2014	\$385,452	1,752,055	0.22	74%
IPP	7/05/2015	\$389,914	1,170,913	0.33	60%
CFC	1/09/2015	\$383,191	1,094,830	0.35	50%
nTouch	30/10/2015	\$4,500,000	12,857,143	0.35	100%
Affyrmx	17/02/2016	\$260,000	1,000,000	0.26	n/a
		\$5,918,557	17,874,941	0.33	

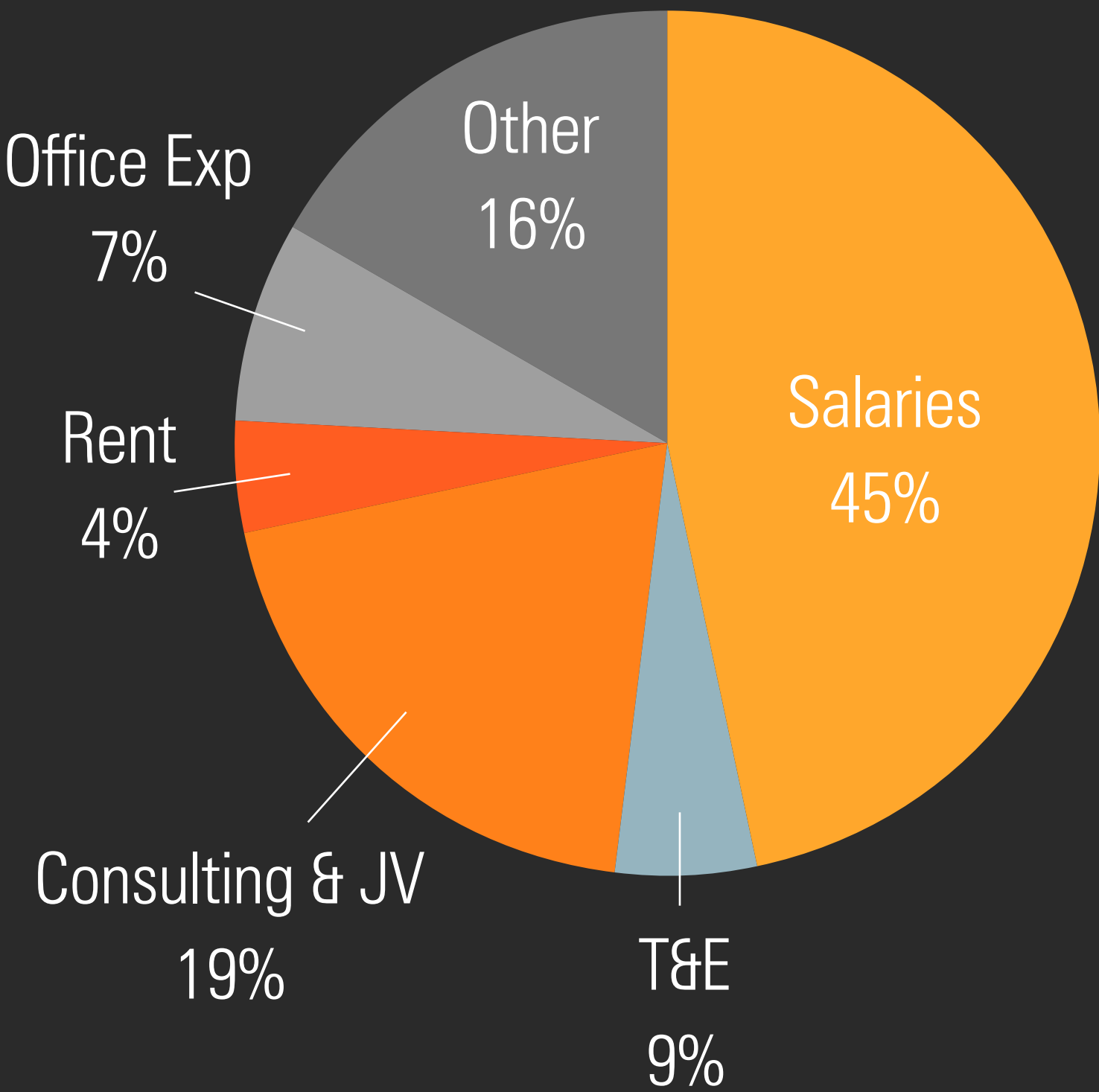
REVENUE AND COST STRUCTURE



REVENUE 2016 SECTOR



REVENUE 2016 GEOGRAPHY



COST BASE 2016

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We're building a Global Franchise in
Anti-Counterfeit and Customer Engagement



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REFERENCES

INDUSTRY NUMBERS - FRAME 8

A: Source: ICC Global Impacts Study 2008

B: The claim is the combination of the following:

1. Anti-counterfeit Packaging Market - 128.6bn by 2019

<http://www.marketsandmarkets.com/Market-Reports/anti-counterfeit-packaging-advanced-technologies-and-global-market-129.html>

2. Product Authentication - 142.7 billion by 2020

<https://www.alliedmarketresearch.com/anti-counterfeit-market>

3. Online Brand Protection – 3.8 Billion by 2018 -

<http://www.smitherspira.com/news/2013/december/global-brand-protection-market-for-ecast-to-2018>

C: Customer Engagement – 32.4 Billion by 2018 -

<http://www.forbes.com/sites/forrester/2013/08/09/mobile-engagement-providers-will-be-a-new-32-4-billion-market-by-2018/>

GLOBAL NUMBERS - FRAME 9

(1) "10% of the world's medicines are counterfeit" = International Medical Products Anti-Counterfeiting Taskforce (IMPACT), Counterfeit Drugs Kill!, World Health Organization, Geneva, Switzerland, 2008 <http://www.who.int/impact/FinalBrochureWHA2008a.pdf> (accessed 07.12.12).

(2) "50% of cases, medicines purchased over the Internet from illegal sites that conceal their physical address have found to be counterfeit" = The World Health Organization. Available on: www.who.int/mediacentre/factsheets/fs275/fr/index.html. (December 2011)

(3) "27.5 million counterfeit medicines retained by european customs Authorities" = Report on UE customs enforcement of intellectual property rights 2011.

(4) "20.7 million illegal and counterfeit drugs seized during «pangea VIII» operation" Interpol - Pangea VIII operation <http://www.interpol.int/News-and-media/News/2015/N2015-089>

(5) Up to 300,000 people die annually in China due to fake or substandard medicines = International Policy Network London 2006 Center for Medicine in the Public Interest

(6) 36% of anti-malaria drugs in Southeast Asia are falsified = Nayyar, GML et. al., Poor-quality antimalarial drugs in southeast Asia and sub-Saharan Africa, 12 Lancet Infectious Diseases 488, 492 (2012).

(7) 30% of medicines circulating in Brazil are counterfeit = february 7,2012 - Etco.org.br - <http://bit.ly/zIMGWG>.

(8) Internet Sales of Counterfeit medicines amount to \$75 Billion = WHO <http://www.who.int/bulletin/volumes/88/4/10-020410/en/>

(9) 550 MILLION doses of illicit medicine seized in Africa during the 2013 "Biyela" operation = <http://www.iracm.com/en/2013/06/operation-biyela-record-seizure-of-illicit-medicines-in-africa/>

PASSPORT NUMBERS - FRAME 35

199 Countries with passports: www.passportindex.org

IHS Research predicts that within a 5 years, 90% of passports carried will be ePassports.

ICAO says 21 additional countries ready to deploy ePassports in the next 12 to 48 months.

Market Potential Revenue based on YPB internal estimates.