



# **Rebuilt, Revitalised, Results Ready**

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**Annual General Meeting 31May 2018**

Protect. Detect. Connect.

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# Rebuilt, Revitalised, Results Ready

- Opportunity amplifying - Counterfeit intensifying
- Major restructure and rebuild 2017 & H1 2018
- Revitalised - results visible H2 2018
- Tech suite progressive, potent, pertinent
- Motif Micro revolutionary tech, extravagant possibilities
- Token Sale Event potentially highly value creating

**Opportunity  
counterfeit pandemic  
intensifying**

**US\$4.2 trillion** p.a. cost by 2022

**5.4 million** jobs at risk p.a.

**1million** patient deaths p.a. from fake pills

**750,000** needless malaria deaths p.a. from fake pills

**54,000** babies hospitalised, **6** deaths from

fake food China 2008

# Review, renew, refocus – 2017, H1 2018

- Executive Chair in, CEO out
- Complete 40% cost cut - \$4.5m annualised - no capability loss
- Tighten focus - Australia - South-East Asia - South Asia -China
- Remove non-performing senior management
- Re-empower good management
- Fill key personnel gaps
- Adjust offer and strategies to shorten sales cycles, expand addressable market
- Review and stabilise technology base and roadmap
- Revive neglected partner and client relationships
- Enhance market access with valuable new partnerships
- Increase sales staff (within cost cap, low base pay-high performance reward)
- Complete Motif Micro acquisition

# Delay transitioning to Delivery

## Delay

- Technology
  - Connect major bug fixes
- Customers
  - Bureaucratic decision processes
  - Specific extraneous factors
  - Early adopter reluctance
  - Awaiting phone readable forensic quality
- Management
  - Weak, unfocussed strategy
  - Poor prioritisation
  - Poor hires
- Sales
  - Under resourced, under skilled
  - Solutions too bespoke

## Delivery H2 2018

- Technology
  - Connect now quick sell, deploy
- Customers
  - Processes progressing
  - Extraneous issues resolving
  - Wider recognition of need for protection
  - Forensic phone readable Q3 2018
- Management
  - Revitalised
  - Focussed
  - Quality new key personnel
- Sales
  - Strong sales hires AUS, CHN
  - Greater standardisation, agility of offer

# Revenue growth the path to profitability

## Revenue impacting developments

- Sales power, strategies, prioritisation
- New channels
  - Alihealth CHN – opening doors
  - AusMade AUS – 1700 users, >20k products
  - Orora re-engagement
- New products
  - ProtectCode
  - Unique, nextgen Retail Anti-Theft product
  - “Productised”, self-serve solutions
  - Nextgen Vital Gov Document foil
- Explosion of QR Code based e-commerce CHN
- ANZ export push into high risk markets
- Motif Micro ownership

## Revenue sources

- Pipeline conversion
  - \$131m annualised (revised, active)
- CHN
  - AliHealth + ProtectCode
- AUS
  - New channels
  - New products
- Present clients
  - More solutions, volume growth
- Motif Micro
  - Licence – industries, geographies
  - Multiple opportunities progressing

Dominates e-commerce in China -  
mobile payments

No barrier to counterfeit - code can  
simply be copied or replaced

Hackers replace legitimate  
codes with malevolent codes to gain access to consumer  
data and bank accounts

Over 23% of Trojans and viruses are transmitted via QR  
codes

Opens the gateway - unsecured physical entry point to the  
digital database

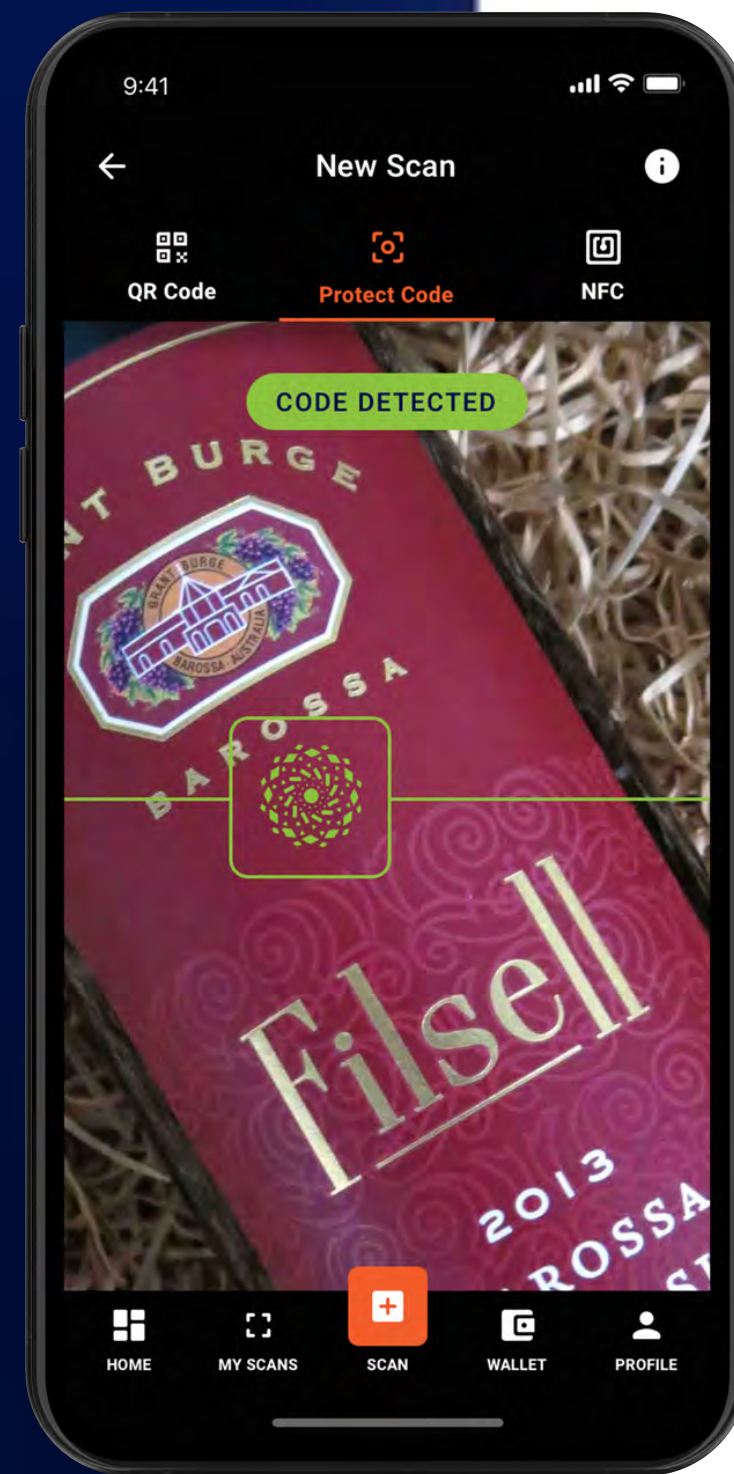


**QR codes.  
An insecure Chinese  
love affair.**



# ProtectCode

The mass market covert  
serialised counterfeit killer



Revolutionary – first forensic protection for mass market  
via smartphone readable, highest protection, anti-  
counterfeit mark

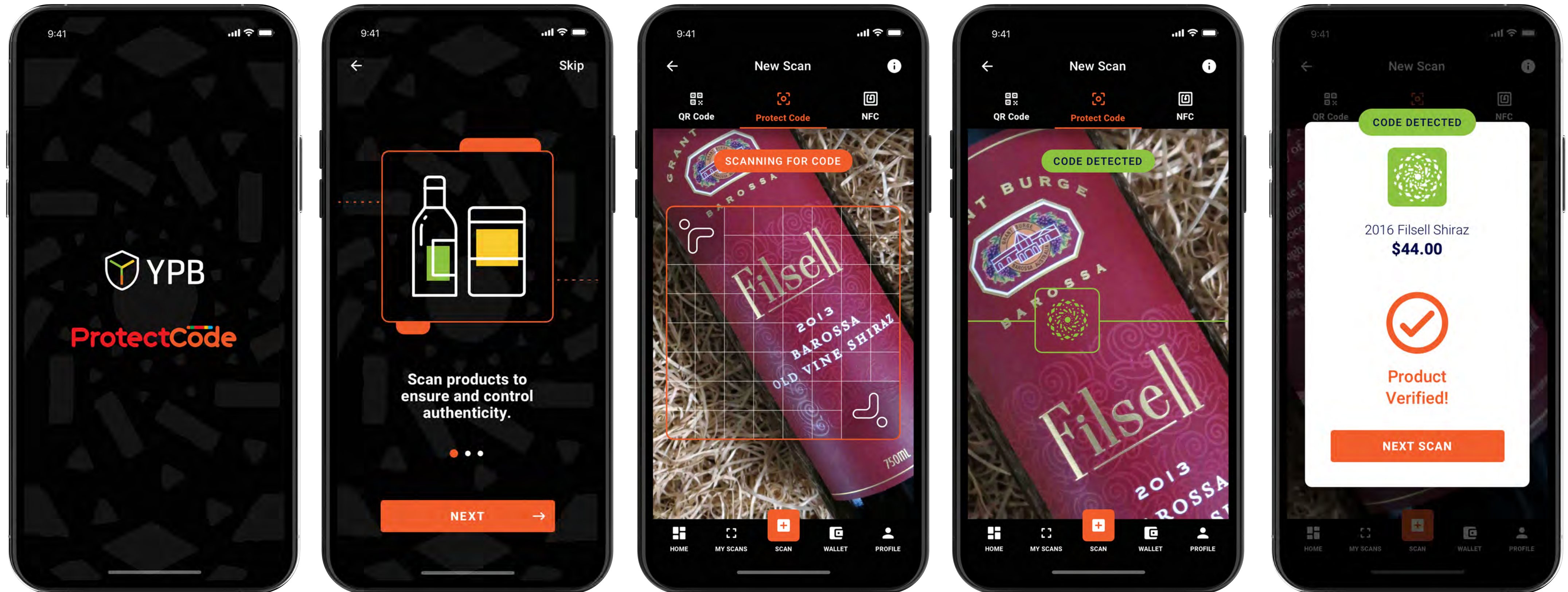
Combines best of physical and digital anti-counterfeit  
technologies

Based on Motif Micro IP

Gen 1 QR – unique phosphor – Q3 2018

Gen 2 QR or Motif Micro using MM novel nanoparticles –  
H1 2019

# The ProtectCode App



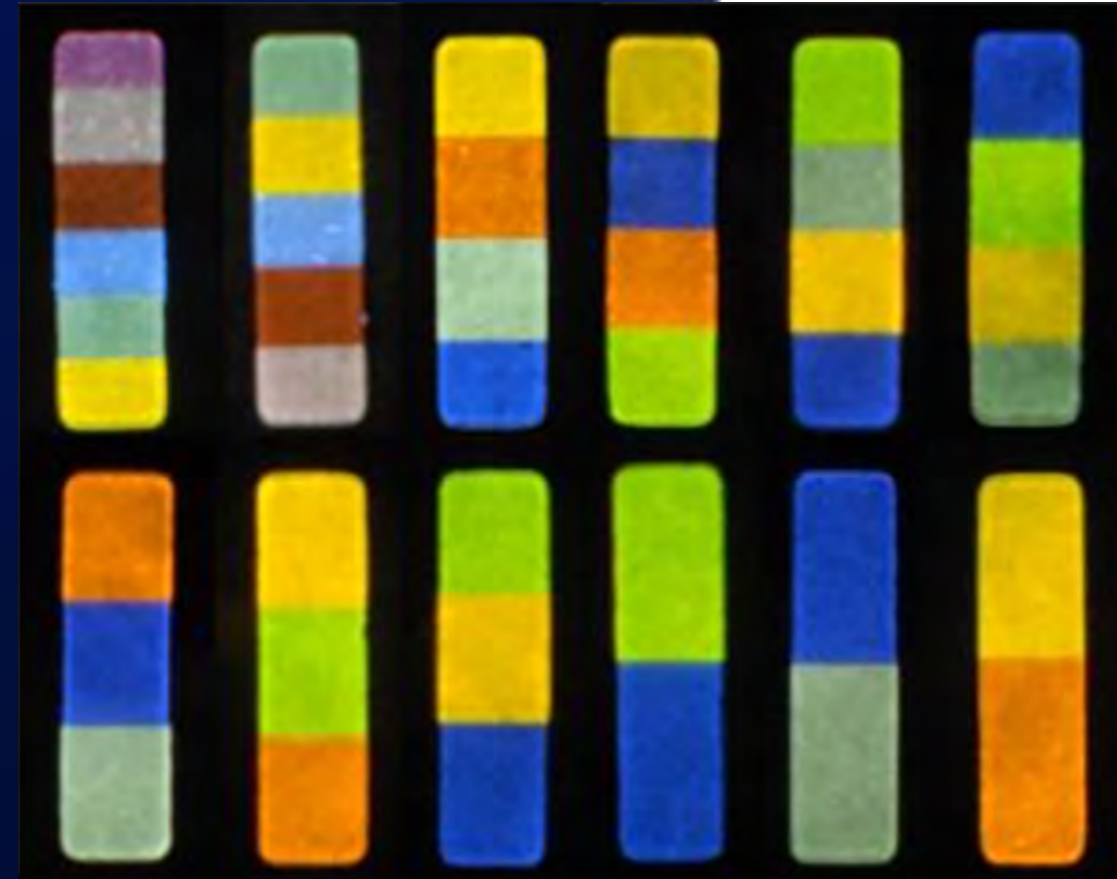
# Motif Micro – Mass Market Anti-Counterfeit Revolution

## YPB's Jewel in the Crown

- Potential to create extravagant value for YPB
- Technical generational leap but with high commercial appeal
- Ultralow cost particles, applicable throughout consumer goods
- Readable by unmodified smartphone for mass market, public authentication
- Compatible with high-speed volume printing for low cost implementation
- Secured by physical randomness and immune from 'picture-of-a-picture' spoofing techniques
- Capable of item-level serialisation
- Wide interest in licencing

# Motif Micro

The ultimate physical protection



Serialised microparticle barcode tech developed at MIT

Protected by 3 patents

YPB has exclusive global rights

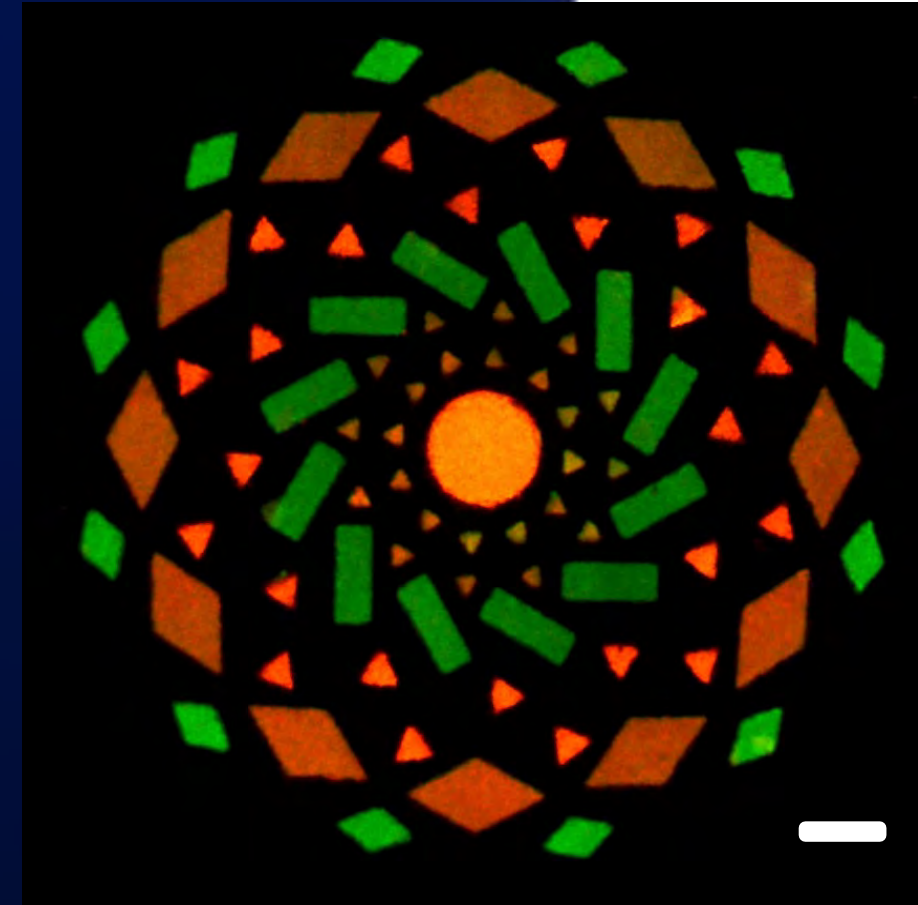
Uncloneable

Invisible to the human eye

Key to YPB's high security protected gateway to the blockchain

# Motif Micro

Think of it as printable DNA



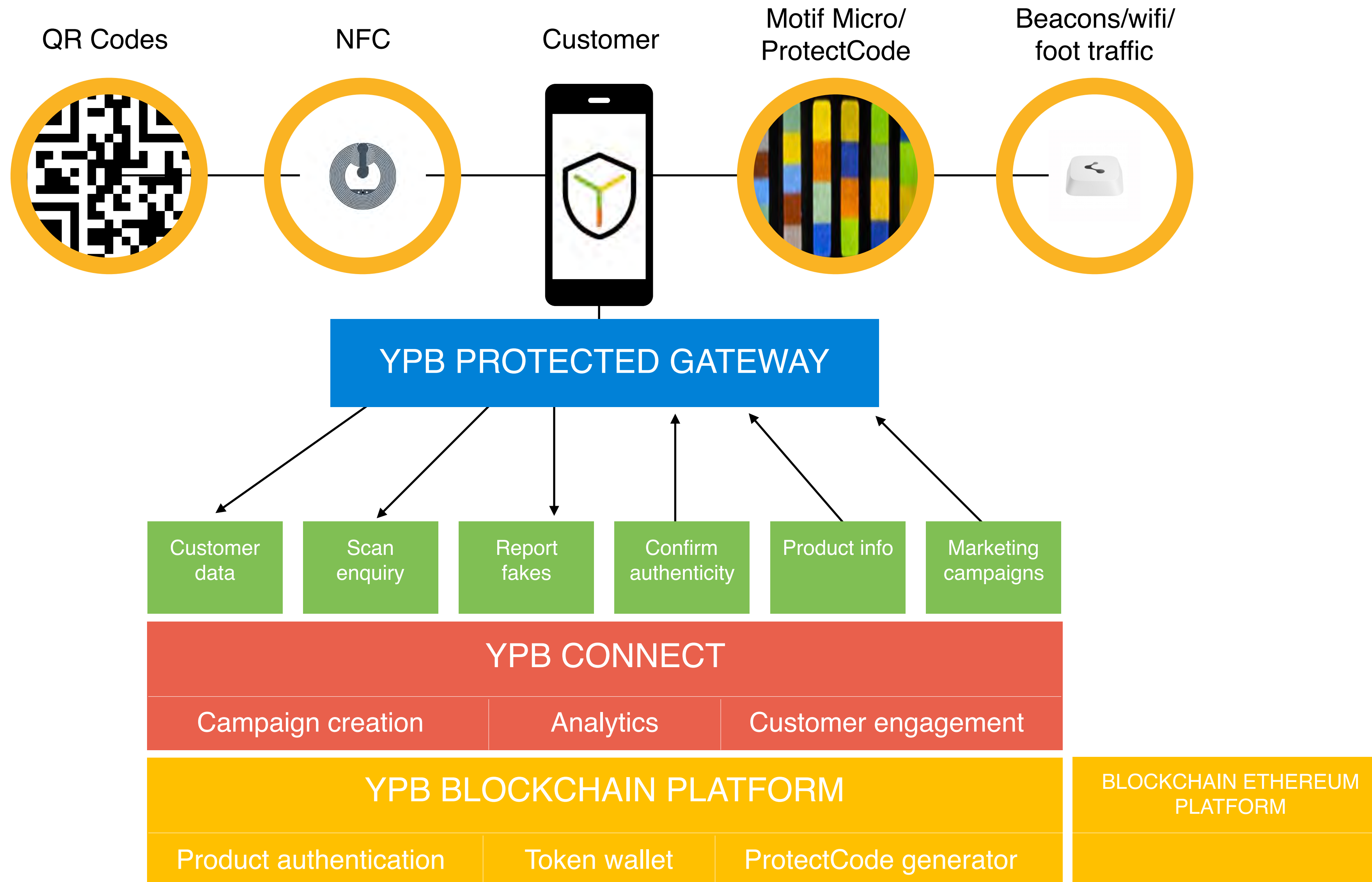
Microcode 'lights up' in multiple colours when excited via source of light (smartphone camera flash)

Sequence of colours carries information about the product

Directs smartphone to a digital asset or url

Enough uniqueness to encode every single product that's ever been made ... and ever will be made

# Blockchain-secured Digital Protection, Direct Connection



# Token Sale Event potentially highly value creating

- Shareholder-friendly alternative funding mechanism
- Initial issue of YPB Tokens in exchange for digital currency **Ether** (Ethereum)
- YPB will convert Ether to functional currencies (AUD/USD)
- Legal opinion supports legality and compliance of YPB Token and TSE
- Success would create substantial value and likely end future calls on shareholders
- Final decision to proceed with TSE remains subject to regulatory approval

## Ready to Deliver

- Macro tailwinds stronger than ever
- Rebuilt and revitalised
- Results visible H2 2018
- TSE potentially highly value creating





**Thank you.**

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