YPB™

realProtection™
For Quality Brands

YPB 优品保 Pin Bao
“Excellent brand protection”

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Fighting counterfeit in Asia and beyond

Large Growing Market

- Global counterfeit market growing to US$1.7 trillion by 2015. Anti-counterfeit technology spend in Asia is growing at around 20% per annum

Unique Product

- Patented technology, cannot be removed, easily applied, inexpensive for Brand owners and the only CTAAC Certified supplier of invisible anti-counterfeit tracer in China

Scanner & Mobile Driven

- Mobile app has potential to target 500 million mobile users in China to complement Scanner use by Brand owner

Attractive Business Model

- Low Capex, highly scalable B2B business model

Highly Experienced Board

John Houston

30 Years experience
building global technology businesses

Successfully built and ran large mobile Telcos for Hutchison and Orange, Sri Lanka, Thailand and Switzerland

Value creator for shareholders – sold Intertouch at over 70x EBITDA in 2004, US$70m 100% cash to NTT DoCoMo, experienced ASX Chairman

Over 20 years experience in Asia

Executive Chairman and CEO

Dr. Geoff Raby

Australian Ambassador to China 2007-11,
Australian Ambassador to APEC and WTO
Lives in Beijing
Experienced ASX listed Company Director

George Su

Australian based businessman who Headed CITIC Securities in Australia until 2013
Experienced ASX listed Company Director
Investor in YPB

Robert Whitton

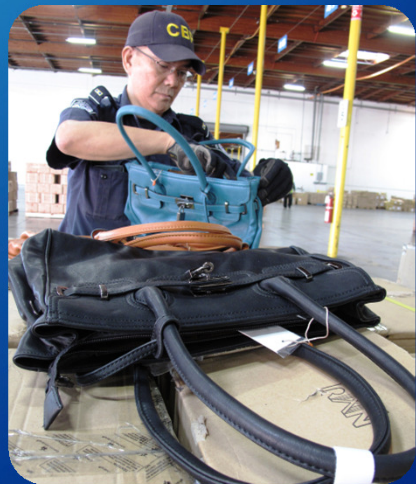
Australian based Chartered Accountant and corporate advisor
Experienced ASX Listed Company Director
Robert is also the Company Secretary

Counterfeit - a Large & growing issue

US Customs: China ships two thirds of worlds counterfeit goods

US$24 Billion of counterfeit goods to Europe and US alone

50,000 cases of counterfeits detected in post in EU alone



Spend on anti-counterfeit >20% p.a

- Anti-counterfeit spend **growing** at double digit percentages annually, estimated **at 20% in Asia**

- Over **US$80 Billion** spent fighting counterfeiting worldwide, with **US$14 billion spent in Asia**

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Between 200,000 & 300,000 die annually from fake Pharmaceuticals in China

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Our Products & Customer Applications

YPB Invisible Markers
(hidden & covert)

Optimised for large scale manufactures by compounding with universal raw materials and supplied as masterbatch concentrates

INK MASTERBATCHES

POLYMER MASTERBATCHES

TEXTILE MASTERBATCHES

INK MANUFACTURING

SECURITY PRINTING

PLASTICS PRODUCTION & PACKAGING

APPAREL

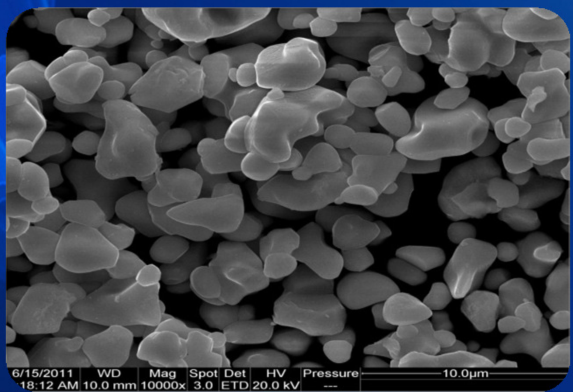
Markers embedded in almost any end product or packaging.
Secure, physical protection delivered seamlessly. Peace of mind for Brand owners & their customers

How it works

YPB Particle size 2-5 microns

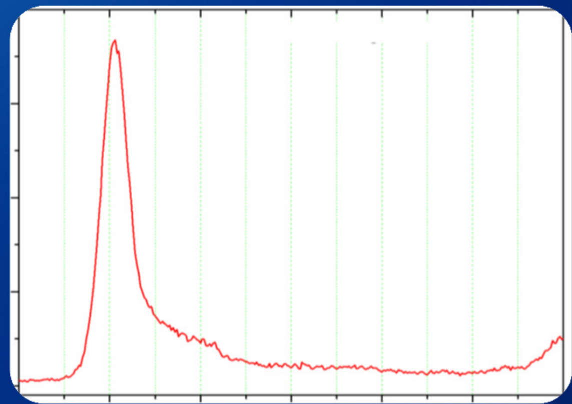
YPB scanner on product logo

scanner reads the unique signature



Particles embedded in product

YPB scanner excites the tracer



When you excite the material, it will emit a unique response

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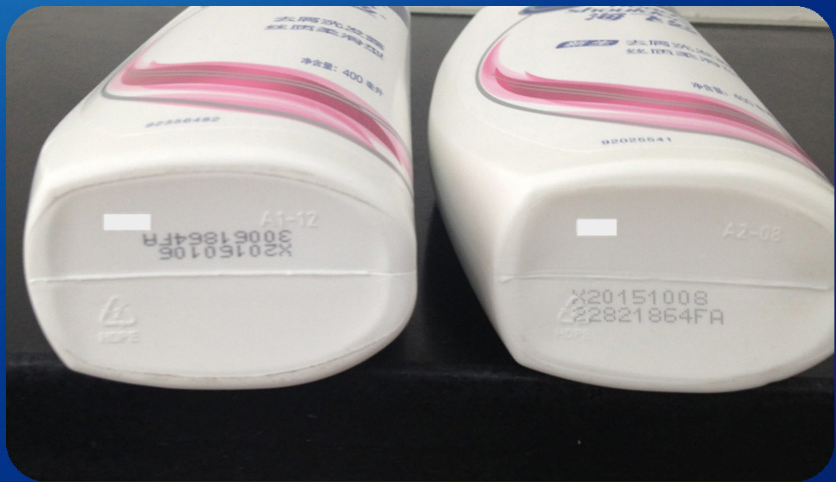
Perfect packaging copies

Counterfeit manufacturers have become highly skilled in producing identical products to originals

The consumer cannot determine the difference between products



Example of identical counterfeit of mainstream brand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"if you can see it .. It can be copied!!"
• HISTORICAL anti-counterfeit measures used by Brands Globally which are easily copied:
Holograms
94,000 suppliers
Tamper evident closures
34,000 suppliers
UV Security Ink
113,000 suppliers
IR Security Ink
4,700 suppliers
Source: Alibaba, China suppliers
Colour Shifting Ink
900 suppliers
Hot Stamping
20,000 suppliers

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YPB has unique market position

*CTAAC is the China Trade Association for Anti Counterfeiting

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China Smartphone market booming

A little bit of YPB in everyone's life…

500 million mobile internet users in China out of 617 Million internet users

25.1% use mobile scanning on barcodes

Source: China Daily

The top Chinese barcode scanner app has had **83.5Million** downloads

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Targeting the consumer - Mobile App

Potential to arm over 500million users with anti counterfeit tools

Patent Pending: YPB's app is designed to scan barcodes to determine legitimacy

It uses multi faceted barcode and printing technologies and adds security layer with YPB's tracer to create secure bar code

Allows potential massive consumer uptake

Strong IP

YPB owns 2 Patents and 1 Patent pending

1. Tracer manufacturing Patents granted

2. Smartphone SIPO application patent pending

3. Scanner designed by LX Group – (bionic ear designers)

4. In-house material science group

Source: YPB

YPB opportunities - Tobacco

Source: YPB

Region	No of packs per annum	Potential Revenue to YPB
Yunnan	18 billion	$21 m
Hunan	9 billion	$11 m
Henan	8 billion	$10 m
Shandong	7 billion	$8 m
Remainder	81 billion	$96 m
Total China	**123 billion**	**$146 m**

Revenue to YPB is at **LESS THAN $US0.001c** (one tenth of a cent) per pack

Tobacco is a potentially huge revenue opportunity for YPB

Source: China Tobacco Administration 2013

YPB has signed 9 contracts & has a stronger pipeline in place

Category	% of revenues
Food & Packaging	25%
Clothing & labels	25%
Electrical Equipment	4%
Hardware	2%
Cigarette packaging	10%
Packaging & ink OEM	8%
Security Printing Beijing	8%
Anti Counterfeit ink Taiwan	8%
Distributor Europe	8%

YPB has a scalable business model

High **margin**, high **volume**

3-5 year **recurrent** revenue streams

Very **low price** per application of YPB inside, can be as low as 1/10th of 1c $US $0.001

Strong free **cash flow** generator

YPB will use funds raised to accelerate business rollout in the next 12-24 months:

Add to the existing list of signed 3-5 year contracts

Expand sales reach in China

Roll out the "smartphone" app

Invest further in R&D & especially for customised tracers

Build significant shareholder value through strong & reliable cash flows, renewable 3-5 year contracts

Strategic Acquisitions

Commence expansion of its Pan Asian footprint

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