



YPB Group Ltd.
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GLOBAL LEADER IN ANTI COUNTERFEIT TECHNOLOGY
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ASX: YPB

ASX/MEDIA ANNOUNCEMENT
23 February 2015

YPB completes \$3.1m placement to strategic and institutional investors

Key points

- **YPB has completed a placement of shares at 30c per share to raise \$3.1m.**
- **Company will also offer a Share Purchase Plan to eligible existing shareholders at 30c per share.**
- **Funds will be used to fund ongoing expansion of;**
 - **YPB's anti-counterfeit tracer and scanner technology, and**
 - **Brand Reporter business, plus**
 - **Expansion being undertaken in the USA and South East Asia.**

The Board of Anti-counterfeiting technology Company YPB Group Limited (ASX: YPB) (YPB, the Company) is pleased to announce that it has completed a Placement to strategic and institutional investors of \$3.1 million.

The Placement was by way of 10,000,000 fully paid ordinary shares at an issue price of 30 cents per share, which represents a 6.25% discount to the 30 day volume weighted average closing price (VWAP) of YPB ordinary shares prior to 23 February 2015. The Placement also included 1 attaching option for each share subscribed for at a price of 1 cent per option, exercisable at 20 cents on or before 31 October 2017. It was completed under the Company's existing placement capacity.

The Company welcomes these investors as shareholders of YPB. These include the Company's first institutional investor plus a significant high-net-worth investor, who were both independently attracted to YPB by the Company's outstanding potential to provide anti-counterfeiting products and solutions to companies and governments globally.

Share Purchase Plan to eligible existing shareholders at 30c

In order to allow existing shareholders an opportunity to increase their shareholding, the Company also advises that it will undertake a Share Purchase Plan (SPP). Under the SPP, eligible existing shareholders, who are registered as holders of Shares at 5.00pm AEDT on 19 February 2015 and whose registered address is in Australia or New Zealand ("Eligible Shareholders"), can apply for up to \$15,000 worth of new securities in the Company at the same issue price as the Placement; 30 cents per share (SPP Share) with, subject to shareholder approval, 1 attaching option (SPP Option) for every 4 SPP Shares subscribed. Each SPP Option will be offered at a price of 1 cent per SPP Option

and will be exercisable at 20 cents on or before 31 October 2017. As the Company has been suspended from trading for more than 5 days over the past 12 months, the Company is not entitled to the relief from disclosure granted under ASIC Class Order 09/425 and accordingly in addition to the SPP Booklet the Company will be required to issue a Prospectus for continuously quoted securities in respect of the issue of the SPP Shares. The Company intends seeking from the ASX a waiver from Listing Rule 7.1 in respect of the issue of the Shares, on the basis that the Company will otherwise comply with ASIC Class Order 09/425 and will issue the Prospectus.

The SPP Options will also be offered under a Prospectus and as a waiver from Listing Rule 7.1 is not available, the issue of the SPP Options will be conditional on the Company obtaining Shareholder approval under Listing Rule 7.1 at the Company's upcoming AGM, scheduled for 21 April 2015. If shareholder approval is not obtained, Shareholders who subscribe for the SPP will be issued SPP Shares under the SPP but will not be issued any SPP Options and any funds received by the Company in respect of the SPP Options will be returned to Shareholders.

The Company will apply for quotation of the SPP Shares and SPP Options on the ASX. The SPP Shares will rank equally in all respects with existing YPB fully paid ordinary shares and the SPP Options being included within the existing class of listed options. An indicative timetable for the SPP and offer of the SPP Options is included in this ASX announcement.

The funds raised will be used to help fund the ongoing expansion of YPB's anti-counterfeit invisible tracer and scanner technology and Brand Reporter business, and to fund the expansion currently being undertaken in USA and through South East Asia.

Indicative SPP Timetable

Date	Details
19 February, 2015	Record Date 5.00pm (AEDT) The date on which YPB determined Shareholders eligible to participate in the SPP, being Shareholders registered on that date with an address in Australia or New Zealand.
9 March, 2015	Opening Date The date the SPP opens.
17 April 2015	Closing Date The date on which the SPP closes. Applications and payments (including BPAY) must be received by 5.00pm (AEST).
21 April 2015	Annual General Meeting Shareholders to approve the issue of Options offered in the Prospectus
28 April 2015	Allotment Date The date New Shares are issued.

29 April 2015	Despatch Date The date on which holding statements are sent to Shareholders who subscribed for New Shares under the SPP.
29 April 2015	Share Trading Date The date on which it is expected that the New Shares will commence trading on the ASX.

Full details of the SPP and the final timetable will be set out in the SPP offer document which will be despatched to Eligible Shareholders on or around 9 March 2017.

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About YPB Group

YPB Group (ASX: YPB) in Chinese means “you pin bao” or in English “excellent brand protection” and is an anti-counterfeiting technology developer and provider. YPB has a unique, cost effective, invisible and indestructible anti-counterfeit solution that allows companies and governments to protect the value of their brands and minimise loss of earnings from counterfeiting. YPB and is certified and licensed in The People’s Republic of China.

YPB Group’s core products include;

Covert Forensic Tracers – Patented, these are hidden, invisible particles fused into a product or packaging during or after the manufacture process. The Tracers are inexpensive can be used in all key product manufacturing and packaging industries including plastics, paper, inks, textiles and coatings. They cannot be seen or removed, are non-toxic and meet Food Contact specifications. They consist of infrared, UV light energy and X-ray sensitive particles detectable by YPB’s scanner technology.

YPB owns two patents over its Tracer products and is the only Company currently licensed in China that supplies invisible tracers.

Scanner – YPB's proprietary scanner detects YPB's forensic Tracers, they are low cost and can be used at any point in the supply chain – from manufacture through to point-of-sale.

Brand Reporter – A Patent Pending technology platform designed for Governments, Brands and consumers to identify, manage, track and report counterfeit of divergent products within supply chains or at point of sale in a simple and easily deployed application suite available on all popular smartphones.