ASX:YPB | 2nd December 2019

YPB signs second early adopter of key MotifMicro technology

- **OPP Gravure Printing of Thailand signs as early adopter of YPB's MotifMicro**
- **6 month initial contract with potential upgrade to 3 year licence term**
- **Focus on innovative products, esp. shrink wrap, to commercialise with OPP's customers**
- **Second early adopter agreement follows China's PanPass in September 2019**
- **OPP's main market is Thailand and SE Asia**

Product authentication and consumer engagement solutions provider YPB Group Limited (ASX:YPB) is pleased to announce the signing of the second early adopter of its high security, smartphone readable, authentication technology MotifMicro.

OPP Gravure Printing Co Ltd has signed a 6 month early adopter agreement to explore product innovation and the commercialisation of MotifMicro with its customer base in Thailand and SE Asia. The agreement contemplates a further 3 year licence agreement at the end of the adopter term or at OPP's request including an upfront licence fee, supply fee on a per unit basis and a minimum order quantity.

The contract is expected to produce revenue in Q1 2020 from the 6 month early adopter agreement with customers charged on a per unit basis, leveraging contract revenues to OPP's client's production volumes of around 250 million items per annum. Presently, it is too early to satisfactorily predict the quantum of any revenues.

OPP Gravure is a leading printer in Thailand with a range of domestic and multi-national consumer brands producers, such as Kelloggs as customers, and with specialisation in industries such as food packaging, pharma, personal care products and vehicle spare parts. OPP's particular expertise is in PVC products and shrink wrap with its output applied to approximately 250m units of its customers' production per annum.

YPB's recent creation of a high security, smartphone readable shrink wrap, as announced at the 21 November 2019 EGM, was in collaboration with OPP at its Bangkok plant. MotifMicro was successfully incorporated into a shrink-wrap production line under high volume production line conditions. YPB believes this to be the world's first high security, smartphone readable PVC shrink-wrap product of its kind.

This early adopter programme with OPP follows the September 2019 agreement with China's leading security label producer, PanPass Inc, as the first early adopter of MotifMicro, and the certification of MotifMicro as meeting FDA food contact specifications by Switzerland's SGS.

YPB Group CEO, John Houston, said: "This second partnership so soon after MotifMicro's successful achievement of high functionality under "real world" conditions reflects the uniqueness and commercial potential of MotifMicro. It also strengthens our route to market in Thailand and SE Asia with a capable, innovative and widely respected partner."

Ends.

For further information please contact:

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About YPB Group

YPB Group Limited (ASX:YPB) is an Australia-based product authentication and consumer engagement solutions provider. YPB's proprietary smartphone enabled technology suite allows consumers to confirm product authenticity and, for brands, that triggers consumers' engagement.

The combination of YPB's smartphone authentication solutions and its SaaS Connect platform, creates 'smart' product packaging, opening cost-effective, digital and direct marketing channels between brands and their consumers. Connect gathers actionable data on consumer preferences. It can then host tailored marketing campaigns directly back to the scanning smartphone.

YPB's technology is also trusted by the world's largest passport issuing nation to ensure the authenticity of its passports. YPB is currently focused on the rapidly growing Australian, South East Asian, and Chinese markets. Its focus is dairy, cannabis, alcohol and cosmetics where the viral growth of fake products, particularly in Asia, affects brand value and endangers consumers. To learn more please visit: www.ypbsystems.com