

ASX ANNOUNCEMENT

ASX: YPB | 5 October 2021

Critical patent granted by USPTO enhancing value of MM asset

- **Patent granted by US Patent Office over smartphone anti-counterfeit technology**
- **Confirms and protects value of YPB MotifMicro technology**

Anti-counterfeit and consumer engagement solutions provider **YPB Group Limited (ASX: YPB)** is delighted to advise that the United States Patent Office (USPTO) has granted YPB a United States patent for its smartphone readable technology.

YPB's US patent (No. 11,138,612) provides coverage over technologies employing a mobile device to determine the presence of a tracer containing phosphor. The patent provides coverage over the MotifMicro innovation, the Company's revolutionary forensic anti-counterfeit solution that is readable by an unmodified smartphone and includes the use of a mobile device to determine the authenticity of a product via confirmation of the presence of an invisible tracer material.

Key items include:

- A method for determining authenticity of an article of manufacture, comprising the steps of:
 - illuminating at least a portion of the article using a mobile device to activate a security tracer present on the portion of the article; and
 - capturing at least one image formed by the security tracer using a camera of the mobile device wherein the security tracer comprises a phosphor and wherein the mobile device comprises a mobile phone, a PDA or a tablet device.
- The patent provides coverage until 10 February 2035.

The grant of the patent supports the carrying value of the intellectual property of MotifMicro which is the largest asset on YPB's balance sheet. The patent granted comes after a rigorous process conducted by the USPTO following the first lodgment on 29 March 2013 which is the foreign priority date. The other key priority dates are the international filing date (26 March 2014) and the United States national phase entry (7 May 2015). The patent grant confirms the novelty and originality of YPB's technology originally conceived in 2013.

The increasing demand for advanced packaging solutions, a key market for MotifMicro, is expected to reach \$43.6 billion by 2027¹ and the Company continues to make tangible progress in commercialising MotifMicro¹ with an aim to increase the Company's addressable market. The viability of MotifMicro¹ continues to be demonstrated by the recent commencement of paid trials of the technology with Opal ANZ (announcement dated 8 September 2021). The patent grant provides further validation of the Company's market leadership in valuable smartphone anti-counterfeit technologies.

¹ Refer to Company announcement dated 28 April 2021



Executive Chairman John Houston said:

"This patent grant is a critical milestone for YPB. It confirms to shareholders YPB's ground-breaking in anti-counterfeit technologies and the carrying value of our key asset.

It also greatly enhances YPB's credibility and bargaining strength in negotiating partnering programs with major international organisations.

YPB has taken a repetitional leap with the official grant of this broad, commercially relevant US patent and I'm confident it will prove to be a key steppingstone in our journey to profitability."

This announcement has been authorised by the Board of YPB Group Limited.

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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 is currently focused on the rapidly growing Australian, Southeast 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: ypbsystems.com