



ASX ANNOUNCEMENT

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One of the world's largest cotton garment makers adopts YPB anti-counterfeit fiber

Product authenticity and consumer engagement solutions provider YPB Group Ltd ("YPB") is pleased to advise that the world's largest manufacturer of woven shirts, Esquel Group (Esquel) is incorporating YPB's Anti-Counterfeit (AC) tracer thread into their clothing labels for two of their major brand clients.

Following successful trials from previous samples Esquel has responded to demand from the first of its "household name" brand clients to incorporate anti-counterfeit fibers in their clothing labels. The gross revenue from this initial order of AC fiber from Esquel is 100,000 RMB (\$21,000 AUD). YPB anticipates further orders based on unit volumes and is hopeful that other well-known Esquel brand clients will adopt YPB's AC fibers to protect against counterfeiting. Esquel has over 57,000 staff worldwide and manufactures for brands such as Hugo Boss, Lacoste, Brooks Brothers, Polo Ralph Lauren, Tommy Hilfiger, J Crew, Anta, Nike, Muji and others.

YPB's China team believes that YPB is the only company that is capable of providing anti-counterfeit fibers embedded with invisible tracer technology in the China market. The brand is able to use YPB's scanner to detect whether or not the AC fibers are present in each shirt label. This provides the brand with the ability to identify counterfeit products and confirm authenticity throughout the supply chain through either stock take processes or simple spot checks.

YPB Group Limited CEO John Houston said, "Cotton shirts are among the world's most counterfeited items. Brands spend millions of dollars building a market profile of quality and trust with their consumers that is undermined by counterfeit products along with the opportunity cost of sales revenue that goes to the counterfeiters. YPB's solutions can halt counterfeiting in its tracks and brands are progressively seeing the value in adopting our solutions to assist them. Working with Esquel gives us potential access to hundreds of major brands and is one of the best distributor partners that we could hope for in the garment market."

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For further information please contact investor@ypbsystems.com

More about Esquel Group

Esquel Group is a Chinese textile manufacturing company and is one of the world's largest manufacturer of woven garments producing about 100 million per year. The family owned business was founded in 1978 and it has facilities in China, Malaysia, Mauritius, Sri Lanka and Vietnam.

www.esquel.com

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About YPB

YPB Group Ltd (ASX:YPB) brings packaging to life through its proprietary technology suite that provides certainty of authenticity and connects brands directly to consumers enabling new levels of market intelligence and ROI data capture. In an evolving marketplace and with the rapid growth of cross border commerce, our expertise presently focuses on the rapidly growing consumer markets of Australia, South East Asia and China.

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