

ASX ANNOUNCEMENT ASX:YPB | 12 November 2019

MotifMicro passes critical FDA-standard certification

- New MotifMicro 1 tracer certified by SGS as safe for food contact under US FDA and China rules
- SGS Certification recognised globally including US FDA
- Ensures open market access and assists commercial development

Product authentication and consumer engagement solutions provider YPB Group Limited (ASX:YPB) is pleased to advise the passing of a critical milestone in the development of its core MotifMicro technology and a key step towards commercialisation.

YPB's new smartphone-readable, forensic authentication mark MotifMicro 1 (MM1) has been certified as safe to FDA standards for food contact by the world leading certification company SGS. SGS is a multinational Company headquartered in Geneva Switzerland and is recognised as the world's leading inspection and certification Company.

SGS tested the overall stability and food safety of inks and plastics infused with MM1 to both US Food and Drug Administration and China standards.

All results certify MM1 to Pass FDA 21CFR177.1520 and GB 4806.7-2016 food contact requirements and therefore are safe and stable for use in food packaging applications. SGS certification is recognized globally, including by the US FDA.

This is a key technical milestone and a critical commercial milestone for the widespread adoption of the MM1 technology. It also sets the foundations for the development of the very high value MM2 technology over 2020.

YPB Group CEO John Houston said: "So far we have serious commercial interest in MotifMicro1 from Australia, Thailand, USA and China where we have the largest security printer as the first adopter of our MM1 technology. Commercial print trials are underway and this SGS certification of the safety of our now core authentication technology eliminates a possible barrier to its commercial success. Brands can confidently employ our authentication solutions in food packaging with this certification as to its safety. This builds on YPB's previous food-safe physical marker certifications, growing the value of our intellectual property portfolio and demonstrating the expertise, creativity and intellect of our technical team led by Dr Paul Bisso".

Ends.

For further information please contact:

Investor enquiries

investors@ypbsystems.com

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