

## ASX ANNOUNCEMENT

ASX: YPB 17th April 2024

# Contract signed for major recycling initiative in Africa

- 3 year Master Service Agreement (MSA) contract with Ecocan for recycling solution, initially in Kenya
- Positions YPB tech at the core of a major recycling initiative supported by multinational beverage companies
- YPB's serialised ProtectCode<sup>™</sup> to be printed on recyclable beverage containers to prevent fraudulent redemption
- The most lucrative contract yet signed by YPB with potential value at full rollout of A\$800,000 per annum.

Authentication and consumer engagement technology group **YPB Group Limited (ASX: YPB)** is pleased to advise that it has secured a 3 year Master Service Agreement (MSA) with Ecocan Recycling Company Limited based in Kenya after signing a Letter of Intent as previously announced to the ASX on December 11th 2023.

The value of this deal is potentially multiples of any prior single contract secured by YPB, with an annualised revenue in excess of A\$800,000 per annum, should the full rollout of up to 80 million codes per year be achieved (see Commercial Terms below).

Ecocan has been established to enable beverage packaging, waste collection and processing of PET bottles, aluminum cans, glass bottles and cartons via a vending deposit return scheme and provision of consumer engagement via its EcocanApp.

Ecocan has developed Reverse Vending Machine (RVM) solutions to allow beverage containers to be redeemed for value, thereby reducing the waste burden and allowing the development of recycling infrastructure. It has existing and nascent relationships with a range of beverage companies, largely multinationals, that fund the redemption value schemes.

YPB's ProtectCode™ will be used to individually mark beverage containers at the point of bottling allowing the RVM to read and record the serialised codes preventing fraudulent multiple redemption, and simultaneously capturing data to inform and drive management of the recycling chain.

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YPB Tracer®



The Commercial Terms of the Agreement include:

- A minimum revenue estimate over the term of the contract A\$276,000.
- Minimum order quantity (MOQ) 2 million codes (year one), 5 million codes years two and three with a minimum of 2 million codes per order.
- 3 Year term from commencement date.
- Exclusivity of YPB's product ProtectCode and new ProtectCode Plus for the vending deposit return scheme recyclable beverage market in Africa based on minimum codes purchased per annum of two million codes year one and five million codes years two and three.
- Revenue based on fee per ProtectCode generated.
- IT development work billed at YPB's standard commercial hourly rates.
- Standard Termination provisions including by customer upon payment of minimum order quantity (MOQ) for the remainder of the 3 year term.

**YPB Group CEO John Houston said:** "Beverage container pollution is a major problem throughout the developing world, but value redemption schemes have been hampered by the inability to ensure redemption integrity. My team, led by Martin Ross our COO, has been working on solving this core problem for the RVM industry for more than a year and we are delighted to be able to supply Ecocan with an innovative solution via our proven ProtectCode<sup>TM</sup> technology. If this initiative is as successful as Ecocan expects a major addressable market in beverage container recycling is likely to develop throughout Africa and in other markets.

This opportunity again illustrates the flexibility of our now modular library that enables novel solutions, to previously unconsidered prospects, to be rapidly developed. We have demonstrated the wide range of opportunities our investment in R&D has discovered like the instant pull tab lottery and the heavy machinery OH&S solutions developed and sold in 2023."

This announcement is authorised by the board of directors of YPB.

#### Ends.

#### For further information please contact:

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### About YPB Group

Trusted by brands since 2011 YPB Group Limited (ASX: YPB) develops and sells technologies that trigger engagement between brands and their consumers. Our technology leverages existing brand resources to enable consented consumer data, the most valuable marketing asset, while also offering brand protection. YPB is increasingly demonstrating ultra-low-cost global reach via its proprietary Connect platform's SaaS offerings. To learn more please visit: <a href="https://www.ypbsystems.com">https://www.ypbsystems.com</a>









