

ASX/MEDIA ANNOUNCEMENT**ASX: YPB | 31st March 2017****YPB Group signs MOU with new Channel Partner in China**

- **YPB partners with Guangzhou Panyu MCP Industries to jointly offer YPB's full Protect, Detect, Connect technology suite to its customers.**
- **Guangzhou Panyu is a division of CPMC Holdings the largest manufacturer of metal packaging products in China and one of the core business divisions of Chinese State Owned Enterprise and Fortune 500 Company COFCO.**

Brand Protection and Customer Engagement Solutions Company YPB Group Limited (ASX: YPB) (YPB, the Company) is pleased to announce that it has entered into an MOU with Guangzhou Panyu MCP Industries Ltd to jointly offer YPB's technology suite to its customers.

Guangzhou Panyu is a wholly-owned subsidiary of CPMC Holdings Limited, the largest manufacturer of metal packaging products for a comprehensive range of consumer goods in China. CPMC is one of the core business divisions of COFCO Holdings, a major Chinese State Owned Enterprise holding company and Fortune 500 company. CPMC listed on the Hong Kong Stock Exchange in November 2009.

CPMC has 20 production facilities strategically located across China. Its products are targeted at the medium and high-end market for consumer goods. CPMC produces 7 major types of packaging products - beverage cans, food cans, aerosol cans, metal caps, printed and coated tinplate, steel barrels and plastic packaging. It serves a wide range of consumer goods such as canned food, beverages, household chemicals and, in particular, tea drinks, carbonated drinks, fruit & vegetable juice, beer and dairy products. CPMC's production volumes are in the billions and it has leading market positions with branded customers across a variety of product sectors.

The initial partnership with Guangzhou Panyu will jointly market the full YPB technology suite to Guangzhou Panyu's customers and jointly develop product tailored for specific customers. Guangzhou Panyu aims to integrate YPB's forensic covert tracer and CONNECT-enabling features into its packaging to foster confidence in product authenticity and promote direct relationships between brands and customers.

While this initial agreement is with CPMC's Guangzhou group, YPB staff in China have strong and extensive relationships throughout CPMC and there is a sound prospect of extending YPB's solutions into other parts of CPMC's operations.

Mr John Houston, Executive Chairman of YPB said: "Our partnering strategy is developing well and we are proud to join with a company of CPMC's reputation and calibre to accelerate our market penetration in a cost and risk efficient manner. Given its size and scale, CPMC offers YPB's products access to thousands of potential customers and billions of production units within China. We are excited about the opportunities this cooperation presents and look forward to building on this initial partnership with CPMC."

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ABOUT YPB

YPB Group (ASX: YPB) is a pioneer in advanced brand protection solutions. Listed on the Australian Securities Exchange, YPB is expanding its global footprint with an established presence in Australia, China, Thailand, USA, and Mexico.

YPB's patented Anti-Counterfeit technology combined with its Security Packaging and Anti-Theft solutions, Consulting Services and YPB's proprietary CONNECT platform enables clients to PROTECT their high value brands from the risks of counterfeit, product diversion and theft while providing the tools to CONNECT directly with their customers.

PROTECT

Smart Security Packaging and labeling for Brands

YPB offers a wide range of Smart Security Packaging and Labeling solutions that can be incorporated into almost any material and offer cost effective strategies to PROTECT the integrity and value of products and brands in high-risk markets.

Government Vital Documents

YPB offers solutions to Governments to PROTECT their Vital Documents that include ID cards, Visas, Passports, Vehicle Labels and many other applications.

Retail Anti-theft

YPB offers clients the latest technology in Retail Anti-Theft and Labeling solutions effective for mainstream retailers, boutiques and exporters to PROTECT against theft.

IP solutions & forensic services

YPB's IP solution specialists work with quality brands and Governments, to develop bespoke brand protection strategies and solutions that will deliver real protection and safety for brands, products and consumers.

Secure Supply Chain

YPB offers secure supply chain solutions to Governments, banks and companies wanting to ensure the integrity of their supply chain using a combination of YPB's authentication technology and secure track and trace solutions, delivering real protection for high value documents, brands, products and consumers.

DETECT

Scanner and Tracer protection solutions

YPB's patent protected state-of-the art Tracer technology is invisible, cannot be copied or destroyed. Brand owners who include YPB's tracers in their packaging can use YPB's scanners to verify their product's authenticity. If a counterfeit is detected YPB's forensic services can consult with a brand owner to develop strategic, tailored solutions to protect the brand against counterfeiting and product diversion.

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CONNECT

Smartphone applications to Detect and Connect

YPB's sophisticated, user friendly and powerful smartphone applications allow brand owners and consumers to identify and report suspected counterfeit or diverted products. They also allow brands to connect and engage directly with their customers via QR codes, Near Field Communication, secure track and trace and product scanning. The YPB CONNECT platform delivers brand owners valuable and actionable intelligence about their products and customers to measure, tailor and individualise direct marketing campaigns through a 'big data' analytics capability.

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