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**ASX: YPB**

**ASX/MEDIA ANNOUNCEMENT**  
**8<sup>th</sup> September 2014**

## **YPB Group completes Brand Reporter acquisition**

The Directors of YPB Group Limited (ASX:YPB) (YPB, the Company) are pleased to announce the completion of the acquisition of the assets of US based anti-counterfeit App and online business, Brand Reporter.

Brand Reporter is a fully developed, revenue generating business, which provides an App-based and on-line anti-counterfeit solution for Brand Owner customers and consumers alike globally. Amongst Brand Reporter's customers are one of the largest European based global oil product companies and one of the world's largest apparel licensing companies known for its license arrangements with US based sports associations.

The acquisition also provides YPB with an immediate presence in the US market, with a live and growing order book.

Brand Reporter sells a "white-labeled", cross-platform (web and App) reporting application that provides companies and consumers the necessary tools to identify, track and catalogue counterfeit products, anywhere in the world, via its website.

Through the Brand Reporter App, employees, distributors, retailers and consumers are able to easily report infringing items, "tell tale" signs, purchase or sale location data, price information, and other relevant data on counterfeit goods and services. This allows Brands to immediately manage the volume of available data in a simple to administer tool, at a very affordable price. There is a patent pending on the Brand Reporter product

Under the terms of the acquisition, YPB will immediately establish a US headquarters at the Curious Minds Los Angeles head-office, and will also deploy a US sales team to grow the Brand Reporter customer base. In parallel the full application suite will be translated into Chinese and as soon as practical, sales will commence in China and in other markets.

The Brand Reporter acquisition also allows YPB to expedite the delivery of its vision to develop a global database of counterfeit goods through the concept of "croud sourcing" using mobile App and web tools.

Brand Reporter was developed by leading Los Angeles-based technology incubator company, Curious Minds, founded in 2004 by serial tech entrepreneurs, David & Sam Gonen.

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## Acquisition consideration

The acquisition of Brand Reporter is being made via a combination of cash and shares (refer ASX announcement, 18 August 2014), as follows;

- 1,752,055 Ordinary Shares in YPB Group are being issued as part consideration at a VWAP of .22c (the Volume Weighted Average Price from August 8<sup>th</sup> to August 29<sup>th</sup> 2014); plus
- Cash consideration of US\$125,000.00.

The Shares are subject to escrow for 12 months and there is a retention agreement in terms of the cash as is customary in acquisitions such as this.

## Advantages of Brand Reporter acquisition

1. Brand Reporter is fully developed for web, iPhone and Android platforms, and easily adaptable to suit YPB's overall web/mobile strategy, speeding YPB's ability to roll out a full mobile and web solution in China and globally.
2. Revenues will be generated from:
  - a. monthly license fees of between US\$1,000.00 to US\$5,000.00 (depending on the size of the business) for each Brand Reporter set licensed,
  - b. cross selling of YPB's core tracer and scanner solutions, plus
  - c. the global anti-counterfeiting reference database developed from the data gathered by each Brand and YPB's own activities.
3. Brand Reporter allows YPB easy access to the USA market where the product already has traction.
4. Curious Minds and YPB will co-operate in the technology adaptation and YPB will operate from the Curious Minds facility in the USA in the short term giving YPB immediate USA presence and in parallel introduce Brand Reporter to other markets especially China.

## For further information please contact;

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## About YPB Group

YPB Group (ASX:YPB) [www.ypbsystems.com](http://www.ypbsystems.com) is an anti-counterfeiting technology company. It provides a unique, cost effective, invisible, indestructible anti-counterfeit solution that allows companies and governments to protect the value of their brands and minimise loss of earnings from counterfeiting. The Company is initially focused on the China and greater Asia markets. The YPB business is well established and has a number of substantial customer contracts in place and a strong new business pipeline.

**About Curious Minds** - Curious Minds is a privately-owned Los Angeles headquartered incubator-accelerator-angel investor firm for technology start-up companies. It was founded in 2004 by tech entrepreneurs David and Jonathan Gonen. Its goal is to nurture great ideas into Minimum Viable Products and then into independent revenue-generating companies. Curious Minds has operated and invested in a range of technology start-ups, including online fraud and spam detection company, TeleSign, which was ranked #15 on the Deloitte Technology Fast 500 in 2011, and doubled revenues to \$50 million in 2013.

YPB Group's core products include:

**Forensic Tracers** – YPB owns two patents over its Tracer products and is the only Company currently licensed in China that supplies invisible tracers. YPB's Tracers can be deployed at considerably cheaper prices to the Brand owner than many alternative anti-counterfeit methods and technologies.

**Scanner** – YPB's proprietary scanner detects YPB's Tracers embedded or applied to packaging and products. They are low cost and can be used at any point in the supply chain – from manufacture through to point-of-sale.

**Brand Reporter** – [www.brandreporter.com](http://www.brandreporter.com) A Patent Pending application set to provide Brands with a complete web and APP based tool set to allow them to simply catalogue products as real or fake via a mobile phone handset. Further R&D and development will see Brand Reporter platform launched in USA and China before end 2014.

**YPB smartphone APP** – A patent application has been submitted for YPB's own Smartphone APP and is Patent Pending through the PCT process, with the acquisition of Brand Reporter it is envisaged that this will be blended with the Brand Reporter platform.

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