

ASX ANNOUNCEMENT

ASX: YPB | 2 November 2023

YPB Group secures a three year \$2m At-The-Market Subscription Facility

YPB Group Limited (ASX:YPB) ("**YPB**" or the "**Company**") has entered into an At-The-Market ("ATM") Subscription Agreement with Dolphin Corporate Investments ("**DCI**").

The ATM provides, at DCI's election, YPB Group with up to \$2,000,000 of standby equity capital over 3 years.

Under the ATM, YPB has full discretion as to whether or not to utilise the ATM, the maximum number of shares to be issued, the minimum issue price of shares and the timing of each subscription (if any). There are no requirements for YPB to utilise the ATM and YPB may terminate the ATM at any time, without cost or penalty. DCI and the ATM do not place any restrictions at any time on YPB raising capital through other methods.

If YPB Group does decide to utilise the ATM, subject to DCI's acceptance, YPB is able to set an issue price floor at its sole discretion, with the final issue price being calculated as the greater of the nominated floor price and a Volume Weighted Average Price ("VWAP") over a period of YPB's choosing less a discount of 5.5%.

A key advantage of using the ATM is control over the timing of capital issuances with estimated net proceeds received occurring with minimal dilution (there are no additional options, or attaching options or rights, common in traditional placements, and there are none of the other more complex or expensive mechanisms found in some structured financing solutions). Furthermore, there are no restrictions at any time on YPB Group raising capital through other methods.

As security for the ATM, the Company has agreed to issue 37,000,000 fully paid ordinary YPB shares ("Security Shares") from its Listing Rule 7.1 capacity and without shareholder approval, at nil cash consideration to DCI. DCI may only deal in these shares to the extent YPB elects to use the facility. Any further share issues under the ATM in excess of the Security Shares (if any) will, at the time of issue, be in accordance with the Listing Rules; either through obtaining prior shareholder approval or utilizing the then available capacity under Listing Rule 7.1 and/or 7.1A. Upon early termination or maturity of the ATM, the Company may buy back (and cancel) any Security Shares not released to DCI for no cash consideration (subject to shareholder approval). An initial one-off fee of \$25,000 is payable by the Company to DCI for arranging the transaction.

Commenting on the ATM, YPB Group CEO, John Houston, said:

"The Board believes that an ATM facility from DCI is ideal for the Company due to its flexibility, efficiency and Company control of its operation which we expect to reduce our cost of capital. The benefits of ATMs to issuers sees them as a dominant source of capital in the USA, although they are a relatively new innovation in Australia."

About Dolphin Corporate Investments:

Dolphin Corporate Investments (DCI) is a Melbourne based company providing At-The-Market capital facilities to medium, small and micro-cap ASX listed companies. We aim to provide the most secure, transparent, and cost effective At-The-Market offering in the Australian Market.





The DCI team possesses extensive stockbroking experience and will help ensure the best possible outcome can be achieved for not only our ASX listed counterparties but all stakeholders.

For more information please visit: <https://dolphincorporate.com.au/>

This announcement has been authorised by the Board of YPB Group Limited.

Ends.

For further information please contact:

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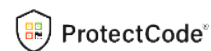
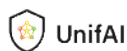
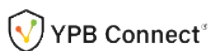
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About YPB Group

YPB Group Limited (ASX: YPB) is listed on the Australian Stock Exchange and has developed and sells of a suite of physical, digital, and AI-based authentication technologies with a vast range of applications. Our solutions can easily authenticate a myriad of items, such as FMCG (fast-moving consumer goods) products, official identification documents, pharmaceuticals, nutraceuticals, dairy products, tax stamps, transactions - and even people.

Our solutions trigger engagement with consumers in a consented, cost-effective, and direct manner. Our proprietary technologies utilize Bluetooth and/or smartphones to capture and analyse invaluable authentication data in our Connect™ global intelligence platform, providing real-time, first-party, and worldwide market intelligence data. This actionable data enables brands to establish digital and direct marketing channels with their customers.

The markets YPB is targeting comprise many billions of items, and this number is growing rapidly, providing YPB with significant growth opportunities for its authentication and consumer engagement technologies.



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