



PRESS RELEASE

23 YUUZOO FRANCHISEES OUTPERFORM EXPECTED USER GROWTH BY OVER 7,000%, AND SIGNIFICANTLY EXCEED BUDGETED FINANCIAL NUMBERS

Singapore, 22nd March 2018: Singapore-listed YuuZoo Corporation Limited (“YuuZoo” or “the Company”) (SGX: AFC) which grows its business internationally through a franchise and marketing partner program, today announced that several of its main franchisees in 2017 significantly outperformed their expected user numbers and showed stronger financial results than budgeted.

23 franchisees in South Korea, UK, India, Romania, Poland and South Africa covering YuuZoo’s vertically integrated tribal networks in areas such as football, games, ecommerce and chat, showed by December 31st 2017 a total of 2,732,722 registered users vs a forecasted number of 34,004, thus outperforming their forecasted user numbers by more than 7,000%.

While all franchisees in their first 2 years of operations are expected to show losses, which for the 23 franchisees was budgeted as a total loss of USD 1.9 million for 2017, the actual result was a loss of only just over USD 30,000 from user generated income of ecommerce, advertising and games. When network sales, which form a central part of the activities of all franchisees are added, the result was a profit of over USD 9.6 million.

Says Mohandas, CEO of YuuZoo’s Singapore operations: “We are very pleased with the performance of the 23 franchisee networks YuuZoo has sold to South Korea, UK, India, Romania, Poland and South Africa. Some observers have expressed doubts about the franchise model. The very strong results in 2017, with user numbers exceeded by over 7,000% and financial results much ahead of the budgets, show that the model not only works but that it can be very successful when rightly executed. As YuuZoo always has stated, not all franchisees will outperform. While all YuuZoo franchisees in 2017 showed user growth, some did better than others. YuuZoo has, in line with its conservative accounting policy, decided to write down the value it carries on its balance sheet for those of its franchisees that have shown weaker performance. As all franchisees continue to operate and as all franchisees operate on YuuZoo’s proprietary software platform which we continue to improve and upgrade each year, we believe that also those franchisees that in 2017 did not perform as well as the top performers, can improve their performance in 2018. If this happens YuuZoo will, in accordance with accounting standards, write up the value we this year decided to write down”, Mohandas concluded.

**About YuuZoo:**

Listed on the mainboard of the Singapore Stock Exchange (SGX: AFC), YuuZoo has offices in France, China, Nigeria, Thailand and Singapore. YuuZoo has built a mobile and online technology platform on which several in-house developed products in a unique, and for each market fully localised manner, offer hundreds of vertical social networks, eCommerce, gaming, video and payments. Through a global network of franchisees and marketing partners, the services cover several countries in Asia, Africa and Europe with a combined population of more than 4 billion. To see the YuuZoo platform and learn more about the company, log on to: <http://www.yuuzoo.com>.

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