



YUUZOO CORPORATION LIMITED
(Company Registration No:36658)
(Incorporated in Bermuda)
(the "Company")

CLARIFICATION ANNOUNCEMENT – (1) YUUZOO GETS ACCESS TO MARKET TO 37 MILLION REGISTERED USERS IN 7 KEY MARKETS, NEW GAMING REVENUE AND 6.7 MILLION SGD IN LOAN REPAYMENT THROUGH PARTIAL ACQUISITION OF IAH GAMES and (2) SETTLEMENT OF THE LEGAL DISPUTES BETWEEN YUUZOO AND IAH

The Board of Directors (the "Board") of Yuuzoo Corporation Limited (the "Company") would like to respond to the queries raised by the Singapore Exchange Securities Trading Limited (the "SGX-ST") with respect to the announcement dated 31 December 2015 and the subsequent press release dated 18 January 2016.

Response to Queries:

1. Please provide the value of assets acquired (i.e. Net Asset Value).

The Net Assets of Infocomm Asia Holdings Pte Ltd ("IAH") as at 31 December 2013¹, the date of IAH most recently available audited financial statements, was a deficiency of (US\$773,179). Accordingly the 30% shareholding acquired by the Company equates to (US\$231,954).

We note that the Company has no obligation to make any contribution to the deficiency in the net assets of IAH.

For further clarification, the Company reiterates that in addition to the shares representing 30% of IAH, the following benefits were conferred to the Company through entering into settlement with IAH and the corresponding agreement to issue 15,000,000 of the Company's shares in exchange for a 30% shareholding in IAH:

- (1) the Company gains access to the IAH user database of 37 million users in 7 key markets;
- (2) IAH will use the Company's payment business to process the IAH business on commercial terms;
- (3) the Company has attained savings through the termination of all legal action against the Company by IAH;
- (4) there has been a reduction in dilution of the Company's shareholders stake in the Company, through the termination of the Sale and Purchase Agreement between the Company and IAH that contemplated the issue of 50 million of the Company's shares in exchange for 100% of the shares in IAH;
- (5) IAH will make an immediate repayment of a portion of the S\$6,569,231 loan money (such total loan money being the "**Loan Amount**") owed by IAH to the Company;
- (6) the Company has gained increased certainty over the timing of the receipt of the remaining loan owed by IAH to the Company; and
- (7) the Company has obtained an option to acquire further shares in IAH by converting the loan funds to equity, the issue price will be determined in due course if and when the option is exercised by the Company, and is subject to a valuation of IAH. The option may be exercised at any time prior to 1 March 2018, and the maximum number of IAH shares that may be

¹ We note that no accounts are available from IAH for the financial years ending 2014 and 2015



purchased is equal to any amounts outstanding on the Loan Amount at such time as the option is exercised. We note that the Company has no obligation to exercise such Option.

(altogether, the “**Transaction**”)

In total, the value to the Company of these assets and benefits acquired in the Transaction were assessed to be in excess of the cost of the 15,000,000 shares to be issued in exchange. At the date of the Transaction (23 December 2015) the closing price of YuuZoo shares was SGD0.20 implying an aggregate value of the above assets and benefits of SGD3,000,000.

2. Please provide the Loss before Tax and Loss after Tax for IAH.

The IAH Consolidated Statement of Comprehensive Income for the Financial Year ended 31 December 2013, the date of IAH’s most recently available audited financial statements², shows a loss before income tax of (US\$1,487,572) and a loss after income tax credit of (US\$1,435,696).

Accordingly the 30% shareholding in IAH acquired by the Company equates to (US\$446,272) for the loss before tax and (US\$430,709) for the loss after tax.

We note that the Company has no obligation to make any contribution in relation to the losses of IAH.

BY ORDER OF THE BOARD

Thomas Zilliacus
Executive Chairman

24 January 2016

² We note that no accounts are available from IAH for the financial years ending 2014 and 2015