



Press Release

For Immediate Release

YUUZOO'S 9 MONTH REVENUES GROW 132% YEAR-ON-YEAR TO SGD 95.6 MILLION, WITH EBIT GROWING 215% TO 35.5 MILLION

Summary of financial results for 3Q 2016 and 9 months ended 30 Sept 2016

	3Q2016	3Q2015		9M2016	9M2015	
	(SGD Million)	(SGD Million)	Variance	(SGD Million)	(SGD Million)	Variance
Total Income	14.6	17.4	-16%	95.6	41.3	132%
e-Commerce	2.4	5.1	-50.9%	49.5	13.0	281%
EBITA	9.3	8.7	7%	39.1	19.4	101%
EBIT	8.4	5.6	50%	35.5	11.3	215%

Singapore, 11th November 2016: Singapore-listed YuuZoo Corporation Limited (“YuuZoo” **SGX: AFC**) one of the world’s first fully integrated social e-Commerce, payment and gaming companies, today announced its third quarter 2016 results.

The Group’s revenue for the nine months ended 30 September 2016 grew by 132% to SGD \$95.6 million. For the nine months ended 30 September 2016, total comprehensive income grew 182% year-on-year to SGD 32.15 million. For the nine months ended 30 September the group’s EBIT rose by 215% to SGD 35.5 million, driven by a 281% growth in e-Commerce as well as by franchise sales to countries across Africa, Latin America, Asia and Eastern Europe.

Operational Highlights Q3/2016

On August 10th August 2016, YuuZoo in partnership with Etisalat, one of the world’s leading telecom operators with one of the largest market capitalizations in Africa and the Middle East, launched a new e-Commerce platform called “SME Arena” in Nigeria, Africa’s biggest market with a population of 187 million people, where 97% of business are small and medium enterprises. “SME Arena” has been built and is managed by YuuZoo for Etisalat Nigeria. SME Arena enables YuuZoo to generate recurring cash revenue from e-commerce, advertising, game revenue and payments in Nigeria. YuuZoo expects this revenue to be significant in view of the strong marketing planned by Etisalat.



In the last quarter, in South Africa, the other large market in Africa where YuuZoo has strong presence, a full-scale marketing campaign was launched by YuuZoo's local South African franchisee.

YuuZoo also started its own marketing of mobile games developed by its partners Circle of Champions and SportsHero, targeting initially its own database of some 66 million gamers.

The world's largest E-sports tournament, the WESG (World Electronic Sports Games) Championship kicked off successfully in China. The competition is managed by YuuGames, YuuZoo's Chinese joint venture, for AliSports, a subsidiary of China's leading e-Commerce company Alibaba.

YuuZoo's ongoing strategy of international growth through the expansion of its network of franchisees around the world continued with the sale of two new franchise licenses to Thailand and Congo.

In e-commerce YuuZoo suffered a setback as one of its largest clients had to discontinue its operations. The closure of the operations of the client resulted in a drop of 50.9% in e-commerce revenue for the quarter. YuuZoo has taken measures to claw back the drop in revenue by the addition of several new clients towards the end of Q3.

Outlook for Q4 2016

Due to personal health reasons, YuuZoo's CEO James Sundram has announced that he will have to step down as CEO effective November 23rd 2016. YuuZoo has started to look for a new CEO. In the meantime, YuuZoo's Executive Chairman Thomas Zilliacus, who until James Sundram's appointment worked both as Chairman & CEO, will manage day-to-day operations.

The outlook for Q4 2016 is good. YuuZoo earlier this week announced the launch of YuuTV. YuuTV is a new premier high quality video streaming platform that offers consumers several new features.

YuuZoo also in Q4 has announced the signing of an agreement to invest in Relativity Media. Relativity is a next-generation global media company engaged in multiple aspects of content production and distribution. It has been ranked as the 3rd largest independent movie studio in the world. Relativity Studios has produced, distributed or structured financing for more than 200 motion pictures, generating more than \$17 billion in worldwide box-office revenue and earning 60 Oscar nominations.



In addition to the studio, Relativity's other key assets include Madvine, a major in-house marketing agency working with world-class brands in strategic marketing, integrations/product placement, brand driven production slates and retail development, and Relativity Music Group, a major music producer.

Relativity also is a major player in film production and distribution in the world's two largest markets, China and India. In China it holds 90% of Skyland Entertainment, a jv for the distribution of Relativity films and the production of films in China, In India it holds 50% of Relativity B4U, a newly formed jv set up to produce and distribute local language films in India.

Relativity also holds a minority stake in Independent Sports, one of the largest sport agencies in the world managing professional athletes across the NFL, MLB and NBA.

The distribution of the unique content on YuuZoo's new YuuTV platform opens up a major new revenue opportunity in a market estimated to be worth USD \$73.90 billion in 2024.ⁱ

Commenting on the financial results, Executive Chairman Thomas Zilliacus said: "We are very pleased to announce another set of strong results. While e-commerce revenue dipped in Q3 as the result of one of our key clients closing business, we are showing strong growth in revenue as well as profits for the first 9 months of the year.

I much regret that YuuZoo's CEO James Sundram is forced to step down for personal health reasons, and want to take this opportunity to thank him for his hard and good work during the 13 months he has served as CEO. YuuZoo has a strong management team and strong partnerships in several key markets, including the world's largest market China, as well as in Africa's largest market Nigeria, and we therefore are confident we can continue to grow strongly.

We are very excited about the opportunities we see coming out of our recently signed agreement with Relativity Media, and the launch of YuuTV. The combination of unique content and global distribution enables us to reach and deliver high quality programming to the smartphones, tablets, computers and TV screens of the more than 4 billion consumers in the countries our partners reach" he concludes.

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ABOUT YUUZOO

Listed on the SGX mainboard (SGX: AFC), YuuZoo has built a partly patented mobile and online technology platform on which several in-house developed products in a unique, and for each market fully localized manner, offer targeted social networking, e-commerce and gaming to hundreds of millions of consumers across all continents. With franchisees and partners covering 69 countries with more than 4.3 billion consumers, YuuZoo together with its partners and franchisees reaches a huge global audience through smartphones, computers and TV sets.

To see the YuuZoo platform, log into: www.yuuzoo.com . For more information about the company, please log on to: www.yuucorp.com .

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Reference:

ⁱ Source: <http://www.prnewswire.com/news-releases/video-on-demand-market-to-hit-us7390-billion-by-2024-availability-of-high-speed-data-networks-to-continue-boosting-subscriptions-for-video-on-demand---tmr-593236461.html>