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YUUZOO SIGNS AGREEMENT TO BECOME BIGGEST SHAREHOLDER OF RELATIVITY MEDIA, ONE OF THE WORLD'S LARGEST INDEPENDENT MOVIE STUDIO & ENTERTAINMENT GROUPS

- Deal will create a new end-to-end global leader in content and distribution
- Relativity's world-leading content will feed directly into YuuZoo's huge global distribution network, covering 69 countries with 4.3 billion consumers
- YuuZoo's global payment platform YuuPay will be used for all of Relativity's online and mobile payments

Singapore, October 31st **2016**: Singapore Exchange listed YuuZoo Corporation Limited ("YuuZoo" SGX: AFC), announced that it has signed an agreement to immediately buy 33.3% of Relativity Media, one of the world's largest independent movie studios and entertainment groups, with an option to increase its investment to a majority stake over the next 24 months.

The deal is subject to approval from the Singapore Stock Exchange (SGX).

"This transaction has a tremendous fit where 1 plus 1 does truly equal 10," said Thomas Zilliacus, Executive Chairman of YuuZoo. "YuuZoo has over the last few years built a global distribution platform where our unique and patented technology delivers content and merchandise through franchisees and partners now covering 69 countries with more than 4.3 billion consumers. Distribution partnerships include Alisports, the subsidiary of China's ecommerce giant Alibaba, NTA, the largest TV network in Africa, Etisalat, the largest telco in the Middle East & Africa, SMG, China's second largest TV network etc.

YuuZoo has the ability and reach to deliver high quality programming to the smartphones, tablets, computers and TV screens of more 4 billion consumers. Relativity Media has a huge and growing library of world-class content in films, TV, sport, fashion and music. Through this transaction, YuuZoo just became a full service technology and content play. It is a game-changing transaction for us and we couldn't be more thrilled." he concluded.

Some market observers have already compared the Relativity – YuuZoo deal to the recently announced acquisition of TimeWarner by AT&T. In both cases, the driving force between the transactions is the irreversible and permanent change in how media is distributed and consumed. The smartphone has become the main source of entertainment and news for



billions of consumers worldwide, and the number of consumers using the smartphone as their main news and entertainment source keeps on growing.

While the comparison between the two transactions is accurate, the YuuZoo – Relativity deal targets and reaches a much bigger global audience that includes the main focus of AT&T, i.e. USA and Latin America, but also Asia, Africa and Europe. YuuZoo with its partners and franchisees today covers 69 countries with more than 4.3 billion consumers. AT&T focuses on the US and Latin America, a market with some 940 million consumers.

"After studying YuuZoo, it was clear they are by far the best in class," said a spokesperson for Relativity. "The market should, as recent analyst reports have stated, be valuing them at least 10x their current price, but because they were the pipe and not the content inside they seemed to lose some of that valuation. This acquisition completes the circle for them. They are now a 360° delivery and content engine crossing the globe and reaching billions of consumers. This is the right home for Relativity." the source concluded.

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, Netflix Rent-A-System, where fees are derived from "renting" Netflix Pay TV slots to third parties, and Relativity Music Group, a major music producer.

Relativity 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 with Asian private-equity firm SAIF Partners and IDG China Media, the China-focused investment arm of Boston's International Data Group, for the distribution of Relativity films and the production of films in China, In India it holds 50% of Relativity BAU, a newly form jv with the Mittal family in India, 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 transaction was sourced by Global Emerging Markets ("GEM"), a \$3.4 billion alternative investment group and YuuZoo investor that manages a diverse set of investment vehicles



focused on emerging markets across the world. GEM also played a key role in the structuring of the transaction.

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ABOUT RELATIVITY:

Relativity Media LLC (http://relativitymedia.com) is headquartered in Beverly Hills, California, USA. It was founded in 2004 by Lynwood Spinks and Ryan Kavanaugh, who still serves as the CEO of the Company.

The studio has been ranked as the world's third largest independent movie studio globally. The company's partners and financial institutions have invested over \$20 billion in entertainment investments. Partners and investors include Citibank, Merrill Lynch, Deutsche Bank and others.

On July 30, 2015, the company filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the Central District of California. In March 2016, after cleaning up its balance sheet, the company emerged from the bankruptcy

More than just a collection of entertainment-related businesses, Relativity is a content engine with the ability to leverage each of these business units, independently and together, to create content across all mediums, giving consumers what they want, when they want it.

Relativity Studios, the Company's largest division, 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. Relativity's films include Oculus, Safe Haven, Act of Valor, Immortals, Limitless, and The Fighter. The Relativity films set for release in 2016 include the heist comedy, Masterminds, starring Zach Galifianakis, Owen Wilson, Kristen Wiig and Jason Sudeikis, directed by Jared Hess; and the action thriller Kidnap, starring Halle Berry as a mother who will stop at nothing to rescue her son.

ABOUT YUUZOO:

Headquartered in Singapore and listed on the SGX mainboard (SGX: AFC), YuuZoo has built a 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. Its revenues grew in the 1st half of 2016 with 242% year-on-year to 81.5 million SGD (USD 58.6 million).

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.

ABOUT GEM:

GEM (<u>www.gemny.com</u>) founded in 1991 is a USD 3.4 billion investment group having completed 370 transactions in 70 countries. GEM is an alternative investment group that



manages diverse investment vehicles worldwide with different degrees of operational control, risk-adjusted return and liquidity profile. Our funds and investment vehicles provide GEM and its partners with exposure to: Small-Mid Cap Management Buyouts, Private Investments in Public Equities (PIPEs) and select venture investments. GEM's funds include: CITIC-GEM Fund (matured in December 2015), Kinderhook Industries (GP and LP non-voting stakes), GEM Global Yield Fund LLC SCS, GEM India and VC Bank/GEM Mena Fund (GEM exited both its GP and LP stakes in these funds in 2015 and 2010).

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