

MEDIA ADVISORY

Alpha Deal Group sees YuuZoo Fair Value at S\$1.40 per share

Advisory firm sees almost 800% upside to the current value for YuuZoo share price

Singapore, 27 January 2016: Alpha Deal Group (“ADG”), a leading New York based research and advisory firm that caters to institutions, investment banks, and C-suite deal team executives, yesterday released a 27-page report on YuuZoo. ADG concludes there is massive upside on YuuZoo’s share price, stating they view the fair value of the company at S\$1.40 in view of recently signed agreements and YuuZoo’s expansion into a B2C business model.

The ADG report notes that the share price is currently trading at a massive discount. The current share price is in line with YuuZoo’s historic B2B focus rather than being aligned with a company exposed to high-growth Asian e-commerce and games markets.

Prior to 2013 YuuZoo’s revenue growth was driven by its B2B marketing and operations (composed of franchisees, network and payment clients). However, moving forward, YuuZoo’s management is investing substantially in consumer engagement, translating to much higher monetisation of its consumers. The report notes that in 2014 YuuZoo saw ecommerce as the largest revenue contributor. ADG expects this growth in ecommerce to continue, and also to generate new revenue from higher margin advertising and games.

ADG reports that YuuZoo, through its unique partnership model, is able to quickly grow its international business. With new franchise operations in UK, Korea, Turkey, Central and Eastern Europe, games (mobile and e-sports) launching with strong partners in China, JV operations commencing in Nigeria, with Africa’s largest TV network – NTA and a distribution agreement with Etisalat, the Company is expecting strong growth in Q4/2015 and throughout 2016.

Based on this, ADG valued YuuZoo using revenue and EBIDTA multiple analysis. The report notes that YuuZoo currently trades at an Enterprise Value/ revenue multiple of 1.3x and Enterprise Value/ EBIDTA multiple of 4.2x. Both multiples show that YuuZoo is trading **at a huge discount to average peer valuations**.

ADG also believes that the stock has the ability to rerate if YuuZoo demonstrates the commercial viability of its social networks through consistent revenue and earnings growth. ADG, based on their global peer comparison, applied 5.5x multiple the 2016 estimated revenues and 16.5x multiple to the 2016 estimated EBIDTA and calculated



a fair value of US\$ 1 or S\$1.40 per YuuZoo share. ADG considers YuuZoo as a massive wealth creating opportunity in view of this huge potential.

You can download a detailed copy of the report here: <http://bit.ly/1SJ83y9>

ABOUT YUUZOO:

Headquartered in Singapore and listed on the SGX mainboard (SGX: AFC.SI), with access to over 110 million registered consumers in 164 countries, YuuZoo in a unique way combines social networking, games and e-commerce in a mobile-optimized, fully localized “tribal playground”, where the user, through one single login, can join the tribe of his choice through access to hundreds of targeted social networks, equally targeted shops, offering a perfect mix of global and local merchandise, and targeted entertainment and games. All networks are, through an extensive network of franchisees and partners, localized for each market as comes to language, merchandise and design. To see the networks, log into: www.yuuzoo.com.

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