

5 March 2018

Board of Directors

YuuZoo Corporation Ltd
20 Science Park Road
Science Park 2 Teletech Park
#03-11/14
Singapore 117674

Dear Sirs

**YUUZOO CORPORATION LTD (THE "COMPANY")
NOTICE OF COMPLIANCE (THE "NOTICE")**

1. The Exchange refers to the following announcements:-
 - (a) The Company's announcement dated 1 March 2018 (Announcement Reference No.: SG180301OTHRLOF0T) titled "Full Yearly Results"; and
 - (b) The Exchange's announcement dated 5 March 2018 (Announcement Reference No.: SG180305OTHRFUP9) titled "Queries by SGX on the Company's full year results announcement released on 1 March 2018".
2. On 1 March 2018, the Company announced its unaudited full year results for the financial year ended 31 December 2017 ("FY2017").
3. Based on the FY2017 unaudited results, the Exchange draws particular attention to the increase of other income ("**Other Income**") from S\$159,000 in 4Q2016 to S\$8.0 million in 4Q2017 due to the purchase of assets related to the formation of YuuLog France.
4. The Exchange also draws particular attention to the increase of assets available for sale ("**AFS**") from S\$33.3 million as at 31 December 2016 to S\$54.2 million as at 31 December 2017, notwithstanding an impairment of S\$17.5 million during FY2017. In this regard, an additional amount of S\$38.4 million has been recognised in revenue and AFS during FY2017. As disclosed by the Company, AFS relates to shares held in franchisee companies.
5. Listing Rule 1405(1)(b) provides that the Exchange may, for the purposes of ensuring that the market is fair, orderly and transparent, require an issuer to make specified disclosures.
6. Pursuant to Listing Rule 1405(1)(b), the Exchange requires the Company to engage its statutory auditors to provide an opinion on the veracity and

reasonableness of the following items in the Company's consolidated financial statements:-

- (a) Other Income of S\$8.0 million for FY2017; and
 - (b) AFS balance of S\$54.2 million as at 31 December 2017 and corresponding revenue of S\$38.4 million from network development and franchise sales for FY2017.
7. Pursuant to Listing Rule 1405(4), failure to comply with the requirements imposed by the Exchange shall be deemed to be a contravention of the Listing Rules.
8. Please note that the Company is required to release an announcement disclosing the opinion of its statutory auditors via SGXNet by **19 March 2018**.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'msm', with a checkmark-like flourish at the end.

June Sim
Senior Vice President
Head, Listing Compliance
Regulation