

**YUUZOO NETWORKS GROUP CORPORATION**  
(formerly known as YuuZoo Corporation Limited)  
(BVI Company No: 1988576)  
(Incorporated by way of continuation in the British Virgin Islands)

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**UPDATE ON OPERATIONS OF YUULOG FRANCE – APPLICATION TO FRENCH COURTS FOR  
JUDICIAL RECOVERY PROCEEDINGS**

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The board of directors (the “**Board**”) of YuuZoo Networks Group Corporation (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Board has instructed the management of YuuLog France (the “**YF Management**”), a subsidiary of the Company, to initiate an application to the French Courts for “redressement judiciaire” or Judicial Recovery Proceedings (the “**Proceedings**”) for YuuLog France, notwithstanding that it is still solvent.

YuuLog France’s operations has been negatively impacted by the loss of several major customers. The YF Management had for several months made efforts to source for new customers for YuuLog France’s logistics business to compensate for the loss of the aforesaid major customers. This included approaching customers in Asia and other parts of Europe with a business proposition for YuuLog France to handle their logistics needs in France. However, due to the competitive market conditions in the logistics business, YuuLog France was unable to secure sufficient new customers to compensate for the loss of business from its major customers.

In the meantime, YuuLog France had requested for cash injections from the Company to support its deteriorating financial position. However, trading in the Company’s shares on the SGX-ST had been suspended since 19 March 2018, which severely limited the Company’s fund raising opportunities.

The Board and YF Management explored various options to sustain YuuLog France’s operations, including injection of fresh capital from potential investor(s) and borrowing from banks. However, as YuuLog France was experiencing quickly deteriorating cashflow since July 2018, based on the advice of its French lawyers, the Board have decided, with the YF Management concurring, that the best option is for YuuLog France to initiate an application to the French Courts for Judicial Recovery Proceedings.

The date of judgement opening the Proceedings was 28 August 2018. YuuLog France is now in an observation period for a duration of 6 months, during which the Judicial Administrator will assess YuuLog France’s financial position and assist in its management.

**The Company will make the necessary announcements when there are material developments on this matter. Shareholders of the Company and potential investors are advised to read all further announcements by the Company carefully and to consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

**BY ORDER OF THE BOARD**

Mohandas  
Chief Executive Officer and Executive Director  
6 September 2018