

YEAH1 GROUP CORPORATION

**REPORT ON THE PROGRESS OF USING SHARE CAPITAL
RECEIVED FROM PRIVATE PLACEMENT OF SHARES
FROM 21 AUGUST 2018 TO 20 AUGUST 2019**

YEAH1 GROUP CORPORATION

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YEAH1 GROUP CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate

No. 0304592171 dated 12 September 2006. Initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 23rd amendment dated 2 July 2019.

Board of Directors

Mr. Nguyen Anh Nhuong Tong	Chairman
Mr. Dao Phuc Tri	Member
Mr. Hoang Duc Trung	Member
Mr. Don Di Lam	Member
Mr. Nguyen Ngoc Dung	Member
Mr. Niraan De Silva	Member
Mr. Tran Quoc Bao	Member
Mr. Ly Truong Chien	Member

Internal Audit Committee

Mr. Tran Quoc Bao	Head of Committee (from 4 December 2018)
Mr. Nguyen Ngoc Dung	Member (from 4 December 2018)
Mr. Lam Quoc Thai	Member (from 4 December 2018)
Mr. Nguyen Van Nam	Member (from 20 March 2019)
Mrs. Le Thi Bich Hang	Member (from 31 December 2018 to 20 March 2019)

Board of Management

Mr. Dao Phuc Tri	General Director
Mr. Vo Thai Phong	Deputy General Director – Finance (to 12 August 2019)
Mr. Niraan De Silva	Deputy General Director - Strategy
Mr. Loh Yean Wei Jason	Deputy General Director - Operations
Mr. Bui Huu Nhat	Deputy General Director - Operations (from 18 March 2019)
Mr. Nguyen Ngoc Hung	Deputy General Director – Operations (from 18 March 2019)
Mr. Nguyen Van Cang	Deputy General Director – Finance (from 13 August 2019)
Mr. Ho Nam Dong	Deputy General Director (from 13 August 2019)

Legal representative

Mr. Nguyen Anh Nhuong Tong	Chairman
Mr. Dao Phuc Tri	General Director

YEAH1 GROUP CORPORATION

THE CHAIRMAN'S STATEMENT IN RESPECT OF THE REPORT ON THE PROGRESS OF SHARE CAPITAL USAGE

The Chairman of Yeah1 Group Corporation ("the Company") presents the report on the progress of using share capital usage from the private placement of shares from 21 August 2018 to 20 August 2019, increasing the company's capital with an amount of VND1,173,000,000,000. Hereinafter, the report shall be referred to as the "report on the progress of share capital usage".

THE CHAIRMAN'S RESPONSIBILITY

The Company's Chairman is responsible for preparing the report on the progress of share capital usage, which reflects the Company's capital usage progress.

The Chairman is responsible for ensuring that proper accounting records were kept, legitimately presenting the progress made on the use of share capital received from private placement of shares from 21 August 2018 to 20 August 2019, in an amount of VND1,173,000,000,000, in order to increase the Company's share capital and also for its fair preparation and presentation in accordance with Vietnamese Accounting Standards and the Vietnamese Corporate Accounting System, Decree 58/2012/ND-CP, 20 July 2012 ("Decree 58"), which stipulates in detail and guides the implementation of a number of articles from the Securities Law and the law, whilst also amending and supplementing a number of articles from the Securities Law, Decree No. 60/2015/ND-CP dated 26 June 2015. This amends and supplements several articles from Decree 58 forming the basis for the preparation and presentation of the report on the progress of share capital usage as described in Note 2 of the report on the progress of share capital usage.



Nguyễn Anh Nhung Tong
Chairman

Ho Chi Minh City, SR Vietnam
9 September 2019

REPORT ON FACTUAL FINDINGS TO THE BOARD OF DIRECTORS OF YEAH1 GROUP CORPORATION

We have conducted agreed-upon procedures in accordance with the Letter of Engagement No. EL-HCMC5593 on 28 August 2019 with Yeah1 Group Corporation ("the Company") relating to the report on the progress of using share capital received from the private placement of shares from 21 August 2018 to 20 August 2019, hereinafter referred as "report on the progress of share capital usage", which is presented from pages 6 to 11. Our engagement was undertaken in accordance with the Vietnamese Standards on Related Services 4400: "Engagements for conducting agreed-upon procedures regarding financial information". The procedures have been conducted solely to assist in evaluating the appropriateness of the report on the progress of share capital usage, and are summarised as follows:

1. We have obtained the report on the progress of share capital usage, prepared and approved by the Company's Chairman.
2. We have compared the purposes of share capital usage outlined by the Company's Chairman with the purposes presented and approved in the Board of Directors' resolution No. 1406/2018/NQ-HDQT dated 14 June 2018, the Extraordinary General Meeting's resolution No. 0412B/2018/NQ/DHDCDBT dated 4 December 2018, the Annual General Meeting's resolution No. 0805B/2019/NQ/DHDCD dated 8 May 2019 and other related documentation for capital increase. The State Securities Commission approved this new issue as per Official letter No. 5290/UBCK-QLCB dated 24 August 2018.
3. We have conducted detailed examination on supporting documents of capital contribution and payment, as listed in the report on the progress of share capital usage along with the relevant accounting documents, such as contracts, invoices, payment vouchers and receipts. We also corroborated the proper classification of these payments to each business activity, as stated in the approved plan for the usage of share capital.
4. We have sent confirmations and reconciled with bank account balances, term deposits and bond investments, as presented in the report on the progress of share capital usage as at 20 August 2019.

Our report on factual findings is as follows:

1. The report on the progress of share capital usage is presented on pages 6 to 11.
2. According to the explanation given by the Company's Chairman, the purpose of using capital is to expand the business and to invest in the following:
 - a. Invest in digital and related sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).
 - b. Invest in commercial communications sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).
 - c. Finance the working capital of the Company and its subsidiaries.

These purposes are in accordance with the Board of Directors' resolution No. 1406/2018/NQ-HDQT dated 14 June 2018, the Extraordinary General Meeting's resolution No. 0412B/2018/NQ/DHDCDBT dated 4 December 2018, the Annual General Meeting's resolution No. 0805B/2019/NQ/DHDCD dated 8 May 2019 and other related documentation for capital increase. The State Securities Commission approved this new issuance as per Official letter No. 5290/UBCK-QLCB dated 24 August 2018.

3. We have conducted a detailed examination as follows:

- Regarding the amount of VND1,173,000,000,000 received from the private placement: we have reviewed and reconciled it with the relevant accounting documents such as bank statements and advice; and
- Regarding the payment of VND622,563,103,144 we have reviewed and reconciled it with the relevant accounting vouchers such as payment vouchers, advice from the bank, contracts, invoices and related documents. We also corroborated the proper classification of these payments to each business activity, as stated in the report on the progress of share capital usage.

4. We have reviewed and reconciled with bank account confirmations, term deposits and bond investments confirmations as listed in the Report on the progress of share capital usage. After reviewing and reconciling with confirmations, the variances are identified and explained as below:

Account	Amount per Company's detailed listing VND	Amount per confirmation VND	Variance VND
Cash at bank:			
- Housing Development Commercial Joint Stock Bank, account no. 168704070021734	273,560,149	274,560,149	1,000,000
- Housing Development Commercial Joint Stock Bank, account no. 168704070016261	68,052,231	16,508,006	(51,544,225)
- Housing Development Commercial Joint Stock Bank, account no. 168704070022204	3,717,729	(9,994,384,702)	(9,998,102,431)
- Housing Development Commercial Joint Stock Bank, account no. 140704070888888	-	1,399,177	1,399,177
- United Overseas Bank (Vietnam) Limited, account no. 1023340149	44,497,782	50,539,064	6,041,282
- Kien Long Commercial Joint Stock Bank, account no. 88887939	121,503,381	122,503,381	1,000,000
- Saigon Thuong Tin Commercial Joint Stock Bank, account no. 13368270001	60,341,182	60,341,182	-
- Joint Stock Commercial Bank for Foreign Trade of Vietnam, account no. 421000888868	40,578,811	41,578,811	1,000,000
- Shinhan Bank Vietnam Ltd, account no. 700013122044	790,000	790,000	-
	613,041,265	(9,426,164,932)	(10,039,206,197)
Securities account	21,842,658	21,842,658	-
Term deposits	454,630,908,356	454,630,908,356	-
Bonds			
- Dai An Plastic Joint Stock Company	100,000,000,000	100,000,000,000	-
- Ho Chi Minh City Infrastructure Investment	40,000,000,000	40,000,000,000	-
	140,000,000,000	140,000,000,000	-
Total (*)	595,265,792,279	585,226,586,082	(10,039,206,197)

(*) According to the explanation of the Chairman, the VND9,998,102,431 variance between the balance recorded by the Company and the balance per bank statement of account no. 168704070022204, opened at Housing Development Commercial Joint Stock Bank comes mainly from the Company's overdraft for purposes other than capital usage. These items are outside the scope of agreed upon procedures.



Because the above procedures do not constitute an audit or a review in accordance with the Vietnamese Standards on Auditing or the Vietnamese Standards on Review Engagements, we cannot provide any assurances on the report on the progress of share capital usage.

This report has been prepared for the sole purpose of providing information for the Company's Board of Directors and the State Securities Commission of Vietnam, in accordance with Chapter 2, Clause 8, Circular No.155/2015/TT-BTC dated 6 October 2015 of the Ministry of Finance's guidelines for information disclosure on the securities market. It should not be used for any other purposes or distributed to any third parties, in whole or in part. We will therefore not accept any liability or responsibility for any other party to whom our report is shown. This report should be read separately and is not a part of the Company's financial statements.

This report is prepared in Vietnamese and English. Should there be any conflict between Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Mai Viet Hung Tran
Audit Practising Licence No.
0048-2018-006-1
Authorised signatory

Report reference number: HCM8617
Ho Chi Minh City, 9 September 2019

YEAH1 GROUP CORPORATION

REPORT ON THE PROGRESS OF USING SHARE CAPITAL RECEIVED FROM PRIVATE PLACEMENT OF SHARES FROM 21 AUGUST 2018 TO 20 AUGUST 2019

1 REPORT ON THE RESULT OF PUBLIC OFFERING

No.	Description	Information
1	Stock name	Stock of Yeah1 Group Corporation
2	Stock code	YEG
3	Stock type	Common share
4	Par value	VND10,000 per share
5	Number of shares offered	3,910,000 shares
6	Number of share issued	3,910,000 shares
7	Cash receipt from the private placement	VND1,173,000,000,000
8	Starting date of the offering	17 August 2018
9	Closing date of the offering	21 August 2018

2 PROGRESS OF USING SHARE CAPITAL RECEIVED FROM THE PRIVATE PLACEMENT OF SHARES

2.1 Purposes and announced plan for share capital usage

According to the Annual General Meeting's resolution no. 0805B/2019/NQ/DHDCD dated 8 May 2019, the Board of Directors' resolution no. 1406/2018/NQ-HDQT dated 14 June 2018, the purpose of the private placement of shares is business expansion. The total receipt of VND1,173,000,000,000 would be used to invest particularly in the areas outlined below:

No.	Description	Expected amount to be used, as approved VND
1	Invest in digital and related sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).	714,940,000,000
2	Invest in commercial communication sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).	201,150,000,000
3	Finance the working capital of Company and its subsidiaries	231,038,000,000
4	Cost of share issuance	25,872,000,000
	Total	1,173,000,000,000

YEAH1 GROUP CORPORATION

2 PROGRESS OF USING SHARE CAPITAL RECEIVED FROM THE PRIVATE PLACEMENT OF SHARES (continued)

2.1 Purposes and announced plan for share capital usage (continued)

According to resolution No. 0805B/2019/NQ-DHDCD dated 8 May 2019, the usage of share capital were reported and the amendments made on 8 May 2019 were approved as outlined below:

No.	Description	Total VND
1	Invest in digital and related sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).	635,860,000,000
2	Invest in commercial communication sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries).	99,190,000,000
3	Finance the working capital of the Company and its subsidiaries.	192,078,000,000
4	Treasury stock repurchase	220,000,000,000
5	Cost of share issuance	25,872,000,000
	Total	<u>1,173,000,000,000</u>

YEAH1 GROUP CORPORATION

2 PROGRESS OF USING SHARE CAPITAL RECEIVED FROM THE PRIVATE PLACEMENT OF SHARES (continued)

2.2 Progress of share capital usage from 21 August 2018 to 20 August 2019

The Company reports the usage of capital received from the private placement for the purposes approved by the Annual General Meeting of Shareholders as follows:

No.	Description	Amount VND
A	Cash received from the private placement	1,173,000,000,000
B	Cost of issuing shares	25,872,000,000
C	Net cash received from the private placement	1,147,128,000,000
	Actual amounts used during the period:	
1	Investment in digital and related sectors	311,121,502,593
2	Investment in commercial communications sectors	16,740,000,000
3	Finance the working capital	127,117,023,875
4	Treasury stock repurchase	141,712,576,676
D	Accumulated capital amount used (1+2+3+4)	596,691,103,144
E	Unused balance (C- D)	550,436,896,856

The progress of using share capital according to Resolution No.0805B/2019/NQ/DHDCDBT dated 8 May 2019 is outlined as follows:

No.	Description	Planned usage as approved by the Annual General Meeting VND	Actual amounts used up to 20 August 2019 VND	Unused balance as at 20 August 2019 VND	Utilisation rate at 20 August 2019 (%)
1	Invest in digital and related sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries) (*)	635,860,000,000	311,121,502,593	324,738,497,407	48.93
2	Invest in commercial communication sectors (by investing capital contribution, purchase of equity in other businesses, and/or supplementing the capital of the Company and its subsidiaries)	99,190,000,000	16,740,000,000	82,450,000,000	16.88
3	Finance the working capital of the Company and its subsidiaries	192,078,000,000	127,117,023,875	64,960,976,125	66.18
4	Treasury stock repurchase	220,000,000,000	141,712,576,676	78,287,423,324	64.41
5	Cost of share issuance	25,872,000,000	25,872,000,000	-	100.00
	Total	1,173,000,000,000	622,563,103,144	550,436,896,856	53.07

(*) The amounts used during this period do not include the amount paid in relation to the acquisition of 100% equity in ScaleLab LLC at a value of USD12,332,814 (equivalent to VND287 billion), which was settled by Yeah1 Network Pte. Ltd, a Singapore-based subsidiary of the Company. In this case, USD12,000,000 was paid to existing shareholders and a further USD332,814 was paid for borrowing arrangements and due diligence costs.

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2 PROGRESS OF USING SHARE CAPITAL RECEIVED FROM THE PRIVATE PLACEMENT OF SHARES (continued)

As at 20 August 2019, the Company manages the unused capital from the private placement according to the aforementioned plan as outlined below:

Account	Amount VND
Cash at bank	
- Housing Development Commercial Joint Stock Bank, account no. 168704070021734	273,560,149
- Housing Development Commercial Joint Stock Bank, account no. 168704070016261	68,052,231
- Housing Development Commercial Joint Stock Bank, account no. 168704070022204	3,717,729
- United Overseas Bank (Vietnam) Limited, account no. 1023340149	44,497,782
- Kien Long Commercial Joint Stock Bank, account no. 88887939	121,503,381
- Saigon Thuong Tin Commercial Joint Stock Bank, account no. 13368270001	60,341,182
- Joint Stock Commercial Bank for Foreign Trade of Vietnam, account no. 421000888868	40,578,811
- Shinhan Bank Vietnam Ltd., account no. 700013122044	790,000
	613,041,265
Securities account	21,842,658
Term deposits (*)	454,630,908,356
Bonds	
- Dai An Plastic Joint Stock Company	100,000,000,000
- Ho Chi Minh City Infrastructure Investment	40,000,000,000
	140,000,000,000
Total	595,265,792,279

(*) This includes interest income with an amount of VND6,905,976,849.

YEAH1 GROUP CORPORATION

NOTES TO THE REPORT ON THE PROGRESS OF USING SHARE CAPITAL RECEIVED FROM PRIVATE PLACEMENT OF SHARES FROM 21 AUGUST 2018 TO 20 AUGUST 2019

1 GENERAL INFORMATION

Yeah1 Group Corporation ("the Company") was established in SR Vietnam following the enterprise registration certificate No. 0304592171 initially issued by the Department of Planning and Investment of Ho Chi Minh City dated 12 September 2006 and the 23rd amended enterprise registration certificate issued by the Department of Planning and Investment of Ho Chi Minh City on 2 July 2019.

The Company's principal activities include: advertising; creative entertainment, and artistic production; producing movies, videos and television programmes.

2 BASIS OF PREPARATION AND PRESENTATION

2.1 Basis of preparation and presentation

The report on the progress of using share capital received from private placement of shares from 21 August 2018 to 20 August 2019 (the "report on the progress of share capital usage") has been prepared in accordance with Decree No. 58/2012/ND-CP on 20 July 2012 ("Decree 58"), which stipulates in detail and guides the implementation of a number of articles from the Securities Law and the law, whilst also amending and supplementing a number of articles from the Securities Law, Decree No. 60/2015/ND-CP, 26 June 2015. This amends and supplements several articles from Decree 58, and other related regulations relevant to the preparation and presentation of the report on the progress of share capital usage.

The report on the progress of share capital usage has been prepared on the cash basis of accounting and therefore is part of the total cash inflow/outflow of the Company.

The report on the progress of share capital usage in Vietnamese language is the official report on the progress of share capital usage of the Company. The report on the progress of share capital usage in English language has been translated from the Vietnamese language report on the progress of share capital usage.

2.2 Reporting period

The report on the progress of using share capital received from the private placement with an amount of VND1,173,000,000,000 to increase the Company's capital raised from 17 August 2018 to 21 August 2018, and the usage of capital from 21 August 2018 to 20 August 2019.

2.3 Purpose of the report

This report has been prepared solely to outline the progress of share capital usage in accordance with the Annual General Meeting's resolution No. 0805B/2019/NQ/DHDCD dated 8 May 2019, the Board of Directors' resolution No. 1406/2018/NQ-HDQT dated 14 June 2018 and the Extraordinary General Meeting's resolution No. 0412B/2018/NQ/DHDCDBT dated 4 December 2018. The State Securities Commission approved this new issue as per Official letter No. 5290/UBCK-QLCB dated 24 August 2018.

It has been prepared for the Company to report at Annual General Meeting and to the State Securities Commission of Vietnam in accordance with Circular No. 155/2015/TT-BTC dated 6 October 2015 of the Ministry of Finance's guidelines for information disclosure on the securities market, and it should not be used for any other purposes or distributed to any third parties.

YEAH1 GROUP CORPORATION

The report on the progress of share capital usage was approved by the Chairman on 9 September 2019.



Nguyen Thi Ngoc Nu
Chief Accountant



Nguyen Van Cang
Deputy General Director - Finance



Nguyen Anh Nhuong Tong
Chairman

