YEAH1 GROUP CORPORATION	SOCIALIST REPUBLIC OF VIETNAM
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No: 08/2019/YEG/BC-ĐHĐCĐ

Ho Chi Minh City, April 22nd, 2019

PROPOSAL TO
THE 2019 GENERAL MEETING OF SHAREHOLDERS
Report on the Use of Capital and Proposal on Adjustment of Funding Purpose and Timeline

To: **General Meeting of Shareholders of Yeah1 Group Corporation**

I. REPORT USE OF FUND FROM PRIVATE PLACEMENT

1. Result of private placement:

In August 2018, The Company successfully issued 3,910,000 shares through private placement to increase its capital in accordance with Annual General Meeting Resolution No. 01/2018/NQ/DHDCD dated 10th April 2018. Details are as follows:

- Name of offering securities : Yeah1 Group Corporation
- Stock ticker : YEG
- Par value : VND10,000 per share
- Type of share : Ordinary share
- Registered offering volume : 3,910,000 shares
- Total proceeds : VND1,173,000,000,000
- Beginning date of the offering : 17th August 2018
- Closing date of the offering : 21st August 2018

2. Updates on use of proceeds from private placement:

Pursuant to the Resolution No. 01/2018/NQ/DHDCD dated 10th April 2018 on private placement and the Resolution No.1406/2018/NQ-HDQT dated 14th June 2018 on approving detailed plan of use of proceed from private placement and the Resolution No. 0412B/2018/NQ/ĐHĐCĐBT dated 04th December 2018 about report on use of fund and adjustment of funding purpose and timeline according to Proposal 03/2018/YEG/TT-ĐHĐCĐBT, the Board of Directors would like to update to the General Meeting of Shareholders on the use of proceeds as of 15th March 2019 as follows:

Unit: VND Billion

No.	Items	Investment amount approved on 04/12/2018	Actual invested amount at 15/03/2019	Actual invested amount at 15/03/2019 including ScaleLab(*)	Actual/planned (%)
1	Digital media and related platforms	714,940	171,904	460,837	64.46%
2	Media-commerce by capital contribution and increasing ownership to company' members	201,150	6,000	6,000	2.98%
3	Working capital to the Company and its members	231,038	164,653	164,653	71.27%
4	Private placement fees	25,872	25,872	25,872	100.00%
	Total	**1,173,000**	**368,429**	**657,362**	**56.04%**

*By 15th March 2019, investment amount related to 100% shares acquisition of ScaleLab LLC was USD12,295,000, equivalent to VND288,932 million. The amount included USD12,000,000 payment to the sellers and USD295,000 for due diligence fees and loan arrangement fee and was transferred by Yeah1 Network Pte. Ltd.

Disbursements of the proceeds were slower than expected due to some following reasons:

- Merges and Acquisitions with companies in Media and Entertainment industry are slower than expected due to dissimilarities on M&A terms and conditions; due diligence procedures on financial, legal, tax obligations and other related matters have been taking longer than expected.
- Rapid growth in Media and Entertainment industry, specifically digital/online media, has created many new opportunities. However, the market fluctuated strongly so the Board of Directors were more cautious on evaluating risk and return before making decisions to secure the benefits of all shareholders;
- The registration process for the private placement took longer than expected.

II. PROPOSAL ON APPROVAL OF ADJUSTING USE OF PROCEEDS PURPOSE

As of 15th March 2019, the remaining proceeds from the private placement was VND515.638 billion. Based on the current operation and future development of the Company, the Board of Directors would like to submit to the General Meeting of Shareholders on the use of the remaining proceeds as follows:

Unit: VND billion

No.	Use of proceeds	Amount	Note
1	Digital media segment *(through new investment, capital contribution, repurchase secondary shares, and/or increasing working capital of the*	175,023	Increasing Mergers and Acquisitions with companies in the same industry and/or acquire ownership of the Company

	Holding Company and subsidiaries)		Subsidiaries
2	Media commerce segment *(through new investment, capital contribution, repurchase secondary shares, and/or increasing working capital of the Holding Company and subsidiaries)*	93,190	Increasing Mergers and Acquisition with companies in the same industry
3	Increasing Working Capital of the Company and/or its subsidiaries	27,425	Loan and increasing working capital of the subsidiaries
4	Share buyback	220,000	Pursuant to Resolution No. 1803A/2019/NQ/HDQT/YEG dated 18/03/2019, Board of Directors approved the use of VND220 billion to purchase treasury shares
	Total	**515,638**	

The Board of Directors would like to propose to the General Meeting of Shareholders for authorization on below matters:

- Conducting and making decisions on the particular purposes of the aforementioned proceeds;
- Adjustment of purchasing treasury shares plan to fit the actual situation and in accordance with the regulations and relevant laws;
- Adjustments (if necessary) on the purpose of the use of the remaining proceeds to fit the actual business situation to ensure the best benefits of the shareholders. The Board of Directors is required to report any adjustments or changes at the nearest General Meeting of Shareholders.

Respectfully propose to General Meeting of Shareholders for consideration.

Recipients:

– As mentioned above;

– Archived.

On behalf of the Board of Directors

CHAIRMAN

(Signed and sealed)

NGUYEN ANH NHUONG TONG