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YEAH1 GROUP'S SHAREHOLDER UPDATE



Regarding the termination of Content Hosting Service Agreements (CHSA) as disclosed on 3rd March 2019, Yeah1 Group, parent of Yeah1 Network is continuing to proactively take measures to appeal via legal and official channels, prior to it being effective on 31st March 2019. Yeah1 Group has taken immediate action to further enhance its operation within its YouTube related subsidiaries to accelerate efforts with regards to its owned and operated channels and content. The company has also announced its intention to purchase up to 600,000 shares.

The Content Hosting Service Agreement Update

The Content Hosting Service Agreement allowed our MCN business to aggregate third party channels. As a point of reference, nearly 13% of Net Profit After Tax equivalent to approximately USD1m was generated from providing these third-party services in FY2018. In relation to ScaleLab, we are currently in discussions to restructure the transaction for the benefit of both parties.

The management team are re-budgeting and assessing our forecasts for 2019 which will be updated at AGM during the second half of April 2019. Despite the current situation, we are confident to see growth in core operating profit in 2019.

Operational Update

As disclosed the termination was a result of a series of operational incidents isolated to the SpringMe CHSA. The senior leadership has taken immediate disciplinary action and ceased employment of those operational staff involved. In addition, the Board of Directors is in the process of an internal review to enforce additional control policies for the whole group. The Senior Leadership remains unchanged and focused on creating shareholder value.

2019 And Beyond

- Yeah1 Group Strategy:

Yeah 1 Group strategy remains unchanged and continues to drive towards creating the largest multi-channel media ecosystem in Vietnam. The groups digital strategy will continue to focus on creating, managing and monetizing content through advertising on multiple online channels with YouTube being one of them.

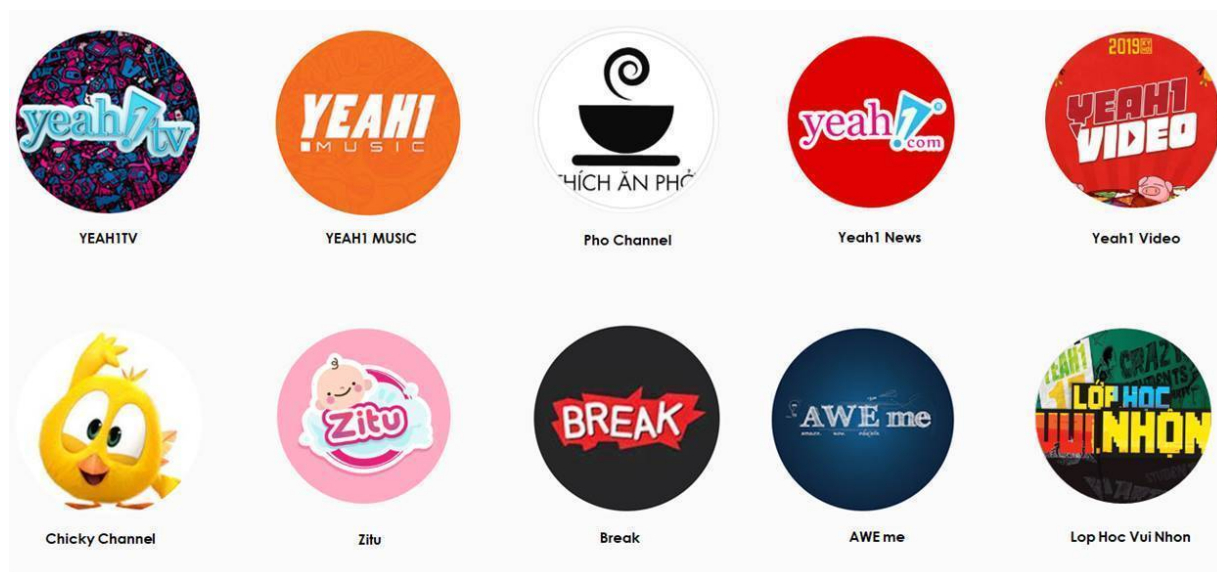
YouTube as a platform is still an integral part of our digital ecosystem and we will continue to support and foster the growth alongside YouTube as a partner.

- Yeah1 Network Strategy:

Leadership of the YouTube business will now accelerate plans to build and focus on our owned and operated Channels as well as the production of new and original social content for distribution on YouTube. We remain confident in 2019 about our ability to recoup any operational loss suffered given the strength of our team and technology. Owning and operating channels and content provides the YouTube business with a stronger, more robust longer term strategy with stronger profit margins. This has always been part of our Digital strategy to ultimately build and create leading social brands, however

we are now putting all efforts to accelerate and execute immediately. Our 100 plus staff currently operating within Yeah1 Network have immediately commenced this strategy.

Examples of Owned and Operated Brands



Examples of Content Partnerships



- Other Yeah1 Business

As highlighted, there is no impact to any of our other business which are all operating as normal course. Senior management of the other operating subsidiaries are even more focused now to build and drive value for shareholders. Outside of YouTube related business, Yeah1 Group owns and operates 4 National wide TV channels, Movie Production and Distribution Business, Media Agency as well as a growing Digital Ad-Publishing business.

The recent incidents have simply provided a speed bump on our road to building and creating our media ecosystem and we remain focused and excited about what the future has in stall. Asia is a rapidly growing region of social interaction and platforms, and Yeah1 Group is dedicated to providing and fostering these communities with the highest quality of entertainment.

On-Market Buy-Back

As disclosed on 7th March 2019, the company has announced its intention to purchase up to 600,000 shares.