



YEAH YEAH INTERIM 2022 REPORT **GROUP** HOLDINGS LIMITED

(formerly known as "Sun Entertainment Group Limited
太陽娛樂集團有限公司")

STOCK CODE 8082

Incorporated in the Cayman Islands and
continued in Bermuda with limited liability

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CORPORATE INFORMATION**EXECUTIVE DIRECTORS**

Mr. Dong Choi Chi, Alex (*Chairman*)
Mr. Chong Cho Lam (*Chief Executive Officer*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Ip Wai Hung
Mr. Chan Wai Man
Mr. Siu Hi Lam, Alick

COMPANY SECRETARY

Mr. Jip Ki Chi

COMPLIANCE OFFICER

Mr. Dong Choi Chi, Alex

ADMINISTRATION COMMITTEE

Mr. Dong Choi Chi, Alex (*Chairman*)
Mr. Chong Cho Lam

AUDIT COMMITTEE

Mr. Chan Wai Man (*Chairman*)
Dr. Ip Wai Hung
Mr. Siu Hi Lam, Alick

NOMINATION COMMITTEE

Dr. Ip Wai Hung (*Chairman*)
Mr. Chan Wai Man
Mr. Siu Hi Lam, Alick

REMUNERATION COMMITTEE

Mr. Siu Hi Lam, Alick (*Chairman*)
Dr. Ip Wai Hung
Mr. Chan Wai Man

AUTHORISED REPRESENTATIVES

Mr. Dong Choi Chi, Alex
Mr. Jip Ki Chi

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor

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HONG KONG BRANCH SHARE REGISTRAR

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STOCK CODE

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UNAUDITED FINANCIAL RESULTS

The Board of Directors (the “Directors”) of Yeah Yeah Group Holdings Limited (the “Company”) announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months and six months ended 30 June 2022 together with the comparative unaudited figures for the corresponding periods in 2021 as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and six months ended 30 June 2022

	Notes	Three months ended 30 June		Six months ended 30 June	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Revenue	2	7,326	14,315	15,980	24,267
Cost of sales		(3,051)	(12,060)	(10,096)	(18,604)
Gross profit		4,275	2,255	5,884	5,663
Other income and gains	3	280	330	458	710
Selling, marketing and distribution expenses		(2,939)	(1,519)	(3,823)	(2,482)
General, administrative and other expenses		(12,438)	(16,406)	(27,335)	(27,178)
Finance costs		(339)	(307)	(677)	(586)
Share of loss of associate		–	(454)	–	(454)
LOSS BEFORE TAX	7	(11,161)	(16,101)	(25,493)	(24,327)
Income tax expense	4	4	(234)	(13)	(380)
LOSS FOR THE PERIOD		(11,157)	(16,335)	(25,506)	(24,707)
Attributable to:					
Owners of the Company		(10,307)	(15,915)	(24,220)	(23,879)
Non-controlling interests		(850)	(420)	(1,286)	(828)
		(11,157)	(16,335)	(25,506)	(24,707)
Dividend	5	–	–	–	–
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	6	(0.49)	(1.10)	(1.16)	(1.65)
– Basic and diluted (HK cents)					

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2022

	Three months ended 30 June		Six months ended 30 June	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Loss for the period	(11,157)	(16,335)	(25,506)	(24,707)
Other comprehensive income/(loss):				
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of foreign operations	(1,279)	413	(1,567)	360
Total comprehensive loss for the period	(12,436)	(15,922)	(27,073)	(24,347)
Attributable to:				
Owners of the Company	(11,591)	(15,474)	(25,799)	(23,489)
Non-controlling interests	(845)	(448)	(1,274)	(858)
	(12,436)	(15,922)	(27,073)	(24,347)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 30 June 2022*

	<i>Notes</i>	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment		22,428	22,936
Right-of-use assets		3,240	4,500
Intangible assets		12,971	13,516
Investment in an associate		–	–
Investment in a film production project		1,345	1,345
Prepayments and deposits	<i>10</i>	12,115	12,306
Total non-current assets		52,099	54,603
Current assets			
Inventories	<i>8</i>	5,124	5,054
Investments in concert, other entertainment event, film and TV drama production projects		14,353	11,064
Trade receivables	<i>9</i>	6,591	4,988
Prepayments, deposits and other receivables	<i>10</i>	18,998	19,285
Tax recoverable		68	68
Cash and cash equivalents		79,682	114,644
Total current assets		124,816	155,103
Current liabilities			
Trade payables, other payables, accruals and other financial liabilities	<i>11</i>	27,099	34,837
Deferred income		1,288	714
Lease liabilities		2,789	3,011
Tax payable		7,469	7,325
Total current liabilities		38,645	45,887
Net current assets		86,171	109,216
Total assets less current liabilities		138,270	163,819

		30 June 2022	31 December 2021
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Audited)
Non-current liabilities			
Deferred income		1,847	2,695
Lease liabilities		332	1,418
Other borrowing		36,500	35,000
Deferred tax liabilities		2,357	2,386
Total non-current liabilities		41,036	41,499
<hr style="border-top: 1px dashed black;"/>			
Net assets		97,234	122,320
Equity			
Equity attributable to owners of the Company			
Issued capital	12	52,400	52,400
Reserves		44,330	68,142
		96,730	120,542
Non-controlling interests		504	1,778
Total equity		97,234	122,320

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Attributable to owners of the Company									
	Share capital	Share premium	Contributed surplus	Exchange fluctuation reserve	Share-based payment reserve	Shares held under share awarded scheme	Accumulated losses	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2021 (audited)	31,270	350,143	31,713	1,103	7,267	(391)	(359,750)	61,355	1,636	62,991
Loss for the period	-	-	-	-	-	-	(23,879)	(23,879)	(828)	(24,707)
Other comprehensive income/(loss) for the period:										
Exchange differences on translation of foreign operations	-	-	-	390	-	-	-	390	(30)	360
Total comprehensive income/(loss) for the period	-	-	-	390	-	-	(23,879)	(23,489)	(858)	(24,347)
Equity-settled share award arrangements	-	-	-	-	142	-	-	142	-	142
Equity-settled share option arrangements	-	-	-	-	7,848	-	-	7,848	-	7,848
Formation of a non-wholly owned subsidiary	-	-	-	-	-	-	-	-	2,400	2,400
At 30 June 2021 (unaudited)	31,270	350,143	31,713	1,493	15,257	(391)	(383,629)	45,866	3,178	49,034
At 1 January 2022 (audited)	52,400	445,446	31,713	1,942	18,324	(391)	(428,892)	120,542	1,778	122,320
Loss for the period	-	-	-	-	-	-	(24,220)	(24,220)	(1,286)	(25,506)
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	-	-	-	(1,579)	-	-	-	(1,579)	12	(1,567)
Total comprehensive loss for the period	-	-	-	(1,579)	-	-	(24,220)	(25,799)	(1,274)	(27,073)
Equity-settled share option arrangements	-	-	-	-	1,987	-	-	1,987	-	1,987
At 30 June 2022 (unaudited)	52,400	445,446	31,713	363	20,311	(391)	(453,112)	96,730	504	97,234

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS*For the six months ended 30 June 2022*

	Six months ended 30 June	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Operating activities		
Loss before taxation	(25,493)	(24,327)
Adjustments for:		
Share of loss of associate	–	454
Depreciation of property, plant and equipment	1,363	1,949
Depreciation of right-of-use assets	1,661	69
Amortisation of deferred income of government grants	(245)	(252)
Amortisation of an intangible asset	111	111
Reversal of impairment on trade receivables, net	(3)	–
Strategic cooperation expense	–	4,519
Equity-settled share-based payments	1,987	7,990
Finance costs	677	586
Income tax paid	(60)	(142)
	(20,002)	(9,043)
Increase in inventories	(70)	(1,868)
Increase in trade receivables	(1,600)	(7,046)
Decrease/(increase) in prepayments, deposits and other receivables	478	(8,658)
Increase in investments in concert, other entertainment event, film and TV drama production projects	(3,289)	(3,591)
(Decrease)/increase in trade payables, other payables, accruals and other financial liabilities	(8,345)	3,552
Net cash used in operating activities	(32,828)	(26,654)
Investing activities		
Purchase of property, plant and equipment	(1,357)	(8,613)
Investment in an associate	–	(1,800)
Formation of a non-wholly owned subsidiary	–	2,400
Net cash used in investing activities	(1,357)	(8,013)

	Six months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Financing activities		
Principal portion of lease payments	(1,641)	(70)
Proceeds from other borrowing	1,500	15,000
Interest paid	(73)	(586)
Net cash (used in)/generated from financing activities	(214)	14,344
Net decrease in cash and cash equivalents	(34,399)	(20,323)
Cash and cash equivalents at beginning of the reporting period	114,644	34,037
Effect of foreign exchange rate changes, net	(563)	(240)
Cash and cash equivalents at the end of the reporting period	79,682	13,474
Analysis of balances of cash and cash equivalents		
Cash and bank balances	79,682	13,474

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

These unaudited condensed consolidated financial statements should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2021 (“2021 Annual Report”). The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the 2021 Annual Report.

Impact of new and revised HKFRSs which are issued but not effective

The Group had not early adopted the new and revised HKFRSs that have been issued but are not yet effective in the period.

The adoption of the new and revised HKFRSs has no significant effect on these unaudited condensed consolidated financial statements.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (a) the media and entertainment segment primarily engages in the organisation/production of and investments in concerts, other entertainment events, film and TV drama production projects and other media and entertainment related businesses; and
- (b) the cremation and funeral services segment primarily engages in the provision of cremation and funeral services and deathcare related business.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s loss before tax except that finance costs, share-based payment expense and head office and corporate expenses are excluded from such measurement.

Segment assets exclude certain property, plant and equipment, club membership, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude other borrowing and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

The segment results and other segment items for the six months ended 30 June 2022 are as follows:

	Media and entertainment HK\$'000	Cremation and funeral services HK\$'000	Total HK\$'000
Segment revenue:			
Sales to external customers	6,430	9,550	15,980
Segment results	(19,063)	289	(18,774)
<i>Reconciliation:</i>			
Corporate and other unallocated expenses, net			(6,042)
Finance costs			(677)
Loss before tax			(25,493)
Segment assets	88,254	29,512	117,766
<i>Reconciliation:</i>			
Corporate and other unallocated assets			59,149
Total assets			176,915
Segment liabilities	(28,025)	(7,820)	(35,845)
<i>Reconciliation:</i>			
Corporate and other unallocated liabilities			(43,836)
Total liabilities			(79,681)
Other segment information:			
Depreciation and amortisation	171	1,301	1,472
Capital expenditure	20	1,338	1,358

The segment results and other segment items for the six months ended 30 June 2021 are as follows:

	Media and entertainment HK\$'000	Cremation and funeral services HK\$'000	Total HK\$'000
Segment revenue:			
Sales to external customers	17,150	7,117	24,267
Segment results			
<i>Reconciliation:</i>	(10,945)	771	(10,174)
Corporate and other unallocated expenses, net			(13,567)
Finance costs			(586)
Loss before tax			(24,327)
Segment assets			
<i>Reconciliation:</i>	85,473	27,472	112,945
Corporate and other unallocated assets			10,352
Total assets			123,297
Segment liabilities			
<i>Reconciliation:</i>	(24,525)	(6,897)	(31,422)
Corporate and other unallocated liabilities			(42,841)
Total liabilities			(74,263)
Other segment information:			
Depreciation and amortisation	530	1,044	1,574
Capital expenditure	8,104	509	8,613

An analysis of revenue is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Revenue from contracts with customers				
Provision of cremation and funeral services and sale of related goods	3,235	1,935	6,343	3,934
Concert and other entertainment event income and sale of related goods	802	10,487	3,920	16,722
Artiste management and performance services income	2,239	513	2,670	558
	6,276	12,935	12,933	21,214
Revenue from other sources				
Rendering of cremation services	1,210*	1,510*	3,207*	3,183*
Loss on investments in concert, other entertainment event, film and TV drama production projects, net	(160)	(130)	(160)	(130)
	1,050	1,380	3,047	3,053
	7,326	14,315	15,980	24,267

* Being government subsidies received for the rendering of cremation services in certain location. There are no unfulfilled conditions or contingencies relating to these subsidies.

3. OTHER INCOME AND GAINS

An analysis of the other income and gains is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2022	2021	2022	2021
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Government subsidies*	52	–	52	–
Management fee income	–	204	–	408
Others	228	126	406	302
	280	330	458	710

* The government subsidies include subsidies received under the Employee Support Scheme of the Government of the Hong Kong Special Administrative Region. There were no unfulfilled conditions or contingencies relating to the subsidies.

4. INCOME TAX EXPENSE

Hong Kong profits tax is calculated at the rate of 16.5% (30 June 2021: 16.5%) on the estimated assessable profits arising in Hong Kong during that period. No provision for Hong Kong profits tax has been made for the current period as the Group did not generate any assessable profits arising in Hong Kong during the current period (30 June 2021: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The Group did not have any significant deferred taxation which was not provided for in respect of each of the reporting periods.

5. DIVIDEND

The Directors do not recommend the payment of a dividend nor transfer of any amount to reserves for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

6. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Three months ended 30 June		Six months ended 30 June	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Loss attributable to owners of the Company	(10,307)	(15,915)	(24,220)	(23,879)
Weighted average number of ordinary shares in issue (in thousands)	2,096,016	1,449,049	2,096,016	1,449,049

The weighted average number of ordinary shares for the purpose of calculating basic loss per share for the six months ended 30 June 2021 has been adjusted to reflect the rights issue exercised during year ended 31 December 2021.

(b) Diluted

For the period ended 30 June 2022 and 30 June 2021, no adjustment has been made to the basic loss per share amounts presented for the period in respect of a dilution as the impact of the share options outstanding had an anti-diluted effect on the basic loss per share amounts presented.

7. LOSS BEFORE TAX

Loss before tax is stated after charging the following:

	Six months ended 30 June	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Cost of inventories recognised as expense	289	422
Employees benefits expenses	13,800	8,803
Depreciation of property, plant and equipment	1,363	1,949
Depreciation of right-of-use assets	1,661	69
Amortisation of an intangible asset	111	111

8. INVENTORIES

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Funeral related merchandises	425	414
Other merchandises	4,699	4,640
	5,124	5,054

9. TRADE RECEIVABLES

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date or equivalent, is as follows:

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Trade receivables	13,146	11,546
Impairment	(6,555)	(6,558)
	6,591	4,988

The Group's trading terms with its credit sales customers for cremation and funeral business are generally 30 days. For the media and entertainment business, other than ticket sales and certain sponsorship arrangements whereby payments in advance are normally required, the credit period is generally 30 to 60 days from the date of billing, while ticketing agency and/or other relevant parties normally settle the corresponding amounts received by them attributable to the Group within 60 to 180 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the billed trade receivables as at the end of the reporting period, based on the invoice date or equivalent and net of loss allowance is as follows:

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Within 30 days	3,352	2,177
31 – 60 days	867	490
61 – 90 days	539	704
Over 90 days	1,833	1,617
	6,591	4,988

10. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Prepayments	20,112	21,413
Deposits	1,008	1,010
Other receivables	25,792	25,091
	46,912	47,514
Impairment allowance	(15,799)	(15,923)
	31,113	31,591
Less: Non-current portion	(12,115)	(12,306)
Current portion	18,998	19,285

11. TRADE PAYABLES, OTHER PAYABLES, ACCRUALS AND OTHER FINANCIAL LIABILITIES

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Trade payables	4,348	3,703
Contract liabilities	1,916	3,058
Other payables and accruals	17,416	21,548
Financial liabilities at fair value through profit or loss	3,419	6,528
	27,099	34,837

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2022 HK\$'000 (Unaudited)	31 December 2021 HK\$'000 (Audited)
Within 30 days	1,365	860
31 to 60 days	40	41
61 to 90 days	43	79
Over 90 days	2,900	2,723
	4,348	3,703

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

12. ISSUED CAPITAL

	Number of shares '000	Authorised share capital HK\$'000
Authorised:		
Ordinary shares of HK\$0.025 each at 1 January 2021, 31 December 2021 and 30 June 2022	3,200,000	80,000
	Number of shares in issue '000	Issued capital HK\$'000
Issued and fully paid:		
Ordinary shares of HK\$0.025 each at 1 January 2021	1,250,798	31,270
Rights issue (note (i))	845,218	21,130
As at 31 December 2021 and 30 June 2022	2,096,016	52,400

Note:

- (i) A rights issue of four rights shares for every five existing shares held by shareholders on the register of members on 20 September 2021 was made, at an issue price of HK\$0.14 per rights share, resulting in the issue of 845,217,664 shares for a total cash consideration, before expenses, of approximately HK\$118,330,000.

13. RELATED PARTY TRANSACTIONS

During the reporting period, the Group has the following related party transactions.

	Notes	Three months ended 30 June		Six months ended 30 June	
		2022	2021	2022	2021
		HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Related companies:					
Rentals paid/payable	(i)	235	37	501	74
Management fee received	(ii)	–	90	–	180
Finance costs	(iii)	302	305	607	583
Remuneration of directors of the Group:					
Short term employee benefits		510	570	1,210	1,270
Equity-settled share award expense		–	72	–	142
Equity-settled share option expense		–	1,236	–	1,236
Pension scheme contribution		18	9	18	18
		528	1,887	1,228	2,666

Notes:

- (i) The rentals were charged in accordance with a tenancy agreement entered into between the relevant parties. A director of the Company during the relevant period has beneficial equity interest in the related company.
- (ii) The management fee was charged based on terms agreed between the relevant parties. A director of the Company has beneficial equity interest in the related company.
- (iii) The interest on other borrowing for the current year in respect of a loan from a substantial shareholder of the Company was charged in accordance with an agreement entered into between the relevant parties. The loan was drawn down under certain revolving loan facilities in the principal sum of up to HK\$100,000,000 granted by a substantial shareholder of the Company to the Group during the prior year. The revolving loan facilities are available for the period commencing from 21 December 2020 and ending 36 months from that date.

All of the transactions were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

Revenue and gross profit

For the six months ended 30 June 2022, the total revenue (which mainly consists of (i) the media and entertainment business; and (ii) cremation and funeral services business) was approximately HK\$15,980,000 which was 34.15% lower than that of last year corresponding period of approximately HK\$24,267,000. The overall gross profit for the six months ended 30 June 2022 amounted to HK\$5,884,000, which was 3.90% higher than last year corresponding period. The decrease in revenue was mainly due to the outbreak of the fifth wave of the COVID-19 in Hong Kong and tightening of the social distancing measure by government, which caused the cancellation and postponement of some entertainment events.

Selling, marketing and distribution expenses

Selling, marketing and distribution expenses for the six months ended 30 June 2022 was approximately HK\$3,823,000, which was 54.03% higher than last corresponding period of approximately HK\$2,482,000. Percentage to revenue was approximately 23.92% (six months ended 30 June 2021: 10.23%). The increase was mainly attributable to hire of more sales and marketing staffs for the current period.

General, administrative and other expenses

General, administrative and other expenses for the six months ended 30 June 2022 amounted to approximately HK\$27,335,000 which was 0.58% higher as compared with last year corresponding period of approximately HK\$27,178,000.

Loss for the period

The Group's loss for the six months ended 30 June 2022 was approximately HK\$25,506,000 (six months ended 30 June 2021: loss of approximately HK\$24,707,000).

Operation review

Media and entertainment

During the six months ended 30 June 2022, the media and entertainment segment recorded a revenue of approximately HK\$6,430,000, representing a decrease of 62.51% as compared with last year corresponding period of approximately of HK\$17,150,000. The decrease was mainly attributable to cancel or postpone of certain entertainment events during the current period.

Cremation and funeral services

During the six months ended 30 June 2022, the revenue from cremation and funeral business was approximately HK\$9,550,000, which was 34.19% higher than last year corresponding period of approximately HK\$7,117,000. The increase was mainly due to (i) more customers used the high-grade cremation services; and (ii) some new value-added funeral services were launched in the past few months.

Prospects

The entertainment consumption in Hong Kong started to recover amid the novel coronavirus epidemic. Though the recent outbreak of COVID-19 in Macau posed a challenge to the Macau entertainment market, good progress on vaccination and lifted travel restriction offers hope for economic recover. Having said that, the Group believes that the entertainment industry will recover and the performance of the Group will gradually improve in the second half of 2022. We will continue explore strategic partnership and maintain our strong business and financial discipline against the tide with optimism.

In mid of 2022, our integrated entertainment platform Bookyay has over 50,000 registered members from Hong Kong, Macau, Mainland China, Malaysia, USA, Canada and Australia etc. Having cooperated with over 300 event organizers, Bookyay has organized over 20,000 event sessions with over 82,000 event participants. We will further optimize the “Bookyay” platform and form strategic alliance with various business partners to enrich the user experience.

The Group will respond to forthcoming market challenges and capture business opportunities by focusing on high quality entertainment related projects with proven track records and commercial viability. In addition, the Group will further explore strategic alliances as well as investment opportunities to enrich its portfolio and broaden its income streams.

RIGHTS ISSUE

The Company has completed the rights issue (the "Rights Issue") and issued 845,217,664 new shares at the subscription price of HK\$0.14 per rights share on the basis of four (4) rights shares for every five (5) existing shares to the qualifying shareholders on 26 October 2021. The net proceeds from the Rights Issue after deducting the expenses were approximately HK\$116.4 million.

Details of the Rights Issue are set out in the Company's prospectus dated 29 September 2021.

The intended and the actual use of the proceeds under the Rights Issue as of 30 June 2022 are set out below:

Intended use of proceeds	Actual use of the proceeds from the date of completion of the Rights Issue to 30 June 2022	Proposed timetable for use of the remaining proceeds as of 30 June 2022
(a) As to approximately HK\$31.0 million for the investment in the media and entertainment business	HK\$19.5 million	On or before 31 December 2022
(b) As to approximately HK\$35.0 million for repayment of amount owed to Mr. Chau Cheok Wa	–	On or before 31 December 2022
(c) As to approximately HK\$14.8 million for development of integrated entertainment platform and non-fungible tokens business	HK\$14.8 million	On or before 31 December 2022
(d) As to approximately HK\$14.2 million for day-to-day salary and administrative expenses	HK\$6.9 million	On or before 31 December 2022
(e) As to approximately HK\$7.4 million for investment in the funeral business	HK\$2.2 million	On or before 31 December 2022
(f) As to approximately HK\$6.7 million for the provision of audio, lighting and stage equipment and ancillary stage technical and engineering services	HK\$3.3 million	On or before 31 December 2022
(g) As to approximately HK\$7.3 million for general working capital	HK\$0.3 million	On or before 31 December 2022

Liquidity and financial resources

As at 30 June 2022, the Group has cash and bank balances of approximately HK\$79,682,000 (31 December 2021: HK\$114,644,000) and the total assets of the Group were HK\$176,915,000 (31 December 2021: HK\$209,706,000). The net current assets of the Group were HK\$86,171,000 (31 December 2021: HK\$109,216,000) and the current ratio, which represented the current assets over the current liabilities, is 3.23 times (31 December 2021: 3.38 times). The gearing ratio of the Group as at 30 June 2022 (as calculated by the total liabilities of HK\$79,681,000 over equity attributable to the owners of the Company of HK\$96,730,000) is 82.37% (31 December 2021: 72.49%).

Currency risk exposure

As at 30 June 2022, the Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The Group currently does not have a foreign currency policy to hedge its currency exposure arising from the net assets of the Group's foreign operations. Otherwise, the Group had no material exposure to foreign exchange risk as majority of the Group's assets were denominated in its functional currency of either Hong Kong Dollars, Renminbi or New Taiwan Dollars.

Employees and remuneration policies

As at 30 June 2022, the Group had 90 (six months ended 30 June 2021: 59) employees, including Directors. Total staff costs for the six months ended 30 June 2022, including Directors' remuneration, amounted to approximately HK\$13,800,000 (six months ended 30 June 2021: HK\$8,803,000). The Group's employment and remuneration policies remained the same as detailed in the year ended 31 December 2021 Annual Report.

Charges on Group's assets and contingent liabilities

There were no charges on the Group's assets or any significant contingent liabilities as at 30 June 2022.

Directors' and chief executives' interests and short positions in the shares and underlying shares of the Company

As at 30 June 2022, the interests or short positions of the Directors and chief executives in the shares and underlying shares of the Company and its associated corporation, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited pursuant to the model code for Securities Transactions by Directors of the Company, were as follows:

Interests in shares and underlying shares of the Company

Number of ordinary shares and underlying shares beneficially held:

(A) Long positions

Name	Capacity	Notes	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held	Percentage of issued share capital
Mr. Chong Cho Lam ("Mr. Chong")	Beneficial owner	1	3,600,000	11,466,000	15,066,000	0.72%
Mr. Dong Choi Chi, Alex ("Mr. Dong")	Beneficial owner	2	517,589,426	-	517,589,426	24.70%
	A concert party to an agreement to buy shares described in S.317 (1)(a) of the SFO		776,424,279	-	776,424,279	37.04%
			1,294,013,705	-	1,294,013,705	61.74%

Notes:

- The underlying shares represent 11,466,000 share options granted by the Company to Mr. Chong to subscribe for 11,466,000 shares at an adjusted exercise price of HK\$0.232 per share.
- Mr. Dong, Mr. Cheng Ting Kong and Mr. Chau Cheok Wa are parties acting in concert in respect of the Company pursuant to a deed in relation to parties acting in concert dated 23 January 2018.

(B) *Share options*

Pursuant to the new share options scheme adopted by the Company on 15 September 2021, certain Directors and participants were granted share options to subscribe for the Company's shares, details of share options outstanding and exercisable as at 30 June 2022 were as follow:

	Number of share options				Outstanding and exercisable as at 30 June 2022	Date of grant	Exercise period	Vesting Period	Adjusted exercise price per share	Closing share price immediate before the date of grant
	Outstanding as at 1 January 2022	Granted during the period	Exercised during the period	Forfeited/ lapsed/ cancelled during the period						
<i>Category 1: Director</i>										
Mr. Chong	11,466,000	-	-	-	11,466,000	12 April 2021	12 April 2021 – 11 April 2024	Vested on date of grant	HK\$0.232	HK\$0.280
<i>Category 2: Employees/consultants</i>										
Employees	10,829,000	-	-	-	10,829,000	12 July 2019	12 July 2019 – 11 July 2029	Vested on date of grant	HK\$0.581	HK\$0.720
Consultants	9,937,200	-	-	-	9,937,200	12 July 2019	12 July 2019 – 11 July 2029	Vested on date of grant	HK\$0.581	HK\$0.720
Employees	7,644,000	-	-	-	7,644,000	12 April 2021	12 April 2021 – 11 April 2024	Vested on date of grant	HK\$0.232	HK\$0.280
Consultants	42,679,000	-	-	-	42,679,000	12 April 2021	12 April 2021 – 11 April 2024	Vested on date of grant	HK\$0.232	HK\$0.280
Consultants	64,337,000	-	-	-	64,337,000	12 April 2021	12 April 2022 – 11 April 2025	Vested one year after date of grant	HK\$0.232	HK\$0.280
Sub total	135,426,200	-	-	-	135,426,200					
Total of all categories	146,892,200	-	-	-	146,892,200					

There were no share options cancelled, lapsed or forfeited during the six months ended 30 June 2022.

Substantial shareholders' interests and short positions in the shares, underlying shares and convertible bonds of the Company

As at six months ended 30 June 2022, the following shareholders (including Directors) had interests or short position in the shares, underlying shares or convertible bonds of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO") and Section 336 of the SFO, were as follows:

Number of ordinary shares and underlying shares beneficially held:

Name	Capacity	Notes	Number of shares	Long/short position	Percentage of issued share capital
Mr. Dong	Beneficial owner A concert party to an agreement to buy shares described in S.317 (1)(a) of the SFO	1	517,589,426	Long	24.70%
			776,424,279	Long	37.04%
			1,294,013,705		61.74%
Mr. Chau Cheok Wa ("Mr. Chau")	Beneficial owner A concert party to an agreement to buy shares described in S.317 (1)(a) of the SFO	1	776,424,279	Long	37.04%
			517,589,426	Long	24.70%
			1,294,013,705		61.74%
Mr. Cheng Ting Kong ("Mr. Cheng")	A concert party to an agreement to buy shares described in S.317 (1)(a) of the SFO	1	1,294,013,705	Long	61.74%
New Brilliant Investments Limited	Beneficial owner	2	158,414,496	Long	7.56%
Mr. Chui Bing Sun ("Mr. Chui")	Beneficial owner Interest of controlled corporation	4 2 and 3	1,800	Long	0.00%
			209,414,496	Long	9.99%
			209,416,296		9.99%
Mr. Chan Ping Che	Beneficial owner		97,390,000	Long	11.80%
Albula Investment Fund Ltd	Beneficial owner		105,120,000	Long	5.02%

Notes:

1. Mr. Dong, Mr. Cheng and Mr. Chau are parties acting in concert in respect of the Company pursuant to a deed in relation to parties acting in concert dated 23 January 2018.
2. New Brilliant Investments Limited is incorporated in the British Virgin Islands. It is wholly and beneficially owned by Mr. Chui.
3. KONGOR Investment Holding Limited is holding 51,000,000 shares. It is incorporated in British Virgin Islands. It is wholly and beneficially owned by Mr. Chui.
4. Mr. Chui is also holding 1,800 shares as beneficial owner.

Save as disclosed above, as at 30 June 2022, the Directors were not aware of any other person who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and Section 336 of the SFO, or who had interests of 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group.

Securities transactions by directors

The Company has established written guidelines for the required standard of dealings in securities by directors of the Company on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries of Directors of the Company and the Directors confirmed that they have fully complied with the required standard with respect to the securities dealings of the Company and there was no event of non-compliance for the six months ended 30 June 2022.

Director's interests in competing business

Mr. Dong Choi Chi, Alex ("Mr. Dong"), an executive Director of the Company, is the sole owner and director of Sun Entertainment Holdings Limited, which together with its subsidiaries, including Sun Entertainment Culture Limited, are principally engaged in investment holding, artiste and model management, entertainment, sports, publishing and film and concert production and coordination. He is also an ultimate beneficial owner and a director of Sun Motion (Hong Kong) Limited, which is also engaged in investment holding, artiste and model management, entertainment, sports, entertainment and music production. Mr. Dong is also one of the ultimate beneficial owners and a director of Sun Asia Group Limited, which together with its subsidiaries are principally engaged in the media and entertainment related investment and production in Macau. Therefore, he is considered to have interest in the business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group in the media and entertainment industry (as would be required to be disclosed under Rule 11.04 of the GEM Listing Rules).

Mr. Chong Cho Lam, an executive Director of the Company, is a substantial shareholder and the managing director of Chessman Entertainment Production Company Limited, which is principally engaged in concert co-ordination and production, advertising design and market planning, original music, record production and distribution, public relations and artiste management in Macau. He is a substantial shareholder and director of Chessman Entertainment Production (HK) Limited, which is engaged in advertising production, project planning consultation, design, publishing, entertainment production and promotion. He is also a substantial shareholder and director of Chessman Management and Investment Company Limited, which is engaged in entertainment related investments and management in Macau. He is also a substantial shareholder of Good Media Production Company Limited which is engaged in film production and filming, music production, advertising production, original music, web design, publication publishing and media in Macau. He is also a substantial shareholder of Easy Music Production Company Limited which is engaged in record distribution, artiste management, music producer management, band management, musician management, concert production and music production in Macau. Therefore, he is considered to have interest in the business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group in the media and entertainment industry (as would be required to be disclosed under Rule 11.04 of the GEM Listing Rules).

Save as disclosed above, the Directors are not aware of any business or interest of each of the Directors, management shareholders (as defined in the GEM Listing Rules) and their respective associates that competes or may compete with business of the Group or any other conflicts of interest which any such person has or may have with the Group during the six months ended 30 June 2022.

Arrangements to purchase shares

Other than the share option scheme disclosed above, at no time during the six months ended 30 June 2022 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Purchase, sale or redemption of the Company's listed securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2022.

Compliance with corporate governance practices

During the six months ended 30 June 2022, the Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") as stated in Appendix 15 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

Audit committee

The Company has established an Audit Committee (the “AC”) with specific terms of reference explaining its role and authorities delegated by the Board. The AC consists of three independent non-executive Directors, namely Mr. Chan Wai Man (the chairman of AC), Mr. Siu Hi Lam, Alick and Dr. Ip Wai Hung, who together have sufficient accounting and financial management expertise, legal and business experience to discharge their duties and none of them is a former partner of the external auditors of the Company. In accordance with the provisions of the CG Code, the terms of reference of the AC were also revised which are substantially the same as the provisions set out in the CG Code.

The AC’s principal duties include reviewing the Group’s financial controls, internal control and risk management systems, reviewing and monitoring integrity of consolidated financial statements and reviewing annual, interim and quarterly consolidated financial statements and reports before submission to the Board and considering and recommending the appointment, re-appointment and removal of external auditors of the Company. The AC meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly. The AC is authorized to take independent professional advice at Company’s expense, if necessary.

The AC has reviewed the Group’s unaudited result for the six months ended 30 June 2022.

By order of the Board
YEAH YEAH GROUP HOLDINGS LIMITED
Dong Choi Chi, Alex
Chairman and executive Director

Hong Kong, 12 August 2022

As at the date of this report, the board comprises two executive Directors, namely Mr. Dong Choi Chi, Alex (the chairman) and Mr. Chong Cho Lam (chief executive officer), and three independent non-executive Directors, namely Mr. Chan Wai Man, Dr. Ip Wai Hung and Mr. Siu Hi Lam, Alick.

This report will remain on the “Latest Listed Company Information” page of the GEM Website for at least 7 days from the day of its publication and on the website of the Company at www.8082.com.hk.