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YEAH YEAH
GROUP

YEAH YEAH GROUP HOLDINGS LIMITED

*(formerly known as “Sun Entertainment Group Limited 太陽娛樂集團有限公司”)
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8082)*

**DISCLOSEABLE TRANSACTION
DISPOSAL OF ASSETS**

SALE AND PURCHASE AGREEMENT

The Board announced that on 17 February 2023 (after trading hours), the Vendor, an indirect non-wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser in relation to the disposal of the Assets for a consideration of HK\$3.8 million.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated under Chapter 19 of the GEM Listing Rules is more than 5% and below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement requirement under Chapter 19 of the GEM Listing Rules.

INTRODUCTION

The Board announced that on 17 February 2023 (after trading hours), the Vendor, an indirect non-wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser in relation to the disposal of the Assets for a consideration of HK\$3.8 million.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are as follows:

Date: 17 February 2023 (after trading hours)

Parties: (1) Sun Bond Engineering Limited (as Vendor)
(2) Daymaker Creatives Limited (as Purchaser)

Subject Matter: The Vendor has agreed to sell the Assets to the Purchaser. The Purchaser will take delivery of the Assets no later than ten (10) Business Days from the date of the Sale and Purchase Agreement. Further details of the Assets are set out in the section headed “Information on the Assets and financial effect of the Disposal” below.

Consideration and payment terms: The consideration of HK\$3.8 million to be paid by the Purchaser for the Disposal (the “**Consideration Amount**”) was agreed between the parties based on arm’s length negotiation. In the event of any amendment or proposed amendment to the Assets and/or Consideration Amount, the parties shall mutually agree in writing the amended Assets and amended Consideration Amount.

The Consideration Amount shall be paid in four installments as follows:

- (i) the deposit payment of HK\$500,000 shall be paid on or before 17 February 2023;
- (ii) the second installment of HK\$500,000 shall be paid on or before 3 March 2023;
- (iii) the third installment of HK\$1,600,000 shall be paid on or before 31 March 2023; and
- (iv) the balance payment of HK\$1,200,000 shall be paid on or before 30 April 2023.

In the event that any part of the Consideration Amount remains outstanding for a period of seven (7) Business Days after each instalment date listed in the payment terms (the “**Outstanding Amount**”), interest shall accrue on such Outstanding Amount at a rate of 5% per annum.

The Consideration Amount was arrived at after arm’s length negotiations between the Purchaser and the Vendor, with reference to the book value of the Assets together with the age, current condition, expected depreciation, maintenance and storage costs of the Assets and difficulty to identify suitable buyer to purchase the Assets in bulk. The Directors consider the Consideration Amount is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE ASSETS AND FINANCIAL EFFECT OF THE DISPOSAL

The Group entered into contract to acquire the Assets on 21 January 2021 in order to expand its service offerings in the area of organization of concerts and other entertainment events in Macau. As at 31 January 2023, the net book value of the Assets was approximately HK\$6.4 million in the consolidated financial statements of the Group.

The consideration under the Disposal represents a decrease of approximately 40.6% to the net book value stated above. The Board expected that the Disposal will result in an unaudited net loss to the Group of approximately HK\$2.6 million after taking into account the estimated expenses. The exact amount of the net loss from Disposal can only be determined at completion of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Assets were acquired in 2021 for expanding the Group’s service offerings in the area of organization of concerts and other entertainment events in Macau. However, as a result of the Covid-19 pandemic, the entertainment industry in Macau has suffered severe blow and beyond the expectation of the Board. The outbreak and wide spreading of COVID-19 has affected the Group’s entertainment businesses in Hong Kong and Macau, causing closure of leisure and entertainment venues or facilities in a certain period of time, therefore, the Assets have not been fully utilised as there were only limited numbers of entertainment events and concerts were held these years. The Board considered that the current offer of the Disposal presents a good opportunity for the Group to liquidate the idle Assets in order to reduce its cost of maintenance and storage and reallocate the resources focusing on investment of concert. Furthermore, the net proceeds from the Disposal amounting HK\$3.8 million will enhance the Group’s liquidity and strengthen the financial position of the Group. Thus, the Board considers that the terms of the Disposal are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

USE OF PROCEEDS

The net proceeds from the Disposal receivable by the Vendor will amount to HK\$3.8 million (the “**Net Proceeds**”) after taking into account the estimated expenses payable by the Vendor in relation to the Disposal. The Net Proceeds will be used as general working capital of the Group.

INFORMATION ABOUT THE VENDOR, THE GROUP AND THE PURCHASER

The Vendor is a company incorporated in the Macau with limited liability and is indirect non-wholly owned subsidiary of the Company. The principal activity of the Vendor is provision of stage production and related services.

The Company is an investment holding company and the Group principally engaged in the businesses of media and entertainment and funeral services. The media and entertainment segment is involved in the organisation/production of and investments in concert, exhibition, pop up store, other entertainment event and TV drama production projects. The funeral services segment is involved in the provision of funeral and cremation services and death care related business.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Purchaser is a company incorporated in Hong Kong with limited liability. The principal activities of the Purchaser are event production and artist management, and the Purchaser is wholly-owned by Mr. Chu Kiu Ming, an individual who is an Independent Third Party.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios calculated under Chapter 19 of the GEM Listing Rules is more than 5% and below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the announcement requirement under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Assets”	the audio, lighting and stage equipment, owned by the Vendor for its business of stage production and provision of ancillary engineering services and selling and leasing of audio, lighting and stage equipment for live performance events, to be disposed under the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	a day other than (i) Saturday, Sunday or public holiday; or (ii) on which banks are closed for general banking business in Hong Kong
“Company”	Yeah Yeah Group Holdings Limited (previously known as “Sun Entertainment Group Limited”) (Stock Code: 8082), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the Shares of which are listed on GEM
“connected person(s)”	has the meaning as ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	disposal of the Assets by the Vendor to the Purchaser
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of, and not connected with, the Company and its connected persons
“Macau”	Macau Special Administrative Region of the PRC

“PRC”	The People’s Republic of China, for the purposes of this announcement, excluding Hong Kong and Macau
“Purchaser”	Daymaker Creatives Limited, a company incorporated in Hong Kong with limited liability and the ultimate beneficial owner is an individual who is an Independent Third Party
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 17 February 2023 entered into between the Vendor and the Purchaser in relation to the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Sun Bond Engineering Limited, a company incorporated in Macau with limited liability and is indirectly held as to 70% by the Company
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“%”	per cent.

By order of the board
Yeah Yeah Group Holdings Limited
Dong Choi Chi, Alex
Chairman and executive Director

Hong Kong, 17 February 2023

As at the date of this announcement, 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 announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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