
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Global Digital Creations Holdings Limited (the “Company”), you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



環球數碼

GLOBAL DIGITAL CREATIONS HOLDINGS LIMITED

環球數碼創意控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 8271)

**(1) MAJOR AND CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF FINANCE SERVICES AGREEMENT; AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



First Global Corporate Finance Co., Limited

A notice convening the special general meeting (the “SGM”) of the Company to be held at 7/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong on Friday, 6 February 2026 at 11:00 a.m. is set out on pages 46 to 47 of this circular. A form of proxy for use at the SGM is also enclosed with this circular. Whether or not you are able to attend the SGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting (as the case may be) should you so wish.

This circular, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 circular 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 circular misleading.

This circular will remain on the websites of The Stock Exchange of Hong Kong Limited at <https://www.hkexnews.hk> on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at <http://www.gdc-world.com>.

No refreshment and corporate gifts will be provided at the SGM.

20 January 2026

** For identification purpose only*

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

| | |
|---------------------------------------|---|
| “associate(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “Audit Committee” | the audit committee of the Company |
| “Board” | the board of Directors |
| “Company” | Global Digital Creations Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the GEM of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed to it under the GEM Listing Rules |
| “controlling shareholder” | has the meaning ascribed to it under the GEM Listing Rules |
| “Daily Deposit Cap” | has the meaning ascribed to it in the paragraph headed “Proposed Annual Caps” in the “Letter from the Board” in this circular |
| “Deposit Services” | the deposit services to be provided by Shougang Finance to the Group under the Finance Services Agreement |
| “Director(s)” | the director(s) of the Company |
| “Effective Date” | the effective date of the Finance Services Agreement, being the date on which the Independent Shareholders grant their approval at the SGM for the Finance Services Agreement and the transactions contemplated thereunder (including the proposed annual caps) |
| “Existing Finance Services Agreement” | the finance services agreement dated 5 December 2023 entered into between the Company and Shougang Finance, the details of which are set out in the announcement of the Company dated 5 December 2023 |
| “Finance Services Agreement” | the finance services agreement entered into between the Company and Shougang Finance on 5 December 2025 |
| “GEM” | The GEM of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities of GEM |
| “Group” | the Company and its subsidiaries |
| “HKICPA” | Hong Kong Institute of Certified Public Accountants |

DEFINITIONS

| | |
|--|---|
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “IDMT Shenzhen” | Institute of Digital Media Technology (Shenzhen) Limited* (環球數碼媒體科技研究(深圳)有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company |
| “Independent Board Committee” | an independent committee of the Board comprising all the independent non-executive Directors established in accordance with Chapter 20 of the GEM Listing Rules to advise the Independent Shareholders on the Finance Services Agreement and the transactions contemplated thereunder |
| “Independent Financial Adviser” or “First Global” | First Global Corporate Finance Co., Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO, and appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Finance Services Agreement and the transactions contemplated thereunder |
| “Independent Shareholders” | Shareholders other than those who have a material interest in the Finance Services Agreement and the transactions contemplated thereunder, which is/are not required to abstain from voting on the resolution in relation to the Finance Services Agreement at the SGM |
| “Latest Practicable Date” | 14 January 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular |
| “NFRA” | National Financial Regulatory Administration (國家金融監督管理總局) |
| “Nomination Committee” | The nomination committee of the Company |
| “Operation and Management Agreement” | the operation and management agreement in relation to the Agreement” Wuhou Sports Park Project dated 10 September 2021 entered into between IDMT Shenzhen and Wuhou Investment |
| “PBOC” | the People’s Bank of China |
| “Percentage Ratios” | have the meaning ascribed to such term in Rule 19.07 of the GEM Listing Rules |

DEFINITIONS

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| “PRC” | the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| “Remuneration Committee” | the remuneration committee of the Company |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Settlement Services” | the settlement services to be provided by Shougang Finance to the Group under the Finance Services Agreement |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time |
| “SGM” | the special general meeting of the Company to be convened and held at 7/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong on Friday, 6 February 2026 at 11:00 a.m. for the Independent Shareholders to consider and, if thought fit, approve the Finance Services Agreement and the transactions contemplated thereunder (including the proposed annual caps) |
| “Share(s)” | the ordinary share(s) of the Company with par value of HK\$0.01 each |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Shougang Finance” | Shougang Group Finance Co. Ltd., a company established in the PRC with limited liability and is a wholly-owned subsidiary of Shougang Group |
| “Shougang Hong Kong” | Shougang Holding (Hong Kong) Limited, a company incorporated in Hong Kong and a direct wholly-owned subsidiary of Shougang Group |
| “Shougang Group” | Shougang Group Co., Ltd. (a state-owned enterprise under the direct supervision of the Assets Supervision and Administration Commission of People’s Government of Beijing Municipality, established in the PRC) and is the controlling shareholder of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Term” | the term of the Finance Services Agreement, being from the Effective Date and continue up to 31 December 2028 (both dates inclusive) |

DEFINITIONS

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|---------------------------------|--|
| “Wuhou Investment” | Chengdu Wuhou Cultural and Creative Industry Investment Co. Limited* (成都武侯文化創意產業投資有限公司), a company established in the PRC with limited liability |
| “Wuhou Sports Park Project” | the project under the Operation and Management Agreement which is located in Wuhou District, Chengdu City, the PRC |
| “Wuhou Supplementary Agreement” | supplementary agreement to the Operation and Management Agreement dated 21 November 2023 entered into between IDMT Shenzhen and Wuhou Investment |
| “%” | per cent. |

In this circular, conversion of RMB into HK\$ is based on the exchange rate of HK\$1:RMB0.91. No representation is made that any amount in RMB and HK\$ can be or could have been converted at the above exchange rate or any other rates.

* *The English translation or transliteration of the Chinese name(s) in this circular, where indicated, is included for information purposes only, and should not be regarded as the official English name(s) of such Chinese name(s).*

LETTER FROM THE BOARD



環球數碼

GLOBAL DIGITAL CREATIONS HOLDINGS LIMITED

環球數碼創意控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 8271)

Executive Directors:

Mr. Feng Xianhuai (*Chairman & Managing Director*)

Mr. He Peng (*Deputy Managing Director*)

Non-executive Director:

Mr. Chen Zheng (*Deputy Chairman*)

Independent non-executive Directors:

Mr. Lam Yiu Kin

Mr. Zheng Xiaodong

Ms. Wu Chunhua

Ms. Yang Siwei

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Head office and principal place

of business in Hong Kong:

5/F., Bank of East Asia Harbour View Centre

56 Gloucester Road

Wan Chai

Hong Kong

20 January 2026

To the Independent Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONTINUING CONNECTED TRANSACTIONS
RENEWAL OF FINANCE SERVICES AGREEMENT; AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 5 December 2025 in relation to the renewal of the Existing Finance Services Agreement. The Existing Finance Services Agreement has expired on 31 December 2025 and the parties intend to continue to carry out the transactions of the same or similar nature as those contemplated under the Existing Finance Services Agreement from time to time.

The purpose of this circular is to provide you with, among other things, (i) further details of the transactions contemplated under the Finance Services Agreement and the proposed annual caps; (ii) a letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of SGM.

** For identification purpose only*

LETTER FROM THE BOARD

FINANCE SERVICES AGREEMENT

On 5 December 2025 (after trading hours), the Company entered into the Finance Services Agreement with Shougang Finance in relation to the provision of the Deposit Services and Settlement Services by Shougang Finance to the Group subject to the terms and conditions therein.

The principal terms of the Finance Services Agreement are set out below:

- Date: 5 December 2025
- Parties: (i) the Company; and
(ii) Shougang Finance

Term

The term of the Finance Services Agreement shall commence from the Effective Date and shall continue up to 31 December 2028 (both dates inclusive).

Deposit Services

Services

The Group may deposit funds into the deposit accounts in Shougang Finance in return for interest income. The daily maximum balance of deposits placed by the Group shall be not more than RMB100,000,000 (approximately HK\$109,890,000) during the Term.

Pricing Policy

The rate at which interest will accrue on any deposit placed by the Group with Shougang Finance under the Finance Services Agreement will not be lower than the following:

- (a) the benchmark interest rate prescribed by the PBOC for the same type of deposits of the same period;
- (b) the interest rates offered by commercial banks in the PRC and overseas (including Hong Kong) to the Group for the same type of deposits of the same period; and
- (c) the interest rates offered by Shougang Finance to other members of Shougang Group for the same type of deposits of the same period.

LETTER FROM THE BOARD

Every time a deposit is renewed or a new deposit is placed, the Company will:

- (a) obtain the deposit interest rate offered by three commercial banks for same type of deposits of the same period when determining the interest rate under the Finance Services Agreement;
- (b) check online for the interest rate prescribed by the PBOC for same type of deposits of the same period. The PBOC has not updated the benchmark interest rates since 24 October 2015. For the Existing Finance Services Agreement, the Company has used the 7-day deposit rate issued by the PBOC for benchmarking. The prevailing 7-day deposit rate issued by the PBOC for the period from 5 December 2023 to 30 November 2025 was approximately 1.35% per annum, which would be the expected 7-day deposit rate applicable to the deposits contemplated under the Finance Services Agreement;
- (c) check the real-time interest rates offered by Shougang Finance online for the same type of deposits of the same period. Shougang Finance has provided a written confirmation to the Company that the interest rates offered and to be offered by Shougang Finance to the Company would not be lower than the interest rate offered and to be offered by Shougang Finance to other members of Shougang Group for the same type of deposits of the same period.

Please refer to the details of the internal control measures to be implemented by the Group for determining and monitoring the deposit interest rate as set out in the paragraph headed “Internal Control Policy” below.

Settlement Services

Shougang Finance will provide payment and collection services and other ancillary services related to settlement business in accordance with the Group’s instructions. No service fee will be charged by Shougang Finance for the Group to utilise the Settlement Services.

LETTER FROM THE BOARD

HISTORICAL ANNUAL CAPS AND HISTORICAL DAILY MAXIMUM BALANCE OF FUNDS

The table below sets forth (i) the historical annual caps; and (ii) the historical amount of the daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) under the Existing Finance Services Agreement:

| | Historical annual cap <i>RMB</i> | Historical daily maximum balance of funds <i>RMB</i> |
|--|---|--|
| From 5 December 2023 to 31 December 2023 | 9,000,000 (approximately HK\$9,890,000) | 8,000,000 (approximately HK\$8,791,000) |
| From 1 January 2024 to 31 December 2024 | 9,000,000 (approximately HK\$9,890,000) | 8,127,590 (approximately HK\$8,931,000) |
| From 1 January 2025 to 31 December 2025 | 9,000,000 (approximately HK\$9,890,000) | 8,249,223 (approximately HK\$9,065,000) |

The utilisation rate of each of the historical annual caps under the Existing Finance Services Agreement was approximately 88.89% for the period from 5 December 2023 to 31 December 2023, approximately 90.31% for the period from 1 January 2024 to 31 December 2024 and approximately 91.66% for the period from 1 January 2025 to 31 December 2025.

The historical daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) did not exceed the historical annual cap during the term of the Existing Finance Services Agreement.

LETTER FROM THE BOARD

PROPOSED ANNUAL CAPS

The daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) under the Finance Services Agreement during the Term (the “Daily Deposit Cap”) will not exceed the following proposed annual caps:

| | <i>RMB</i> |
|---|---|
| From the Effective Date to 31 December 2026 | 100,000,000 (approximately HK\$109,890,000) |
| From 1 January 2027 to 31 December 2027 | 100,000,000 (approximately HK\$109,890,000) |
| From 1 January 2028 to 31 December 2028 | 100,000,000 (approximately HK\$109,890,000) |

In determining the above proposed annual caps, the Directors have taken into account the following factors:

- (a) the existing level of cash held by the Group. As at 30 June 2025, the total cash position of the Group (including total cash and cash equivalent together with time deposits at bank with original maturity over three months) amounted to approximately HK\$227.6 million and the proposed Daily Deposit Cap of RMB100,000,000 (equivalent to approximately HK\$109,890,000) would represent approximately 48.3% of the Group’s total cash position as at 30 June 2025;
- (b) the cash position of the Group and expected growth of business operation of the Group. Based on the information currently available to the Company, the Group expects to achieve a turnaround from a loss of approximately HK\$63.8 million for the year ended 31 December 2024 to a profit for the year ended 31 December 2025, which is expected to increase the net cash inflow to the Group;
- (c) the expected daily deposit balances of the Group during the Term, which is expected to remain at a level above the historical annual caps, after taking into account (i) the actual cash position as at 30 June 2025 of approximately HK\$227.6 million; (ii) the expected net increase in cash inflow to the Group to be generated during the Term; and (iii) the projected interest income of the Group during the Term; and
- (d) the basis of determining the deposit interests as disclosed in “Deposit Services – Pricing Policy” above. In particular, the deposit interest rate in relation to the Deposit Services will be not lower than the rates the Group would receive from major commercial banks, which would enable the Group to generate higher interest income therefrom.

LETTER FROM THE BOARD

The Board has considered that the significant increase in the proposed annual caps as compared with the historical annual caps under the Existing Finance Services Agreement to be reasonable. The Board noted the high utilisation rate of the historical annual caps in the range of approximately 88.89% to 91.66% during the term of the Existing Finance Services Agreement. The increase in the proposed annual caps would provide greater flexibility for the Group to increase its level of deposits with Shougang Finance, which would enable the Group to benefit from the higher interest rate offered by Shougang Finance compared with the interest rates offered by commercial banks. For example, in November 2025, the interest rate for 2-year deposit offered by Shougang Finance was 2.5%, which was higher than the interest rate for 2-year deposit in the range of 1.2% to 1.4% offered by three commercial banks. The Board also considered that the proposed Daily Deposit Cap of RMB100,000,000, which would represent approximately 48.3% of the Group's total cash position as at 30 June 2025, to be at a reasonable level, in light of the expected growth of business operation of the Group and the expected increase in the net cash inflow to the Group for the year ended 31 December 2025. Pursuant to the terms of the Finance Services Agreement, the Group has the discretion to determine the deposit term length with Shougang Finance and the Group is free to invest its funds in products or projects with higher returns. In view of the above, the Board considered that the terms of the Finance Services Agreement, including the basis of determination of the proposed annual caps, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL POLICY

The internal control measures on the determination of deposit interest rate for the Deposit Services are as follows:

1. Before entering into any deposit arrangements with the Shougang Finance, the Group will obtain and review the deposit interest rates for the same type of deposits quoted by three other major domestic commercial banks in the PRC and Hong Kong.
2. The Group will enter into supplemental agreement(s) with Shougang Finance as and when necessary to ensure that the deposit interest rate of the Deposit Services under the Finance Services Agreement will be no less favourable to the Group than the same type of deposits quoted by the other major domestic commercial banks in the PRC and Hong Kong.

LETTER FROM THE BOARD

The internal control measures on monitoring the proposed Daily Deposit Cap are as follows:

1. The finance department of the Company will monitor the amount of funds deposited into the designated account of the Shougang Finance on a daily basis to ensure that the proposed Daily Deposit Cap will not be exceeded. If the deposits of the Group placed with the Shougang Finance are expected to exceed the Daily Deposit Cap, Shougang Finance shall inform the Company in a timely manner and the Group will arrange for the transferring of funds to other deposit accounts of the Group.
2. The finance department of the Company will report to the management of the Company and provide updates on the deposit arrangements with Shougang Finance on a monthly basis.
3. The independent non-executive Directors and auditors of the Company will conduct an annual review with respect to the continuing connected transactions conducted by the Group throughout the preceding financial year (including the transactions contemplated under the Finance Services Agreement) and will provide annual confirmations pursuant to the requirements under the GEM Listing Rules to ensure that the continuing connected transactions (including the transactions contemplated under the Finance Services Agreement) are in accordance with the terms of the Finance Services Agreement governing such transactions, on normal commercial terms, fair and reasonable, and in accordance with the pricing policies and the proposed Daily Deposit Cap.

The capital risk control measures on the Deposit Services and the Settlement Services are as follows:

1. Shougang Finance will provide the Group with the quarterly financial report, yearly audited report and other statements regularly.
2. Shougang Finance will ensure the safe operation of the fund management information systems. All fund management information systems of the Shougang Finance in which the relevant deposits are placed have passed the security test in respect of the interface of online banking of commercial banks and have reached the security standards for domestic commercial banks.
3. Shougang Finance will ensure that it is operated in strict compliance with the risk monitoring indicators for financial institutions issued by the NFRA and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the NFRA.
4. For the purpose of credit assessment, the finance department of the Company will (i) review quarterly financial report, yearly audited report and other statements provided by Shougang Finance (as stated in paragraph (1) above) on a regular basis; and (ii) review the credit rating reports on Shougang Group published annually by credit rating agencies recognized by the PBOC.

LETTER FROM THE BOARD

5. To ensure that the Group will have sufficient working capital and liquidity for its business operations, the finance department of the Company will monitor the cash position of the Group from time to time and the Group will make withdrawals where necessary to ensure that the amount deposited with Shougang Finance under the Deposit Services shall not exceed the Daily Deposit Cap.

INFORMATION OF THE COMPANY AND SHOUGANG FINANCE

The Company

The Company is incorporated in Bermuda with limited liability and the shares of which are listed on the GEM. The Company is an investment holding company and its subsidiaries are principally engaged in interactive entertainment and digital assets management business and property assets management business in the PRC.

Shougang Finance

Shougang Finance is established in the PRC with limited liability. Its establishment as a non-bank financial institution has been approved by NFRA. Shougang Finance acts as a platform for members of Shougang Group (including the Group) for provision of intra-group facilities through financial products including deposit-taking, money-lending and financial consulting, etc. As at the Latest Practicable Date, Shougang Finance was a wholly-owned subsidiary of Shougang Group. Shougang Group is a company established in the PRC and a state-owned enterprise wholly-owned by Assets Supervision and Administration Commission of People's Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會). Shougang Group is one of the largest steel production enterprises in the PRC and is principally engaged in a wide range of business including steel and iron production, overseas business, property development, mining resources and other businesses.

REASONS AND BENEFITS OF THE TRANSACTION

The Group has to maintain deposits and other bank balances with financial institutions in Hong Kong and the PRC from time to time as part of its treasury activities and in order to satisfy its business needs in the ordinary and usual course of business.

Shougang Finance has been providing Deposit Services and Settlement Services to the Group since 2023. Given that Shougang Finance (1) provides Settlement Services to the Group on a free of charge basis; (2) has in-depth knowledge about the operation of the Group and could provide more convenient and effective services to the Group than other financial institutions; (3) is a non-bank financial institution licensed by the NFRA with customers primarily comprised of members of the Shougang Group, which means it is exposed to lower risks than other financial institutions and hence could offer better security to the deposits of the Group; (4) ensure that the relevant deposits are placed is/are operated in strict compliance with the risk monitoring indicators for financial institutions issued by the NFRA and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the NFRA. Besides, it ensures that the relevant deposits have reached the security standards for domestic commercial banks; (5) offers the deposit interest rates will be no less favourable to the Group than those offered

LETTER FROM THE BOARD

by commercial banks in Hong Kong and the PRC to the Group for comparable deposits, which would enable the Group to generate interest income therefrom; and (6) is the financial institution under the Shougang Group, and the credit rating of Shougang Group as rated by China Chengxin International Credit Rating Co., Ltd.* (中誠信國際信用評級有限責任公司) and Golden Credit Rating International Co., Ltd.* (東方金誠國際信用評估有限公司), each a credit rating agency recognized by the PBOC, for the year 2025 was “AAA”, which evidenced that Shougang Group has healthy cash flow and strong capability to repay its debt; hence, the credit risk in relation to placing deposits with Shougang Finance, would be relatively low.

Pursuant to the terms of the Finance Services Agreement, (i) the Group is not precluded from using the services of other financial institutions. The Group has the discretion to select any major and independent commercial banks in Hong Kong and the PRC as its financial services providers as it thinks fit and appropriate for the benefit of the Group; (ii) the Group has the discretion to determine the deposit term length with Shougang Finance; and (iii) the Group is free to invest its funds in products or projects with higher returns.

In view of the reasons and benefits set out above and the internal control measures in place, the Director(s) (excluding Mr. Feng Xianhuai, Mr. He Peng and Mr. Xu Liang (a former executive Director) who are required to abstain from voting) consider that the Finance Services Agreement is entered into in the ordinary and usual course of business of the Group on normal commercial terms and that the terms of the Finance Services Agreement (including the Daily Deposit Cap) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

As each of Mr. Feng Xianhuai, Mr. He Peng and Mr. Xu Liang (a former executive Director), is employed by Shougang Group or its subsidiaries, they are required to abstain and have abstained from voting on the relevant resolutions at the Board meeting. Save as disclosed herein, none of the Directors has or is deemed to have a material interest in the Finance Services Agreement and hence no other Director is required to abstain from voting on the relevant Board resolutions.

GEM LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Shougang Group indirectly held approximately 41.19% of the issued share capital of the Company and was a controlling shareholder and a connected person of the Company. As Shougang Finance is a wholly-owned subsidiary of Shougang Group, Shougang Finance is an associate of Shougang Group and hence a connected person of the Company. Accordingly, the transactions contemplated under the Finance Services Agreement constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

As the highest of the applicable Percentage Ratios in respect of the proposed annual caps under the Finance Services Agreement exceeds 100%, the transactions contemplated under the Finance Services Agreement constitute (i) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules; and (ii) major transactions subject to the reporting, announcement and Shareholders’ approval requirements under Chapter 19 of the GEM Listing Rules.

LETTER FROM THE BOARD

GENERAL

The notice convening the SGM is set out on pages 46 to 47 of this circular. The SGM will be convened and held at 7/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong on Friday, 6 February 2026 at 11:00 a.m. (or any adjournment thereof) for the Independent Shareholders to consider and, if thought fit, pass the resolutions to approve the Finance Services Agreement and the transactions contemplated thereunder (including the proposed annual caps).

A form of proxy for use at the SGM is also enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the form of proxy and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjourned meeting (as the case may be) should you so wish.

As at the Latest Practicable Date, Shougang Group through its wholly-owned subsidiary, Shougang Hong Kong, held 619,168,023 Shares, representing approximately 41.19% of the issued share capital of the Company. Shougang Group, Shougang Hong Kong and their respective associate(s) are required to abstain from voting at the SGM. To the best of the knowledge, information and belief of the Directors, save as disclosed herein, no other Shareholder is required to abstain from voting on relevant resolutions at the SGM.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lam Yiu Kin, Mr. Zheng Xiaodong, Ms. Wu Chunhua and Ms. Yang Siwei, has been established to advise the Independent Shareholders on the Finance Services Agreement and the transactions contemplated thereunder (including the proposed annual caps). First Global has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the Finance Services Agreement.

RECOMMENDATIONS

Your attention is drawn to the letter from the Independent Board Committee set out on pages 16 to 17 of the circular. The Independent Board Committee, having taken into account the advice from the Independent Financial Adviser, the text of which is set out on pages 18 to 35 of this circular, considers that the Finance Services Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms of the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the SGM to approve the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps).

LETTER FROM THE BOARD

The Board considers that the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable and in the interests of the Company and its Shareholders as a whole and therefore recommends that the Independent Shareholders to vote in favour of the relevant resolution(s) to be proposed at the SGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By order of the Board
Global Digital Creations Holdings Limited
Feng Xianhuai
Chairman and Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



環球數碼

GLOBAL DIGITAL CREATIONS HOLDINGS LIMITED

環球數碼創意控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 8271)

20 January 2026

To the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONTINUING CONNECTED TRANSACTIONS RENEWAL OF FINANCE SERVICES AGREEMENT

We refer to the circular of the Company dated 20 January 2026 (the “**Circular**”) of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee to consider the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) and to advise the Independent Shareholders as to whether the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable, on normal commercial terms or better, in the ordinary and usual course of business of the Group and in the interests of the Company and its Shareholders as a whole, and as to how the Independent Shareholders should vote on the proposed resolution(s) to approve the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) at the SGM.

First Global has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. Details of the letter of advice from the Independent Financial Adviser, together with the principal factors taken into consideration in arriving at such advice, are set out on pages 18 to 35 of the Circular. Your attention is also drawn to the letter from the Board set out on pages 5 to 15 of the Circular and the additional information set out in the appendix to the Circular.

** For identification purpose only*

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps), and the advice from the Independent Financial Adviser, we consider that the Finance Services Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms of the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps) are fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions at the SGM to approve the Finance Services Agreement and the transactions contemplated thereunder (including the annual caps).

Yours faithfully,
For and on behalf of
the Independent Board Committee

Mr. Lam Yiu Kin

Mr. Zheng Xiaodong

Ms. Wu Chunhua

Ms. Yang Siwei

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from First Global Corporate Finance Co., Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Finance Services Agreement, which has been prepared for the purpose of incorporation in this circular.



Room 1706-07, 17/F
China Insurance Group Building
No.141 Des Voeux Road Central
Central, Hong Kong

20 January 2026

To: The Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

MAJOR AND CONTINUING CONNECTED TRANSACTIONS RENEWAL OF FINANCE SERVICES AGREEMENT

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Finance Services Agreement with Shougang Finance in relation to the provision of the Deposit Services and Settlement Services by Shougang Finance to the Group subject to the terms and conditions therein (the “**Transactions**”), details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company to the Shareholders dated 20 January 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular.

On 5 December 2025 (after trading hours), the Company entered into the Finance Services Agreement with Shougang Finance in relation to the provision of the Deposit Services and Settlement Services by Shougang Finance to the Group subject to the terms and conditions therein.

GEM Listing Rules implications

As at the Latest Practicable Date, Shougang Group indirectly holds approximately 41.19% of the issued share capital of the Company and is a controlling shareholder and a connected person of the Company. As Shougang Finance is a wholly-owned subsidiary of Shougang Group, Shougang Finance is an associate of Shougang Group and hence a connected person of the Company. Accordingly, the transactions contemplated under the Finance Services Agreement constitute continuing connected transactions of the Company under Chapter 20 of the GEM Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As the highest of the applicable Percentage Ratios in respect of the proposed annual caps under the Finance Services Agreement exceeds 100%, the transactions contemplated under the Finance Services Agreement constitute (i) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules; and (ii) major transactions subject to the reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

SGM AND VOTING AT THE SGM

The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Finance Services Agreement and the transactions contemplated thereunder (including the proposed annual caps). As at the Latest Practicable Date, Shougang Group through its wholly-owned subsidiary, Shougang Hong Kong, held 619,168,023 Shares, representing approximately 41.19% of the issued share capital of the Company. Shougang Group, Shougang Hong Kong and their respective associate(s) are required to abstain from voting at the SGM. To the best of the knowledge, information and belief of the Directors, save as disclosed herein, no other Shareholder is required to abstain from voting on relevant resolutions at the SGM.

THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lam Yiu Kin, Mr. Zheng Xiaodong, Ms. Wu Chunhua and Ms. Yang Siwei, has been established to consider and advise the Independent Shareholders as to whether the terms of the Finance Services Agreement are fair and reasonable and the transactions contemplated thereunder are (i) fair and reasonable; (ii) on normal commercial terms or better and in the ordinary and usual course of business of the Company; (iii) in the interests of the Company and the Shareholders as a whole; and (iv) how the Independent Shareholders should vote in favour of the Transactions. None of the members of the Independent Board Committee has any material interest in the Transactions.

We, First Global Corporate Finance Co., Limited ("**First Global**"), have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. First Global is a licensed corporation licensed under the Securities and Futures Ordinance ("**SFO**") to carry out Type 6 (advising on corporate finance) regulated activity. Ms. Wendy Liu ("**Ms. Liu**") is the person signing off the opinion letter from First Global contained in the Circular. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2014. Ms. Liu has participated in and completed various independent financial advisory transactions in Hong Kong.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

OUR INDEPENDENCE

During the past two years immediately preceding the Latest Practicable Date, save for this engagement of us as the Independent Financial Adviser, no other relationship has been formed and no direct engagement has been performed between the Group, the other party(ies) to the Transactions, or a close associate or core connected person of any of them and us. As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Group, the other party(ies) to the Transactions, or a close associate or core connected person of any of them and us, or other parties that could reasonably be regarded as relevant to our independence. Apart from the normal advisory fee payable to us in connection with our engagement as the Independent Financial Adviser, no arrangement exists whereby we shall receive any other fees or benefits from the Company and its subsidiaries or their respective substantial shareholders or any party acting in concert, or presumed to be acting in concert, with any of them. Accordingly, we considered that we are independent to act as the Independent Financial Adviser in respect of the Transactions pursuant to Rule 17.96 of the GEM Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group (including but not limited to those contained or referred to in the Circular). We have reviewed the documents including but not limited to (i) the Finance Services Agreement; (ii) the announcement of the Company dated 5 December 2025 in relation to the renewal of the Finance Services Agreement (the “**Announcement**”); (iii) the Circular and the Letter from the Board contained therein; (iv) the interim report of the Company for six months ended 30 June 2024 and 2025, respectively (the “**2025 Interim Report**”); (v) the annual report of the Company for the year ended 31 December 2023 and 2024, respectively (the “**2024 Annual Report**”); and (vi) the relevant supporting documents in respect of the Transactions provided by the Company, including but not limited to historical documents and records, to formulate our opinion and recommendation. We have assumed that the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group were true, accurate and complete at the time they were made and continue to be true, accurate and complete in all material aspects until the date of the SGM. The Shareholders will be informed should there be any material change of information in the Circular up to the date of the SGM. We have also assumed that all statements of belief, opinions, expectation and intention made by the management of the Group in the Circular were reasonably made after due enquiry and careful consideration. Where applicable, we have also conducted independent desktop search and confirmed that there was no material difference between our search result and the information and facts supplied, opinions expressed, statements and representations made to us by the management of the Group. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its management and/or advisers, which have been provided to us.

The Directors have collectively and individually accepted full responsibility of the Circular and have confirmed, having made all reasonable enquiries, that to the best of their knowledge and belief the information contained in the Circular 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 the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We considered that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs or future prospects of the Group, or their respective shareholders, subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the market, financial, economic and other conditions in effect and the information made available to us as at the Latest Practicable Date. Nothing contained in this letter of advice should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion in respect of the Transactions, we have considered the following principal factors and reasons:

I. Background of the Group

(i) Background information of the Group

The Group is principally engaged in interactive entertainment and digital assets management business and property assets management business in the PRC.

(ii) Historical financial performance and position of the Group

Set out below is certain financial information of the Group for years ended 31 December 2023 (“FY2023”) and 2024 (“FY2024”) as extracted from the 2024 Annual Report, and for each of the six months ended 30 June 2024 (“1H2024”) and 2025 (“1H2025”) as extracted from the 2025 Interim Report:

| | 1H2025 (unaudited) HK\$'000 | 1H2024 (unaudited) HK\$'000 | For the FY2024 (audited) HK\$'000 | For the FY2023 (audited) HK\$'000 |
|---|-----------------------------------|-----------------------------------|--|--|
| Interactive Entertainment and Digital Assets | 11,595 | 14,575 | 25,677 | 23,826 |
| Property Assets Management (formerly known as “New Cultural and Sports Space”) | 18,424 | 22,598 | 44,755 | 46,363 |
| Revenue | 30,019 | 37,173 | 70,432 | 70,189 |
| Gross Profit | 5,662 | 2,189 | (15,056) | 5,097 |
| Profit/(loss) for the period | 24,033 | (22,692) | (63,812) | (10,142) |

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Discussion on the Group's financial performance for the 1H2025 as compared with that for the 1H2024

Based on the 2025 Interim Report, the Group's revenue reached approximately HK\$30.0 million for 1H2025, decrease with approximately 19.3% as compared with revenue of approximately HK\$37.2 million for 1H2024. The decrease in revenue was attributable to a combination of the following factors: (i) the year-on-year decrease in related revenue of HK\$5.7 million resulting from the distribution of only one animated film during 1H2025 (1H2024: two); (ii) a year-on-year decrease in rental and management service fee income of HK\$4.2 million; and (iii) a year-on-year increase in revenue from production services of HK\$2.7 million.

Gross profit increased from approximately HK\$2.2 million for 1H2024 to approximately HK\$5.7 million for FY2025, representing an increase of approximately 158.7%. The increase in gross profit mainly due to the decrease in the production costs of original films recorded in profit or loss during 1H2025 and decrease in staff costs.

The Group's profit or loss for the period increased from loss of approximately HK\$22.7 million for 1H2024 to profit of approximately HK\$24.0 million for 1H2025, which is mainly due to a one-off net gain of HK\$34.0 million arising from the deconsolidation of a non-wholly owned subsidiary of the Group.

Discussion on the Group's financial performance for the FY2024 as compared with that for the FY2023

Based on the 2024 Annual Report, the Group's revenue reached approximately HK\$70.4 million for FY2024, with a year-on-year growth of approximately 0.4% as compared with revenue of approximately HK\$70.2 million for FY2023. The increase in revenue was attributable to a combination of factors: (i) the decrease in rental income and the decrease in the average exchange rate of Renminbi against Hong Kong dollars by approximately 2% as compared with the corresponding period last year, and (ii) the distribution of two (FY2023: one) original animated film during FY2024 which led to a year-on-year increase in income from original projects.

Gross profit or loss decreased from profit of approximately HK\$5.1 million for FY2023 to loss of approximately HK\$15.1 million for FY2024, representing a decrease of approximately 395.4%. The decrease in gross profit or loss was mainly due to the provision for impairment of productions work in progress and an increase in operating costs and impairment loss on right-of-use assets of the Suzhou Technical Service Center during FY2024.

The Group's loss for the year increased from approximately HK\$10.1 million for FY2023 to approximately HK\$63.8 million for FY2024, representing an increase of approximately 529.2%.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

| | As at 30 June 2025 HK\$'000 | As at 31 December 2024 HK\$'000 | As at 31 December 2023 HK\$'000 |
|--------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Total Assets | 482,648 | 474,324 | 545,081 |
| Total Liabilities | 95,908 | 238,374 | 236,893 |
| Net Assets | 386,740 | 235,950 | 308,188 |

Discussion on the Group's financial position as at 30 June 2025 as compared with that as at 31 December 2024

The total assets of the Group were approximately HK\$482.6 million and HK\$474.3 million as of 30 June 2025 and 31 December 2024, respectively, representing an approximately 1.8% increase, which is mainly attributable to the increase in investment properties and the right of use assets. The total liabilities of the Group were approximately HK\$95.9 million and HK\$238.4 million at 30 June 2025 and 31 December 2024, respectively, representing an approximately 59.8% decrease, which is mainly attributable to the decrease in provision for rental and settlement payables and accruals and other payables.

The consolidated net assets increasing by approximately 63.9%, from approximately HK\$236.0 million as at 31 December 2024 to approximately HK\$386.7 million as at 30 June 2025.

Discussion on the Group's financial position as at 31 December 2024 as compared with that as at 31 December 2023

The total assets of the Group were approximately HK\$474.3 million and HK\$545.1 million as of 31 December 2024 and 31 December 2023, respectively, representing an approximately 13.0% decrease, which is mainly attributable to the decrease in investment property, movies and television programmes rights and trade receivables. The total liabilities of the Group were approximately HK\$238.4 million and HK\$236.9 million as at 31 December 2024 and 31 December 2023, respectively, representing an approximately 0.6% increase, which is mainly attributable to the increase in lease liabilities.

The consolidated net assets decreasing by approximately 23.4%, from approximately HK\$308.2 million as at 31 December 2023 to approximately HK\$236.0 million as at 31 December 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

II. The Finance Services Agreement

(i) *Background information of the Shougang Finance*

Shougang Finance is established in the PRC with limited liability. Its establishment as a non-bank financial institution has been approved by NFRA. Shougang Finance acts as a platform for members of Shougang Group (including the Group) for provision of intra-group facilities through financial products including deposit-taking, money-lending and financial consulting, etc. As at the Latest Practicable Date, Shougang Finance is a wholly-owned subsidiary of Shougang Group. Shougang Group is a company established in the PRC and a state-owned enterprise wholly-owned by Assets Supervision and Administration Commission of People's Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會). Shougang Group is one of the largest steel production enterprises in the PRC and is principally engaged in a wide range of business including steel and iron production, overseas business, property development, mining resources and other businesses.

(ii) *Reasons for and benefits of the Transaction*

The Group has to maintain deposits and other bank balances with financial institutions in Hong Kong and the PRC from time to time as part of its treasury activities and in order to satisfy its business needs in the ordinary and usual course of business. Shougang Finance has been providing Deposit Services and Settlement Services to the Group since 2023. Given that Shougang Finance (1) provides Settlement Services to the Group on a free of charge basis; (2) has in-depth knowledge about the operation of the Group and could provide more convenient and effective services to the Group than other financial institutions; (3) is a non-bank financial institution licensed by the NFRA with customers primarily comprised of members of the Shougang Group, which means it is exposed to lower risks than other financial institutions and hence could offer better security to the deposits of the Group; (4) ensure that the relevant deposits are placed is/are operated in strict compliance with the risk monitoring indicators for financial institutions issued by the NFRA and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the NFRA. Besides, it ensures that the relevant deposits have reached the security standards for domestic commercial banks; (5) offers the deposit interest rates will be no less favourable to the Group than those offered by commercial banks in Hong Kong and the PRC to the Group for comparable deposits, which would enable the Group to generate interest income therefrom; and (6) is the financial institution under the Shougang Group, and the credit rating of Shougang Group as rated by China Chengxin International Credit Rating Co., Ltd.* (中誠信國際信用評級有限責任公司) and Golden Credit Rating International Co., Ltd.* (東方金誠國際信用評估有限公司), each a credit rating agency recognized by the PBOC, for the year 2025 was "AAA", which evidenced that Shougang Group has healthy cash flow and strong capability to repay its debt; hence, the credit risk in relation to placing deposits with Shougang Finance, would be relatively low. Pursuant to the terms of the Finance Services Agreement, (i) the Group is not precluded from using the services of other financial institutions. The Group has the discretion to select any major and independent commercial banks in Hong Kong and the PRC as its financial services providers as it thinks fit and appropriate for the benefit of the Group; (ii) the Group has the discretion to determine the deposit term length with Shougang Finance; and (iii) the Group is free to invest its funds in products or projects with higher returns.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In view of the reasons and benefits set out above and the internal control measures in place, the Directors (excluding Mr. Feng Xianhuai, Mr. He Peng and Mr. Xu Liang (a former executive Director) who are required to abstain from voting) consider that the Finance Services Agreement is entered into in the ordinary and usual course of business of the Group on normal commercial terms and that the terms of the Finance Services Agreement (including the Daily Deposit Cap) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

(iii) Principal terms of the Finance Services Agreement

The principal terms of the Finance Services Agreement are set out below:

Date: 5 December 2025

Parties: (i) the Company; and
(ii) Shougang Finance

Term

The term of the Finance Services Agreement shall commence from the Effective Date and shall continue up to 31 December 2028 (both dates inclusive).

Deposit Services

Services

The Group may deposit funds into the deposit accounts in Shougang Finance in return for interest income. The daily maximum balance of deposits placed by the Group shall be not more than RMB100,000,000 (approximately HK\$109,890,000) during the Term.

Pricing Policy

The rate at which interest will accrue on any deposit placed by the Group with Shougang Finance under the Finance Services Agreement will not be lower than the following:

- (a) the benchmark interest rate prescribed by the PBOC for the same type of deposits of the same period;
- (b) the interest rates offered by commercial banks in the PRC and overseas (including Hong Kong) to the Group for the same type of deposits of the same period; and
- (c) the interest rates offered by Shougang Finance to other members of Shougang Group for the same type of deposits of the same period.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Every time a deposit is renewed or a new deposit is placed, the Company will:

- (a) obtain the deposit interest rate offered by three commercial banks for same type of deposits of the same period when determining the interest rate under the Finance Services Agreement;
- (b) check online for the interest rate prescribed by the PBOC for same type of deposits of the same period. The PBOC has not updated the benchmark interest rates since 24 October 2015. For the Existing Finance Services Agreement, the Company has used the 7-day deposit rate issued by the PBOC for benchmarking. The prevailing 7-day deposit rate issued by the PBOC for the period from 5 December 2023 to 30 November 2025 was approximately 1.35% per annum, which would be the expected 7-day deposit rate applicable to the deposits contemplated under the Finance Services Agreement;
- (c) check the real-time interest rates offered by Shougang Finance online for the same type of deposits of the same period. Shougang Finance has provided a written confirmation to the Company that the interest rates offered and to be offered by Shougang Finance to the Company would not be lower than the interest rate offered and to be offered by Shougang Finance to other members of Shougang Group for the same type of deposits of the same period.

We have cross-checked the above with the relevant websites of PBOC and Shougang Finance, and obtained a confirmation from Shougang Finance undertaking that the interest rates offered to the Group will not be lower than the rates offered to other members of Shougang Group, therefore, we are of the view that the above internal control procedures are in compliance with the Company's pricing policy as set out above.

Please refer to the details of the internal control measures to be implemented by the Group for determining and monitoring the deposit interest rate as set out in the paragraph headed "Internal Control Policy" below.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Settlement Services

Shougang Finance will provide payment and collection services and other ancillary services related to settlement business in accordance with the Group's instructions. No service fee will be charged by Shougang Finance for the Group to utilise the Settlement Services.

Our Evaluation of the principal terms of the Finance Services Agreement

In order to assess the fairness and reasonableness of the terms of the Finance Services Agreement, we have obtained and reviewed the Finance Services Agreement, the Existing Finance Services Agreement, the Company's internal control policy and the list of deposits setting out the information of all the deposit status for the two financial years ended 31 December 2024 and for the six months ended 30 June 2025 (the "**Review Period**") between (i) the Group with Shougang Finance; and (ii) the Group with independent commercial banks (the "**List of Deposits**"). We have reviewed 9 deposit contracts between the Group with Shougang Finance and between the Group with other independent commercial banks, being all valid and non-expired deposit contracts during the Review Period as at the Latest Practicable Date, to examine whether the deposit interest rates and other commercial terms provided by Shougang Finance are in line with the pricing policy specified in the Finance Services Agreement which is similar to the pricing policy stated in the Finance Services Agreement. Since we have reviewed all valid and non-expired deposit contracts during the Review Period as at the Latest Practicable Date, we are of the view that our sample size is sufficient. According to the List of Deposits, we were able to compare the interest rates with respect to each type of Deposit Services including current deposit, fixed deposit and corporate deposit offered by Shougang Finance against the similar type of Deposit Services with comparable duration and size offered by independent commercial banks for each quarter of the financial year 2025. We noted that the deposit interest rates offered by Shougang Finance ranged from approximately 1.15% to 3% for each type of the Deposit Services; while the corresponding interest rates offered by independent commercial banks ranged from approximately 0.35% to 1.8%. We found that by making comparison between each similar type of Deposit Services with comparable duration and size offered by Shougang Finance and independent commercial banks which the Group engaged during the same quarter of the financial year 2025, the interest rates offered by Shougang Finance were more favourable compared to those offered by independent commercial banks, we consider that the deposit interest rates offered by the Shougang Finance are fair and reasonable and the pricing terms of the sample contracts entered into with Shougang Finance are not less favourable than those entered into by the Company with independent third parties. We noted that the interest rates charged by Shougang Finance have complied with the pricing policy. Also, we were advised that, in general practice, for the current deposit, the Group could withdraw the deposit from Shougang Finance and independent major PRC state-owned commercial banks at any time and without any restrictions. We also compared the major terms offered by Shougang Finance and other independent commercial banks such as service fees and the restrictions on deposit withdrawal procedures. For instance, we noted that (i) services fees charged by other independent commercial banks ranged from RMB1 to RMB200 depending on the size and nature of the transactions while Shougang

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Finance will not charge the Group any service fees; and (ii) there is no penalty for early deposit withdrawals and the withdrawal procedures are similar for both Shougang Finance and other independent major PRC state-owned commercial banks which can be completed by internet banking. It is considered that these arrangements are more favourable to the Group and expected to remain unchanged during the terms of the Finance Services Agreement. Therefore, we are of the view that these arrangements are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders.

We understand that the Company will ensure that the deposit interest rate and commercial terms provided by Shougang Finance are in line with the pricing policy and are fair and reasonable, the Company's finance department was responsible for liaising the commercial terms, etc. of the deposit services agreement with Shougang Finance, and has compared deposit services of the same type and term provided by Shougang Finance with those offered by other independent major PRC state-owned commercial banks (such as Industrial Bank Co., Ltd, Ping An Bank Co., Ltd or Bank of China, etc.), and also obtain not less than three quotations on deposits via conducting online enquiries. The pricing policy would ensure the interest rate to be provided by Shougang Finance to the Group will be equal to or higher than the average interest rate offered by the comparable banks for comparable deposits of the same type and term. Furthermore, the Company's finance department will also quarterly monitor and confirm that the applicable interest rates provided by Shougang Finance to the Group will not be lower than the interest rates of other major PRC state-owned and Hong Kong commercial banks as provided in their quotations. Based on the List of Deposits and the samples deposit contracts provided by the Company, we noted that the Group followed the abovementioned pricing policy. Also, in view of the pricing policy can ensure that the interest rates offered by Shougang Finance to the Group were equal to or higher than the interest rates offered by the comparable banks for comparable deposits of the same type and term and creates a more favorable option to the Group, we consider that the pricing policy is fair and reasonable and on normal commercial terms. Also, as the Finance Services Agreement is made on a non-commitment basis, the Group has the discretion in deciding whether or not to use the Deposit Services provided by Shougang Finance. The Group is not obliged to use the Deposit Services provided by Shougang Finance if it decided not to do so. The Group is free to choose the most beneficial interest rates, including depositing a sizable portion of its cash with Shougang Finance if indeed that is the best option.

Having considered that (i) the interest rates offered by Shougang Finance were more favourable compared to those offered by independent commercial banks to the Group with respect to the similar type of Deposit Services with comparable duration and size under same period of time; (ii) other commercial terms offered by Shougang Finance were no less favourable than that offered by independent commercial banks to the Group with respect to the similar type of Deposit Service; and (iii) the Group has sole discretion to make its selection according to the relevant conditions and quality of services being delivered by other commercial banks or Shougang Finance, we concur with the Directors' view that the terms of the Finance Services Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

HISTORICAL ANNUAL CAPS AND HISTORICAL DAILY MAXIMUM BALANCE OF FUNDS

The table below sets forth (i) the historical annual caps; and (ii) the historical amount of the daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) under the Existing Finance Services Agreement:

| | Historical annual cap <i>RMB</i> | Historical daily maximum balance of funds <i>RMB</i> |
|--|--|--|
| From 5 December 2023 to 31 December 2023 | 9,000,000 (approximately HK\$9,890,000) | 8,000,000 (approximately HK\$8,791,000) |
| From 1 January 2024 to 31 December 2024 | 9,000,000 (approximately HK\$9,890,000) | 8,127,590 (approximately HK\$8,931,000) |
| From 1 January 2025 to 31 December 2025 | 9,000,000 (approximately HK\$9,890,000) | 8,249,223 (approximately HK\$9,065,000) |

The utilisation rate of each of the historical annual caps under the Existing Finance Services Agreement was approximately 88.89% for the period from 5 December 2023 to 31 December 2023, approximately 90.31% for the period from 1 January 2024 to 31 December 2024 and approximately 91.66% for the period from 1 January 2025 to 31 December 2025.

The historical daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) did not exceed the historical annual cap during the term of the Existing Finance Services Agreement.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PROPOSED ANNUAL CAPS

The daily maximum balance of funds placed by the Group with Shougang Finance (including any interest accrued thereon) under the Finance Services Agreement during the Term (the “Daily Deposit Cap”) will not exceed the following proposed annual caps:

| | <i>RMB</i> |
|---|---|
| From the Effective Date to 31 December 2026 | 100,000,000 (approximately HK\$109,890,000) |
| From 1 January 2027 to 31 December 2027 | 100,000,000 (approximately HK\$109,890,000) |
| From 1 January 2028 to 31 December 2028 | 100,000,000 (approximately HK\$109,890,000) |

In determining the above proposed annual caps, the Directors have taken into account the following factors:

- (a) the existing level of cash held by the Group. As at 30 June 2025, the total cash position of the Group (including total cash and cash equivalent together with time deposits at bank with original maturity over three months) amounted to approximately HK\$227.6 million and the proposed Daily Deposit Cap of RMB100,000,000 (equivalent to approximately HK\$109,890,000) would represent approximately 48.3% of the Group’s total cash position as at 30 June 2025;
- (b) the cash position of the Group and expected growth of business operation of the Group. Based on the information currently available to the Company, the Group expects to achieve a turnaround from a loss of approximately HK\$63.8 million for the year ended 31 December 2024 to a profit for the year ended 31 December 2025, which is expected to increase the net cash inflow to the Group;
- (c) the expected daily deposit balances of the Group during the Term, which is expected to remain at a level above the historical annual caps, after taking into account (i) the actual cash position as at 30 June 2025 of approximately HK\$227.6 million; (ii) the expected net increase in cash inflow to the Group to be generated during the Term; and (iii) the projected interest income of the Group during the Term; and
- (d) the basis of determining the deposit interests as disclosed in “Deposit Services – Pricing Policy” above. In particular, the deposit interest rate in relation to the Deposit Services will be not lower than the rates the Group would receive from major commercial banks, which would enable the Group to generate higher interest income therefrom.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Board has considered that the significant increase in the proposed annual caps as compared with the historical annual caps under the Existing Finance Services Agreement to be reasonable. The Board noted the high utilisation rate of the historical annual caps in the range of approximately 88.89% to 91.66% during the term of the Existing Finance Services Agreement. The increase in the proposed annual caps would provide greater flexibility for the Group to increase its level of deposits with Shougang Finance, which would enable the Group to benefit from the higher interest rate offered by Shougang Finance compared with the interest rates offered by commercial banks. For example, in November 2025, the interest rate for 2-year deposit offered by Shougang Finance was 2.5%, which was higher than the interest rate for 2-year deposit in the range of 1.2% to 1.4% offered by three commercial banks. The Board also considered that the proposed Daily Deposit Cap of RMB100,000,000, which would represent approximately 48.3% of the Group's cash position as at 30 June 2025, to be at a reasonable level, in light of the expected growth of business operation of the Group and the expected increase in the net cash inflow to the Group for the year ended 31 December 2025. Pursuant to the terms of the Finance Services Agreement, the Group has the discretion to determine the deposit term length with Shougang Finance and the Group is free to invest its funds in products or projects with higher returns. In view of the above, the Board considered that the terms of the Finance Services Agreement, including the basis of determination of the proposed annual caps, and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Our view on the Proposed Annual Caps

In assessing the fairness and reasonableness of the Daily Deposit Cap, we have reviewed the relevant information provided by the Company including but not limited to a table showing the interests rate offered by Shougang Finance for different duration and size of deposits, we have cross-checked the information with the relevant websites of Shougang Finance, and discussed with the Management on the basis and assumptions of determining the Daily Deposit Cap and formed our opinion after considering the following factors: As noted from the Letter from the Board, the Daily Deposit Cap increase significantly as the historical annual caps after the Company has taken into account, including but not limited to:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

- (i) the existing level of cash held by the Group. As at 30 June 2025, the total cash position of the Group amounted to approximately HK\$227.6 million. The Group recorded the historical maximum daily deposit balances (including accrued interests) deposited with Shougang Finance amounted to approximately RMB8.0 million, RMB8.1 million and RMB8.2 million, for the years ended 31 December 2023, 2024 and 2025 respectively. The total cash position as at 30 June 2025 is significantly higher when compared to the historical maximum daily deposit balances for the years ended 31 December 2023, 2024 and 2025. The utilisation rate of each of the historical annual caps under the Existing Finance Services Agreement was approximately 88.89% for the period from 5 December 2023 to 31 December 2023, approximately 90.31% for the period from 1 January 2024 to 31 December 2024 and approximately 91.66% for the period from 1 January 2025 to 31 December 2025. As advised by the Management, the Group has to maintain deposits and other bank balances with financial institutions in Hong Kong and the PRC from time to time as part of its treasury activities and in order to satisfy its business needs in the ordinary and usual course of business. It is expected that the maximum daily deposit balances will increase gradually in the coming three years. According to the 2025 Interim report, the Group maintained a cash position amounted approximately HKD223.7 million and HKD227.6 million as at 31 December 2024 and 30 June 2025 respectively. In view of the utilization of the historical annual caps and cash and cash equivalents balance is much larger than the Daily Deposit Cap at all time, it is considered that the Daily Deposit Caps is reasonable and just sufficient to meet the operation need of the Group.
- (ii) we observed that the Group has maintained a cash balance exceeding RMB200 million since 2023, when it first entered into the Existing Finance Services Agreement with Shougang Finance. At that time, the Company adopted a prudent approach by setting relatively smaller annual caps compared to its cash position, as it was the Group's initial experience depositing with Shougang Finance. Over the years, the Group has been satisfied with the services provided. However, revising the annual caps prior to the expiry of the Existing Finance Services Agreement would have constituted a material change requiring shareholders' approval, and the Group therefore chose not to make such revisions. The Company recognizes that Shougang Finance possesses in-depth knowledge of the Group's operations and is able to deliver more convenient and effective services. In addition, the Group retains discretion in determining deposit terms with Shougang Finance and remains free to allocate its funds to products or projects offering higher returns. Therefore, we considered the significant increase in the Deposit Services Annual Caps which only represent approximately 48.3% of the Group's total cash level as at 30 June 2025, to be at a reasonable level.
- (iii) the expected growth of business operation of the Group. Based on the forecast and budget provided by the Company, the Group expects to achieve a turnaround from a loss of approximately HK\$63.8 million for the year ended 31 December 2024 to a profit for the year ended 31 December 2025, which is expected to increase the net cash inflow to the Group.
- (vi) also, we have been advised by the Management that, when determining the interest amount of the Daily Deposit Cap, being 2.5%, the Company has made reference to the highest interest rates offered by Shougang Finance amongst current accounts and fixed deposits for Renminbi as at November 2025. We reviewed the calculation provided by the Company and no material deviation was found.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered the above, in particular existing level of cash held by the Group is significantly higher when compared to the historical maximum daily deposit balances, which is expected to continue in the coming years, we concur with the Directors that the basis of determining the Daily Deposit Cap is reasonable.

INTERNAL CONTROL POLICY

The internal control measures on the determination of deposit interest rate for the Deposit Services are as follows:

1. Before entering into any deposit arrangements with the Shougang Finance, the Group will obtain and review the deposit interest rates for the same type of deposits quoted by three other major domestic commercial banks in the PRC and Hong Kong.
2. The Group will enter into supplemental agreement(s) with Shougang Finance as and when necessary to ensure that the deposit interest rate of the Deposit Services under the Finance Services Agreement will be no less favourable to the Group than the same type of deposits quoted by the other major domestic commercial banks in the PRC and Hong Kong.

The internal control measures on monitoring the proposed Daily Deposit Cap are as follows:

1. The finance department of the Company will monitor the amount of funds deposited into the designated account of the Shougang Finance on a daily basis to ensure that the proposed Daily Deposit Cap will not be exceeded. If the deposits of the Group placed with the Shougang Finance are expected to exceed the Daily Deposit Cap, Shougang Finance shall inform the Company in a timely manner and the Group will arrange for the transferring of funds to other deposit accounts of the Group.
2. The finance department of the Company will report to the management of the Company and provide updates on the deposit arrangements with Shougang Finance on a monthly basis.
3. The independent non-executive Directors and auditors of the Company will conduct an annual review with respect to the continuing connected transactions conducted by the Group throughout the preceding financial year (including the transactions contemplated under the Finance Services Agreement) and will provide annual confirmations pursuant to the requirements under the GEM Listing Rules to ensure that the continuing connected transactions (including the transactions contemplated under the Finance Services Agreement) are in accordance with the terms of the Finance Services Agreement governing such transactions, on normal commercial terms, fair and reasonable, and in accordance with the pricing policies and the proposed Daily Deposit Cap.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The capital risk control measures on the Deposit Services and the Settlement Services are as follows:

1. Shougang Finance will provide the Group with the quarterly financial report, yearly audited report and other statements regularly.
2. Shougang Finance will ensure the safe operation of the fund management information systems. All fund management information systems of the Shougang Finance in which the relevant deposits are placed have passed the security test in respect of the interface of online banking of commercial banks and have reached the security standards for domestic commercial banks.
3. Shougang Finance will ensure that it is operated in strict compliance with the risk monitoring indicators for financial institutions issued by the NFRA and that its major regulatory indicators such as capital adequacy ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the NFRA.
4. For the purpose of credit assessment, the finance department of the Company will (i) review quarterly financial report, yearly audited report and other statements provided by Shougang Finance (as stated in paragraph (1) above) on a regular basis; and (ii) review the credit rating reports on Shougang Group published annually by credit rating agencies recognized by the PBOC.
5. To ensure that the Group will have sufficient working capital and liquidity for its business operations, the finance department of the Company will monitor the cash position of the Group from time to time and the Group will make withdrawals where necessary to ensure that the amount deposited with Shougang Finance under the Deposit Services shall not exceed the Daily Deposit Cap.

In view of the above, we consider that the above internal control measures, if implemented effectively by the Company, are sufficient to safeguard Shareholders' interest in the provision of the Deposit Services and Settlement Services under the Financial Services Agreement. We have reviewed the internal control manual concerning the aforementioned continuing connected transactions. As at the date of this letter, we are not aware of any matters which would affect the effectiveness of the implementation and no historical discrepancy has been identified during our review. Accordingly, we are of the view that the internal control procedures are in place and in compliance with the internal measures as mentioned above.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the renewal of the Financial Services Agreement and the related caps are (i) in the ordinary and usual course of the business of the Group; (ii) on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, and we also recommend Independent Shareholders to vote in favour of the relevant resolution for approving the Finance Services Agreement and the related annual caps at the SGM.

Yours faithfully,
For and on behalf of
First Global Corporate Finance Co., Limited
Wendy Liu
Managing Director

Ms. Liu is a licensed person registered with SFC and regarded as a responsible officer of Type 6 (advising on corporate finance) of First Global Corporate Finance Co., Limited. Ms. Liu has been a responsible officer of Type 6 (advising on corporate finance) regulated activities under SFO since 2014.

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group, together with the accompanying notes, for each of the three years ended 31 December 2022, 2023 and 2024 and the unaudited financial information of the Group for the six months ended 30 June 2025 are disclosed in the following documents:

- (a) Annual report of the Company for the year ended 31 December 2022 published on 30 March 2023 (pages 117 to 238)
<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0330/2023033000703.pdf>
- (b) Annual report of the Company for the year ended 31 December 2023 published on 3 April 2024 (pages 125 to 242)
<https://www1.hkexnews.hk/listedco/listconews/gem/2024/0403/2024040300750.pdf>
- (c) Annual report of the Company for the year ended 31 December 2024 published on 25 April 2025 (pages 112 to 230)
<https://www1.hkexnews.hk/listedco/listconews/gem/2025/0425/2025042500421.pdf>
- (d) Interim report of the Company for the six months ended 30 June 2025 published on 26 August 2025 (pages 7 to 48)
<https://www1.hkexnews.hk/listedco/listconews/gem/2025/0826/2025082600522.pdf>

The said annual reports and interim report of the Company are available on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<http://www.gdc-world.com>). These consolidated financial statements are incorporated by reference into this circular.

2. INDEBTEDNESS STATEMENT**Borrowings and lease liabilities**

As at the close of business on 30 November 2025, being the latest practicable date for the purpose of this statement of indebtedness of the Group prior to the publication of this circular, the Group had no outstanding bank borrowings; the Group had lease liabilities of approximately HK\$12,642,956 certain of which were secured by the rental deposits and all of which were unguaranteed.

Pledge of assets

At the close of business on 30 November 2025, the Group had no charge on its assets.

Debt securities

At the close of business on 30 November 2025, the Group had no debt securities.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade and others payables in the ordinary course of business, the Group did not have any other loan capital issued or agreed to be issued, bank overdrafts, loans, debt securities issued and outstanding, and authorised or otherwise created but unissued and term loans or other borrowings, indebtedness in the nature of borrowings, liabilities under acceptance (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, which are either guaranteed, unguaranteed, secured or unsecured, guarantees or contingent liabilities as at 30 November 2025, being the latest practicable date for the purpose of this indebtedness statement prior to the publication of this circular.

3. WORKING CAPITAL SUFFICIENCY

The Directors are satisfied, after due and careful enquiry and based on the information currently available to the Directors, the financial resources available to the Group, cash generated from future operations and the existing cash and bank balances of the Group, the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is incorporated in Bermuda with limited liability and the shares of which are listed on the GEM. The Company is an investment holding company and its subsidiaries are principally engaged in interactive entertainment and digital assets management business and property assets management business in the PRC.

In 2025, facing a complex external environment, the Group adhered to a dual-core strategy of innovation-driven growth and quality improvement, demonstrating strong resilience.

For the Group's Interactive Entertainment and Digital Assets Management division, the Group focused on research and development (R&D) of Virtual Reality ("VR") projects and AI technology applications, delivering comprehensive solutions that drove significant business growth. Notable achievements in 2025 include "Ocean-themed Series 10" being recognized as a national film masterpiece, "Ocean-themed Series 11" hitting theaters, and "Ocean-themed Series 12" adopting a new production process. The Group successfully delivered multiple benchmark projects, including China's first "VR Large Space + Cultural Relics Protection" project. Our innovative historical recreation at the Nanhu Red Boat Project advanced the integration of revolutionary culture and tourism. Meanwhile, the Group provided digital character solutions for Tencent IEG/TEG and showcased the "AI Cloud Mirror Journey* (AI雲鏡之旅)" at international exhibitions, securing global orders.

For the Group's Property Assets Management division, the occupancy rate and profit margin of Shenzhen GDC Building remained high in 2025 while through workforce optimization and energy consumption control, operating costs were reduced.

In 2025, the Group's research and development team, in alignment with the Group's corporate strategy, continued to advance the upgrade of the Group's technical systems, achieving a critical leap from a traditional production model to a technology-driven organization. The Group achieved systematic breakthroughs in enterprise-grade large models, intelligent workflows, and automated toolchains, establishing a self-controlled foundation for content production technology that significantly enhances production efficiency and delivery quality. Throughout the year, the Group completed multiple research projects, strengthened intellectual property barriers, and continuously validated the industry value and international service capabilities of the Group's solutions through major local and international projects.

Based on the information currently available to the Company, the Group expects to achieve a turnaround from a loss of approximately HK\$63.8 million for the year ended 31 December 2024 to a profit for the year ended 31 December 2025.

The Group will focus on “deepening technology, activating assets, and ecological collaboration” as its core strategy to strive for annual goals, the Interactive Entertainment and Digital Assets division is continuing to concentrate on upgrading technology for industrialization, accelerate AIGC tool repetitive computation to reduce costs, breakthrough the technical bottlenecks in implementing IP projects. The division will strengthen collaboration with customers, such as Huawei and Qualcomm, while expanding applications in “VR + Cultural Tourism.”

The Group's Property Assets Management division will further deepen resource integration of the Shenzhen GDC Building, researching rental subsidy policies to enhance competitiveness. The Group will continue to promote its cost control measures.

The Group is committed to solidifying its competitive foundation through innovation, activating growth momentum through collaboration, continuously optimizing talent and technology, enhancing business quality, and actively expanding the market to create value for Shareholders.

Looking forward, the Group aims to expand its services from a digital content provider to a digital interactive entertainment provider, developing a diversified development model centered on four pillars, namely space operations, digital content production, industrial intelligence digitization, and interactive entertainment experiences. Guided by the core principles of “refining existing assets, innovating new growth areas, deepening technological capabilities, optimizing management flexibility, and expanding market value”, the Group will deepen reform and innovation to drive development toward higher efficiency, greater resilience, and enhanced sustainability.

5. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Group were made up.

6. EFFECTS ON EARNINGS, ASSETS AND LIABILITIES OF THE GROUP

The Group has to maintain deposits and other bank balances with financial institutions in Hong Kong and the PRC from time to time as part of its treasury activities and in order to satisfy its business needs in the ordinary and usual course of business. Given that the interest rates offered by Shougang Finance to the Group in respect of the Deposit Services shall not be less than those for the same type of deposit of the same period as may be offered to the Group by commercial banks in the PRC and overseas (including Hong Kong), it is currently anticipated that the return of the surplus funds will be enhanced due to the possibly higher deposit interests from Shougang Finance. As such, the Deposit Services under the Financial Services Agreements are expected to have positive impacts on the Group's earnings. However, as the annual interest income generated from the Deposit Services is expected to only account for a small portion of the Company's income, assets and liabilities, the Company anticipates that the use of Deposit Services (together with the Settlement Services) under the Financial Services Agreements will not have any material effect on the earnings, assets and liabilities of the Group.

1. RESPONSIBILITY STATEMENT

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

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors and chief executive(s) of the Company is taken or deemed to have under such provisions of the SFO) or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long position in Shares and underlying Shares of the Company

| Name of Director | Capacity in which interests are held | Number of shares/underlying shares held in the Company | | | Approximate percentage of total issued share capital of the Company |
|------------------|--------------------------------------|--|------------------------------------|-----------------|---|
| | | Interests in shares | Interests under equity derivatives | Total interests | |
| Mr. Chen Zheng | Beneficial owner | 185,988,200 | – | 185,988,200 | 12.37% |
| Mr. He Peng | Beneficial owner | 5,198,000 | – | 5,198,000 | 0.34% |

Save as disclosed above, as at Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules.

As at the Latest Practicable Date, none of the Directors or a proposed Director is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, the following persons (other than the Directors and chief executive of the Company) had interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 10% or more of the issued voting shares of any other member of the Group:

Long position in Shares and underlying Shares of the Company

| Name of shareholder | Capacity in which interests are held | Number of Shares held in the Company | Approximate percentage of total issued share capital of the Company |
|------------------------------|--------------------------------------|--------------------------------------|---|
| Shougang Group <i>(Note)</i> | Interests of controlled corporation | 619,168,023 <i>(Note)</i> | 41.19% |
| Shougang Hong Kong | Beneficial owner | 619,168,023 | 41.19% |

Note: Shougang Hong Kong is a wholly-owned subsidiary of Shougang Group. Accordingly, Shougang Group is deemed to be interested in the share capital of the Company which Shougang Hong Kong is interested under the SFO.

Save as disclosed above, as at the Latest Practicable Date, there was no other person (other than the directors or chief executive of the Company whose interests in shares, underlying shares and debentures of the Company or any of its associated corporations as set out above) was interested (or deemed to be interested) or held any short position in the shares or 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, or were recorded in the register required to be kept by the Company under Section 336 of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or their respective close associates had any interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS OF THE GROUP AND CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

None of the Directors is materially interested in any contract or arrangement subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the Group within the two years preceding the Latest Practicable Date which are or may be material:

- (a) the operation agreement dated 10 May 2024 (the “**Operation Agreement**”) and entered into between IDMT Shenzhen, an indirect wholly-owned subsidiary of the Company, and Chengdu Wuhou Business Travel Investment Co., Ltd. (成都市武侯商旅投資有限公司) (“**Chengdu Investment**”) pursuant to which IDMT Shenzhen was granted the rights to operate the Tie Fo Park (鐵佛公園) for the operation period of 10 years. The value of the right-of-use assets represented by the operation rights of the project relating to Tie Fo Park (鐵佛公園) was RMB5,997,000;
- (b) the lease framework agreement dated 14 May 2024 (the “**Lease Framework Agreement**”) and entered into between Suzhou Global Digital Operation Management Company Limited* (蘇州環球數碼運營管理有限公司) (“**Suzhou GDC OMC**”), an indirect wholly-owned subsidiary of the Company, as the lessee, and Suzhou Wuzhong Financial Investment and Merchants Services Company Limited* (蘇州市吳中金融招商服務有限公司) (“**Wuzhong Jinfu**”), as the lessor, for a lease of a technology service centre in Suzhou for a term of 34 months from 18 May 2024 to 17 February 2027. The value of acquisition of the right-of-use assets under the Lease Framework Agreement was RMB19,465,936;
- (c) the termination notice dated 18 February 2025 issued by Suzhou GDC OMC, as the lessee, to Wuzhong Jinfu, the lessor, to terminate the Lease Framework Agreement with effect on 18 February 2025; and
- (d) the termination notice dated 30 September 2025 issued by IDMT Shenzhen to Chengdu Investment to terminate the Operation Agreement with effect upon delivery of such termination notice.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given an opinion or advice contained in this circular:

| Name | Qualification |
|---|--|
| First Global Corporate Finance Co., Limited | Licensed corporation to carry on Type 6 (advising on corporate finance) regulated activity under the SFO |

First Global has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, First Global did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, First Global did not have any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group, since 31 December 2024, the date to which the latest audited financial statements of the Group was made up.

9. MATERIAL LITIGATION

Reference is made to the announcement of the Company dated 25 April 2025. On 25 April 2025, IDMT Shenzhen filed a civil action against Wuhou Investment in the Wuhou District People's Court of Chengdu. In the civil action, IDMT Shenzhen (i) requested the court to order the termination of the Operation and Management Agreement and the Wuhou Supplementary Agreement with Wuhou Investment; and (ii) claimed for compensation on losses and liquidated damages totaling RMB11,064,144.74 due to breach of the Operation and Management Agreement and the Wuhou Supplementary Agreement by Wuhou Investment.

As at the Latest Practicable Date, save as disclosed above, to the best of the Directors' knowledge, information and belief, the Group was not engaged in any material litigation or arbitration of material importance and there was no material litigation or claim of material importance known to the Directors to be pending or threatened by or against any members of the Group.

10. MISCELLANEOUS

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business in Hong Kong of the Company is at 5/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong.
- (b) The company secretary of the Company is Mr. Shang Yuxiong. He is a member of Hong Kong Institute of Certified Public Accountants.
- (c) The branch registrar of the Company is Tricor Investor Services Limited and its address is 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (d) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

11. AUDIT COMMITTEE

As at the Latest Practicable Date, the Audit Committee comprises three members, Mr. Lam Yiu Kin (as chairman of the Audit Committee), Mr. Zheng Xiaodong and Ms. Wu Chunhua, being all the independent non-executive Directors. The primary duties of the Audit Committee are (i) overseeing the relationship with the Company's auditor; (ii) reviewing the interim and annual financial statements; and (iii) overseeing the Company's financial reporting system, risk management, internal control system and policies which include the whistleblowing policy reporting system.

Mr. Lam Yiu Kin, aged 71, was appointed as an Independent Non-executive Director of the Company in July 2015. He is also a member of each of Audit Committee, Remuneration Committee and Nomination Committee. In May 2020, Mr. Lam was appointed as the chairman of the Audit Committee. Mr. Lam is a fellow member of the Association of Chartered Certified Accountants, the Institute of Chartered Accountants in England & Wales, the Institute of Chartered Accountants in Australia and New Zealand and HKICPA, and a honorary fellow of The Hong Kong Polytechnic University. Mr. Lam was an Adjunct Professor in the School of Accounting and Finance of The Hong Kong Polytechnic University from September 2014 to August 2016, and was a member of the Finance Committee of the Hong Kong Management Association. Mr. Lam has extensive experience in accounting, auditing and business consulting. Mr. Lam was a member of the Listing Committee and the Financial Reporting Advisory Panel of the Stock Exchange from 1997 to 2003, a committee member of HKICPA from 1994 to 2009, and a partner with PricewaterhouseCoopers Hong Kong from 1993 to 2013. Mr. Lam graduated from The Hong Kong Polytechnic University with a higher diploma in June 1975. Mr. Lam currently serves as an independent non-executive director of Shougang Century Holdings Limited, Spring Real Estate Investment Trust, COSCO SHIPPING Ports Limited, CITIC Telecom International Holdings Limited and Topsports International Holdings Limited, all of which are companies listed on the Stock Exchange. He was an independent non-executive director of Nine Dragons Paper (Holdings) Limited and Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Company Limited in the last three years.

Mr. Zheng Xiaodong, aged 49, obtained a bachelor's degree in international economics in July 1998 and a master's degree in world economics in June 2006 from Fudan University. Mr. Zheng was appointed as an Independent Non-executive Director of the Company in June 2019. In May 2020, he was appointed as a member of each of Audit Committee, Remuneration Committee and Nomination Committee. He serves as the president of marketing and chief executive officer of Leo Digital Network and the president of Shanghai MediaV Advertising Co., Ltd., in which he is responsible for operation and agency businesses. Mr. Zheng served as a director and the deputy general manager of Leo Group Co., Ltd., a company listed on Shenzhen Stock Exchange (stock code: 002131), the marketing manager of Great Wall Broadband Network and the general manager of eastern China region and the vice president of Allyes AdNetwork. He has extensive experience in the internet industry and marketing field.

Ms. Wu Chunhua, aged 51, holds a bachelor's degree in biology from Beijing Normal University. Ms. Wu was appointed as an independent Non-executive Director of the Company in June 2023, she was appointed as a chairman and member of Remuneration Committee as well as a member of Nomination Committee in May 2024, she was also appointed as member of Audit Committee in August 2024. Ms. Wu has over 20 years of extensive experience in human resource management. She was the director and legal representative of Beijing Weiji Consultation Co., Ltd.* (北京唯際顧問諮詢有限公司), the business director and senior consultant of Beijing Orient Huibo Human Resources Co., Ltd.* (北京東方慧博人力資源有限公司), the human resources assistant to the chairman of Zhuhai Zhenwei Group* (珠海振威集團), and the human resources manager of Oriental United Recording Co., Ltd.* (東方聯合音像有限公司). Ms. Wu has been the legal representative of Hainan Wenchang Weiming Technology Co., Ltd.* (海南文昌微明科技有限公司) since September 2022.

12. DOCUMENTS ON DISPLAY

Copies of the following documents are available on display on the Stock Exchange's website (<https://www.hkexnews.hk>) and the Company's website (<http://www.gdc-world.com>) for the period of 14 days from the date of this circular:

- (a) the Finance Services Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out on pages 16 to 17 of this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out on pages 18 to 35 of this circular; and
- (d) the written consent referred to in the section headed "8. Expert and consent" in this appendix.

NOTICE OF SGM



環球數碼

GLOBAL DIGITAL CREATIONS HOLDINGS LIMITED

環球數碼創意控股有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 8271)

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of Global Digital Creations Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at 7/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong on Friday, 6 February 2026 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without modification, the following resolution(s) to be proposed as ordinary resolution(s) of the Company.

ORDINARY RESOLUTION

“THAT

- (a) the finance services agreement entered into between the Company and Shougang Group Finance Co. Ltd. (“**Shougang Finance**”) on 5 December 2025 (the “**Finance Services Agreement**”) in relation to the provision of the deposit services and settlement services by Shougang Finance to the Group, a copy of which is produced to the SGM and initialed by the chairman of the SGM for identification purpose, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (b) the proposed annual caps for the years ending 31 December 2026, 31 December 2027 and 31 December 2028 of RMB100,000,000, RMB100,000,000 and RMB100,000,000 respectively during the term of the Finance Services Agreement be and is hereby approved, confirmed and ratified; and

** For identification purpose only*

NOTICE OF SGM

- (c) any one or more of the director(s) of the Company be and is/are hereby authorised to sign and execute all such documents, including under seal where applicable, and do all such acts and things as he/she/they may consider necessary, desirable or expedient in connection with the implementation of or giving effect to the Finance Services Agreement and the transactions contemplated thereunder.”

By Order of the Board
Global Digital Creations Holdings Limited
Feng Xianhuai
Chairman and Managing Director

Hong Kong, 20 January 2026

Notes:

1. A shareholder entitled to attend and vote at the SGM (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not be a shareholder of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of any officer or attorney duly authorised to sign the same.
3. The register of members of the Company will be closed from Tuesday, 3 February 2026 to Friday, 6 February 2026, both dates inclusive, during which period, no transfer of shares will be registered. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the SGM will be Friday, 6 February 2026. In order to qualify for attend and vote at the SGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. (H.K. time) on Monday, 2 February 2026.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the SGM or any adjourned meeting thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude members from attending and voting in person at the SGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
6. Where there are joint registered holders of any share, any one of such joint holders may vote at the SGM, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the SGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.
7. No refreshment and corporate gifts will be provided at the SGM.

As at the date of this notice, the Board comprises Mr. Feng Xianhuai (Chairman & Managing Director) and Mr. He Peng (Deputy Managing Director) as Executive Directors; Mr. Chen Zheng (Deputy Chairman) as a Non-executive Director; Mr. Lam Yiu Kin, Mr. Zheng Xiaodong, Ms. Wu Chunhua and Ms. Yang Siwei as Independent Non-executive Directors.