



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)

**INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

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This announcement, for which the directors (the “Director(s)”) of Global Digital Creations Holdings Limited (the “Company”) 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 (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* For identification purpose only

INTERIM RESULTS

The board of Directors (the “Board”) of Global Digital Creations Holdings Limited (the “Company”) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025. These interim results have been reviewed by the Company’s Audit Committee and its Auditor.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

		(Unaudited)	
		Six months ended 30 June	
		2025	2024
	Notes	HK\$'000	HK\$'000
Continuing operations			
Revenue	2	30,019	37,173
Cost of sales		<u>(24,357)</u>	<u>(34,984)</u>
Gross profit		5,662	2,189
Other income	3	6,777	5,221
Distribution and selling expenses		(3,011)	(12,839)
Administrative expenses		(12,960)	(16,090)
Provision for impairment of financial assets and contract assets		–	(75)
Other loss, net		<u>(1,633)</u>	<u>(1,074)</u>
Operating loss		(5,165)	(22,668)
Finance cost		<u>(89)</u>	<u>(165)</u>
Loss before income tax	4	(5,254)	(22,833)
Income tax credit	5	<u>471</u>	<u>613</u>
Loss for the period from continuing operations		(4,783)	(22,220)
Discontinued operation			
Profit/(loss) for the period from discontinued operation	8	<u>28,816</u>	<u>(472)</u>
Profit/(loss) for the period		24,033	(22,692)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME** *(Continued)*
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income:		
<i>Item that reclassified or may be reclassified to profit or loss:</i>		
– Exchange differences on translation to presentation currency	6,326	(6,420)
– Gain previously in exchange reserves related to subsidiaries deconsolidated during the period recognised in statement of profit or loss	(7,778)	–
	<u>(1,452)</u>	<u>(6,420)</u>
Other comprehensive income for the period		
	<u>(1,452)</u>	<u>(6,420)</u>
Total comprehensive income for the period	<u>22,581</u>	<u>(29,112)</u>
Profit/(loss) for the period attributable to:		
– Owners of the Company:		
– Continuing operations	(4,783)	(22,220)
– Discontinued operation	29,933	(321)
	<u>25,150</u>	<u>(22,541)</u>
– Non-controlling interests:		
– Continuing operations	–	–
– Discontinued operation	(1,117)	(151)
	<u>(1,117)</u>	<u>(151)</u>
	<u>24,033</u>	<u>(22,692)</u>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME** *(Continued)*
FOR THE SIX MONTHS ENDED 30 JUNE 2025

		(Unaudited)	
		Six months ended 30 June	
		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
Total comprehensive income for the period attributable to:			
– Owners of the Company:			
– Continuing operations		7,669	(37,790)
– Discontinued operation		20,473	5,901
		<u>28,142</u>	<u>(31,889)</u>
– Non-controlling interests:			
– Continuing operations		–	–
– Discontinued operation		(5,561)	2,777
		<u>(5,561)</u>	<u>2,777</u>
		<u>22,581</u>	<u>(29,112)</u>
		HK cents	HK cents
Earnings/(loss) per share attributable to the owners of the Company:			
Basic and diluted earnings/(loss) per share			
– Continuing operations	6	(0.32)	(1.48)
– Discontinued operation	6	1.99	(0.02)
		<u>1.67</u>	<u>(1.50)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	<i>Notes</i>	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		10,999	11,384
Right-of-use assets		14,664	8,271
Investment property		216,667	211,809
Interest in an associate		–	–
Movies and television programmes rights		862	648
Productions work in progress		–	5,425
Time deposits at bank with original maturity over three months		24,561	–
Deposits and other receivables		27	98
		<u>267,780</u>	<u>237,635</u>
Total non-current assets		267,780	237,635
Current assets			
Contract assets		274	1,111
Trade receivables	9	4,269	3,289
Deposits, prepayments and other receivables		7,249	8,553
Restricted bank deposits		–	23
Cash and cash equivalents		203,076	223,713
		<u>214,868</u>	<u>236,689</u>
Total current assets		214,868	236,689
Total assets		482,648	474,324
EQUITY			
Equity attributable to owners of the Company			
Share capital		15,033	15,033
Retained earnings		25,570	437
Other reserves		345,805	342,796
		<u>386,408</u>	<u>358,266</u>
Total equity attributable to owners of the Company		386,408	358,266
Non-controlling interests		332	(122,316)
		<u>386,740</u>	<u>235,950</u>
Total equity		386,740	235,950

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*
AS AT 30 JUNE 2025

		As at 30 June 2025	As at 31 December 2024
	<i>Notes</i>	HK\$'000 (Unaudited)	HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities		6,752	201
Contract liabilities		1,810	1,277
Deferred income tax liabilities		11,869	11,986
Other payables	10	289	289
Total non-current liabilities		20,720	13,753
Current liabilities			
Trade payables	10	24	47
Accruals and other payables	10	54,676	63,330
Provision for rental and settlement payables	11	–	138,225
Contract liabilities		1,292	4,720
Lease liabilities		9,618	8,979
Deferred government grant		767	744
Current income tax payable		8,811	8,576
Total current liabilities		75,188	224,621
Total liabilities		95,908	238,374
Total equity and liabilities		482,648	474,324

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These condensed financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited.

These condensed financial statements do not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, these condensed financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024 which have been prepared in accordance with HKFRS Accounting Standards.

These condensed financial statements are presented in Hong Kong dollars (“HK\$”) unless otherwise stated.

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing these condensed financial statements.

The Group has applied the amendments to HKAS 21 “Lack of Exchangeability” for the first time from 1 January 2025. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the above mentioned amended standard.

2. SEGMENT INFORMATION

The chief operating decision maker (“CODM”) has been identified as the Executive Directors. The Executive Directors review the Group’s internal reports in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the business from service perspective and assess the performance of the operating segments based on a measure of adjusted profit before income tax before unallocated income/expenses for the purpose of allocating resources and assessing performance. These reports are prepared on the same basis as the condensed financial statements.

Management has renamed New Cultural and Sports Space to Property Assets Management, to align more closely with the Group’s development and internal reporting.

The management has identified two reportable segments based on the types of services, namely (i) Interactive Entertainment and Digital Assets and (ii) Property Assets Management.

There were no material sales between the reportable segments for the six months ended 30 June 2025 (six months ended 30 June 2024: Same).

(Unaudited)
Six months ended 30 June 2025

	Interactive Entertainment and Digital Assets <i>HK\$'000</i>	Property Assets Management (formerly known as “New Cultural and Sports Space”) <i>HK\$'000</i>	Total <i>HK\$'000</i>
– Revenue from computer graphic (“CG”) production	7,925	–	7,925
– Box office receipt	1,607	–	1,607
– Licensing income from television programmes and movies to online platforms	1,733	–	1,733
– Patent fee income from granting the right to access of trademarks	330	–	330
– Management service fee	–	5,983	5,983
– Rental income	–	12,441	12,441
	<hr/>	<hr/>	<hr/>
Total revenue from external customers	11,595	18,424	30,019
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Segment results	(4,650)	3,545	(1,105)
Unallocated income			216
Unallocated expenses			(4,365)
			<hr/>
Loss before income tax from continuing operations			(5,254)
			<hr/> <hr/>

(Unaudited)
Six months ended 30 June 2024

	Interactive Entertainment and Digital Assets <i>HK\$'000</i>	Property Assets Management (formerly known as “New Cultural and Sports Space”) <i>HK\$'000</i>	Total <i>HK\$'000</i>
– Revenue from CG production	5,178	–	5,178
– Box office receipt	7,389	–	7,389
– Licensing income from television programmes and movies to online platforms	1,395	–	1,395
– Patent fee income from granting the right to access of trademarks	613	–	613
– Management service fee	–	5,624	5,624
– Rental income	–	16,974	16,974
	<hr/>	<hr/>	<hr/>
Total revenue from external customers	<u>14,575</u>	<u>22,598</u>	<u>37,173</u>
Segment results	(25,061)	9,556	(15,505)
Unallocated income			383
Unallocated expenses			<u>(7,711)</u>
Loss before income tax from continuing operations			<u><u>(22,833)</u></u>

The segment assets and liabilities as at 30 June 2025 and 31 December 2024 are as follows:

	As at 30 June 2025 (Unaudited)			
	Interactive Entertainment and Digital Assets HK\$'000	Property Assets Management (formerly known as “New Cultural and Sports Space”) HK\$'000	Unallocated HK\$'000	Total HK\$'000
Segment assets	<u>127,889</u>	<u>297,454</u>	<u>57,305</u>	<u>482,648</u>
Segment liabilities	<u>37,395</u>	<u>53,874</u>	<u>4,639</u>	<u>95,908</u>
	As at 31 December 2024 (Audited)			
	Interactive Entertainment and Digital Assets HK\$'000	Property Assets Management (formerly known as “New Cultural and Sports Space”) HK\$'000	Unallocated HK\$'000	Total HK\$'000
Segment assets	<u>159,036</u>	<u>302,657</u>	<u>12,631</u>	<u>474,324</u>
Segment liabilities	<u>41,476</u>	<u>45,514</u>	<u>151,384</u>	<u>238,374</u>

3. OTHER INCOME

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Government grants	4,608	2,468
Interest income	2,058	2,327
Others	111	426
	<u>6,777</u>	<u>5,221</u>

4. LOSS BEFORE INCOME TAX

(Unaudited)
Six months ended 30 June
2025 **2024**
HK\$'000 **HK\$'000**

Loss before tax has been arrived at after charging:

Employee benefit expenses	14,244	20,136
Amortisation of movies and television programmes rights	9,782	14,410
Provision for impairment of movies and television programmes rights	–	1,807
Depreciation of property, plant and equipment	876	1,055
Deprecation of right-of-use assets	630	1,471
	<u> </u>	<u> </u>

5. INCOME TAX CREDIT

No Hong Kong profits tax has been provided as there is no assessable profit arising in Hong Kong for the six months ended 30 June 2025 and 2024.

The Company's subsidiaries established in the People's Republic of China ("PRC") are subject to the PRC Corporate Income Tax ("CIT") rate of 25% (six months ended 30 June 2024: 25%) while certain subsidiaries are subject to various preferential tax treatments.

Provision for PRC CIT credit amounted to HK\$471,000 has been made for the six months ended 30 June 2025 (30 June 2024: HK\$613,000).

6. EARNINGS/(LOSS) PER SHARE

(Unaudited)
Six months ended 30 June
2025 **2024**
HK\$'000 **HK\$'000**

Profit/(loss) attributable to owners of the Company

– Continuing operations	(4,783)	(22,220)
– Discontinued operation	29,933	(321)
	<u> </u>	<u> </u>
	<u>25,150</u>	<u>(22,541)</u>

(Unaudited)
Six months ended 30 June
2025 **2024**
'000 **'000**

Weighted average number of outstanding ordinary shares

<u>1,503,310</u>	<u>1,503,532</u>
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	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	<i>HK cents</i>	<i>HK cents</i>
Basic and diluted profit/(loss) per share		
– Continuing operations	(0.32)	(1.48)
– Discontinued operation	1.99	(0.02)
	<hr/>	<hr/>
Total basic and diluted profit/(loss) per share	1.67	(1.50)
	<hr/> <hr/>	<hr/> <hr/>

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

Diluted profit/(loss) per share is the same as basic profit/(loss) per share as there were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2025 (six months ended 30 June 2024: Same).

7. DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

8. DISCONTINUED OPERATION

During the six months ended 30 June 2025, the Intermediate People’s Court of Guangzhou City of Guangdong Province of the PRC* (中國廣東省廣州市中級人民法院) (the “Guangzhou Intermediate People’s Court”) issued a civil ruling accepting the bankruptcy liquidation application in respect of 廣東環球數碼創意產業有限公司 (“Guangdong GDC”), a non-wholly owned subsidiary of the Company, for the reasons of being insolvent and its assets not being sufficient to repay its indebtedness.

Following the Guangzhou Intermediate People’s Court’s admission of the application for bankruptcy liquidation and the formal appointment of an administrator, the directors assessed that the Group ceased to have control over Guangdong GDC on 11 June 2025 and therefore the carrying amount related to the net liabilities of Guangdong GDC was deconsolidated from the consolidated financial statements of the Group.

As set out in Note 11, the 珠影文化產業園 (the “Cultural Park”) operation was classified as discontinued operation since 1 December 2018. Certain costs continued to be incurred during the six months ended 30 June 2025 and 2024 as the matters as set out in Note 11.

* *English entity name is for identification purpose*

Financial information relating to the discontinued operation for the period are set out below:

	(Unaudited)	
	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Other income	–	2
Administrative expenses	(2,289)	(474)
Provision for rental and settlement expenses, net	(2,848)	–
Income tax expenses	–	–
	<u>–</u>	<u>–</u>
Loss for the period	(5,137)	(472)
Gain attributable to owners of the Company upon deconsolidation	33,953	–
	<u>33,953</u>	<u>–</u>
	<u>28,816</u>	<u>(472)</u>
Net cash outflow from operating activities	(784)	(543)
Net cash inflow from investing activities	–	–
Net cash inflow from financing activity	735	548
	<u>735</u>	<u>548</u>
Net (decrease)/increase in cash and cash equivalents	<u>(49)</u>	<u>5</u>

The net liabilities at the date of deconsolidation were as follows:

	<i>HK\$'000</i>
Deposits, prepayments and other receivables	609
Restricted bank deposits	25
Cash and cash equivalents	60
Accruals and other payables	(155,078)
Due to group companies*	<u>(244,092)</u>
Net liabilities upon deconsolidation	(398,476)
Net liabilities attributable to non-controlling interests	128,209
Release of foreign exchange reserve	<u>(7,778)</u>
Net liabilities attributable to owners of the Company	<u>(278,045)</u>
Due from Guangdong GDC	<u>244,092</u>
Gain attributable to owners of the Company upon deconsolidation	<u>33,953</u>

The calculation of the profit from discontinued operation includes gain on deconsolidation of Guangdong GDC as shown above and impairment losses on amounts due from Guangdong GDC (being amounts advanced by group companies* to Guangdong GDC to support their discontinued operation).

* group companies represent subsidiaries of the Company

9. TRADE RECEIVABLES

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Trade receivables from contracts with customers	2,540	1,738
Rental receivables	<u>1,920</u>	<u>1,736</u>
	4,460	3,474
Less: Provision for impairment	<u>(191)</u>	<u>(185)</u>
	<u>4,269</u>	<u>3,289</u>

The carrying amounts of trade receivables are mainly denominated in Renminbi (“RMB”).

Except for rental receivables from tenants, which is due for settlement upon issuance of invoices, the Group generally grants a credit period ranging from 30 days to 120 days. The aging analysis of the gross trade receivables based on invoice date is as follows:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Current to 90 days	4,132	3,236
91 to 180 days	68	–
Over 180 days	<u>260</u>	<u>238</u>
	<u>4,460</u>	<u>3,474</u>

10. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Trade payables	24	47
Advance from non-controlling interest	21,930	21,277
Accruals	2,285	6,442
Salary payable	10,138	9,326
Deposits	6,245	10,946
Construction cost payables	350	1,913
Other tax payables	1,350	333
Advance from leases	385	1,504
Others	12,282	11,878
	<u>54,989</u>	<u>63,666</u>
Less: Current portion	<u>(54,700)</u>	<u>(63,377)</u>
Non-current portion	<u>289</u>	<u>289</u>
Denominated in:		
– RMB	52,554	60,770
– HK\$	2,435	2,896
	<u>54,989</u>	<u>63,666</u>

The carrying amounts of trade payables, accruals and other payables approximate their fair values.

The aging analysis of the trade payables based on invoice date is as follows:

	As at 30 June 2025 <i>HK\$'000</i> (Unaudited)	As at 31 December 2024 <i>HK\$'000</i> (Audited)
Current to 90 days	<u>24</u>	<u>47</u>

11. PROVISION FOR RENTAL AND SETTLEMENT PAYABLE

	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Accrued rental and settlement payables and late payment surcharge (<i>Note</i>)	<u>–</u>	<u>138,225</u>

Note:

Background

The legal dispute between Guangdong GDC, a non-wholly owned subsidiary of the Company, and 珠江電影製片有限公司 (“Pearl River Film Production”) progresses through multiple trials, appeals and retrials in respect of (1) the return of the entire Cultural Park; (2) the claim for the property occupation fee of certain parking spaces and related interests; (3) the claim for the property occupation fee of the Cultural Park and related interests; and (4) the claim for the capital contribution invested in the construction for the Cultural Park and the related interests from 2019.

Six months ended 30 June 2025

On 26 May 2025, the Group was informed that the Guangzhou Intermediate People’s Court has made a civil ruling accepting the bankruptcy liquidation application in respect of Guangdong GDC for the reasons of being insolvent and its assets not being sufficient to repay its indebtedness. Upon the formal appointment of an administrator on 11 June 2025, the Group is no longer deemed to have control over Guangdong GDC and its financial results are no longer consolidated into the financial results of the Group.

Year ended 31 December 2024

The return of the entire Cultural Park and the claim for the property occupation fee of certain parking spaces and related interests are completed and settled in prior years. Litigation and results of the remaining two cases are filed and reported for the year ended 31 December 2024 are as follows:

1. Property occupation fee of the Cultural Park

Guangdong GDC applied a re-trial to the Supreme People’s Court of the PRC* (中國最高人民法院) (the “Supreme People’s Court”) in respect of the judgment on the property occupation fee amounting to RMB157,353,781 dated 7 October 2023. On 26 February 2024, the Supreme People’s Court rejected the re-trial application. The civil judgment from the Higher People’s Court of Guangdong Province of the PRC* (中國廣東省高級人民法院) is the final judgment on the case.

On 29 March 2024, the Company received an enforcement order issued by the Guangzhou Intermediate People’s Court, which released the restricted deposit of approximately HK\$42,485,000 and rental receivable of approximately HK\$2,554,000 to Pearl River Film Production. This restricted deposit of approximately HK\$42,485,000 was transferred to the account under the name of the Guangzhou Intermediate People’s Court in December 2023 for partial settlement of provision for rental and settlement payables.

2. Capital contribution invested in the Cultural Park

Guangdong GDC applied a re-trial to the Supreme People’s Court for the (i) return of capital contribution invested in the construction for the Cultural Park and the related interests in the amount of approximately RMB240,000,000 and RMB54,900,000, respectively, and (ii) compensation on losses of RMB20,000,000 borne by Guangdong GDC arising from the said investment due to breach of contract by Pearl River Film Production. On 27 June 2024, Guangdong GDC was informed that the retrial is rejected by the Supreme People’s Court.

On 16 August 2024, Guangdong GDC applied a protest to People's Procuratorate of Guangdong Province* (廣東省人民檢察院) regarding the above two cases and it is rejected on 25 October 2024. Subsequently, Guangdong GDC submitted a protest application to the Supreme People's Procuratorate of the People's Republic of China (中國最高人民檢察院) on 27 November 2024 and is currently awaiting the judgment.

Based on the magnitude and likelihood of occurrence for the possible outcomes of the current litigation status as advised by the independent external lawyer, management determines that provision for rental and settlement payables and surcharge in relation to the litigation amounts to HK\$138,225,000 for the year ended 31 December 2024.

** English entity name is for identification purpose*

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the six months ended 30 June 2025 (the “Period”), revenue from continuing operations amounted to HK\$30,019,000, representing a decrease of HK\$7,154,000 as compared with HK\$37,173,000 for the corresponding period of 2024. The decrease in revenue was attributable to a combination of the following factors: the year-on-year decrease in related revenue of HK\$5,727,000 resulting from the distribution of only one animated film during the Period (six months ended 30 June 2024: two); a year-on-year decrease in rental and management service fee income of HK\$4,174,000; and a year-on-year increase in revenue from production services of HK\$2,747,000.

Cost of sales from continuing operations for the Period amounted to HK\$24,357,000, representing a decrease of HK\$10,627,000 as compared with HK\$34,984,000 in the corresponding period of 2024, which was mainly attributable to a decrease of HK\$6,435,000 in the production costs of original films recorded in profit or loss during the Period as compared with the corresponding period last year, as well as a decrease in staff costs.

Other income from continuing operations for the Period amounted to HK\$6,777,000 (six months ended 30 June 2024: HK\$5,221,000), which was mainly attributable to government grants of HK\$4,608,000 and interest income of HK\$2,058,000.

Distribution and selling expenses from continuing operations for the Period amounted to HK\$3,011,000, representing a decrease of HK\$9,828,000 as compared with HK\$12,839,000 in the corresponding period last year, which was mainly attributable to the decrease in marketing expenses required to distribute the animated films.

Administrative expenses from continuing operations for the Period amounted to HK\$12,960,000, representing a decrease of HK\$3,130,000 as compared with HK\$16,090,000 in the corresponding period last year, which was mainly attributable to the decrease in professional service fees, depreciation and amortisation and staff costs.

Other net losses from continuing operations for the Period amounted to HK\$1,633,000 (six months ended 30 June 2024: HK\$1,074,000), which was mainly attributable to the decrease in fair value of investment property.

Finance cost from continuing operations for the Period amounted to HK\$89,000 (six months ended 30 June 2024: HK\$165,000). The Group does not have any borrowings and such finance costs were the interest component of lease liabilities.

Profit from the discontinued operation for the Period amounted to HK\$28,816,000, representing an increase of HK\$29,288,000 as compared with the loss of HK\$472,000 for the corresponding period of 2024, which was mainly attributable to a one-off net gain of HK\$33,953,000 arising from the deconsolidation of Guangdong GDC.

In summary, the profit for the Period was HK\$24,033,000, representing an increase of HK\$46,725,000 as compared with the loss of HK\$22,692,000 for the corresponding period last year.

Liquidity and Financial Resources

As at 30 June 2025, the Group had cash and cash equivalents of HK\$203,076,000 (31 December 2024: HK\$223,713,000) and time deposits of HK\$24,561,000 (31 December 2024: Nil), which were mainly denominated in Renminbi (“RMB”), United States dollars (“US\$”) and Hong Kong dollars (“HK\$”).

As at 30 June 2025, the Group had no borrowings or overdrafts. The Group’s current ratio was 2.86 (31 December 2024: 1.05), which was calculated based on current assets of HK\$214,868,000 and current liabilities of HK\$75,188,000.

The Group adheres to the principle of prudent financial management and investment and strives to maintain healthy financial position.

Capital Structure

Equity attributable to owners of the Company amounted to HK\$386,408,000 as at 30 June 2025 (31 December 2024: HK\$358,266,000). The increase was due to exchange differences of HK\$2,992,000 on translation of financial statements from functional currency to presentation currency and the profit attributable to owners of the Company of HK\$25,150,000 for the Period.

Material Acquisitions, Disposals and Significant Investment

The Group did not have any material acquisitions, disposals and significant investment during the six months ended 30 June 2025.

Charge on Assets

As at 30 June 2025, there were no charges on any of the Group’s assets for loans and bank facilities.

Foreign Exchange Exposure

As at 30 June 2025, the Group had no significant exposure under foreign exchange. Currently, the Group earns revenue mainly in RMB, and incurs costs mainly in RMB and HK\$. The Directors believe that the Group’s operational cash flow and liquidity do not have significant foreign exchange exposure, therefore, the Group has not implemented any foreign currency hedging policy at present. However, if necessary, the Group will use reasonable measures to hedge against foreign currency exposure.

Contingent Liabilities

The Group had no significant contingent liabilities as at 30 June 2025.

Employees

As at 30 June 2025, the Group employed 92 (31 December 2024: 109) full-time employees (other than employees of the Group's associates).

The Group remunerates its employees mainly with reference to the prevailing market practice, individual performance and experience. Other benefits, such as medical coverage, insurance plan, mandatory provident fund and discretionary bonus, are also available to the employees of the Group. During the Period, neither the Company nor its subsidiaries had paid or committed to pay any amount as an inducement to join or upon joining the Company and/or its subsidiaries to any individuals.

BUSINESS REVIEW AND OUTLOOK

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

Interactive Entertainment and Digital Assets

The revenue of the Interactive Entertainment and Digital Assets division of the Group was mainly attributable to: (1) the income from production services of animated films, television series, interactive entertainment and digital virtual characters; (2) box office receipts of animated films and distribution revenues of television series; (3) licensing income of animated films and television series; and (4) licensing income derived from the animation intellectual property ("IP").

The division focuses on animation films and TV series, digital virtual characters, and IP operations, emphasizing digital interactive content and media videos. The division provides comprehensive solutions ranging from pre-planning to production and post-promotion. The division covers various types of animated works, which includes promotional videos, animated films, virtual characters, game commentary, and human-computer interaction applications.

In the first half of 2025, the division's business expansion has achieved remarkable result with fruitful results in core technology R&D. The original ocean-themed animated film series 11 was successfully released on schedule, the operation of IPs such as "Ocean theme series" and "Journey to the West," were successfully promoted, the division collaborated closely with Tencent and CCTV Animation. Multiple city name card projects were established in Jiangxi, Guangzhou, and Guangxi, the first domestic "VR Large Space + Cultural Relics Protection" project was completed. AIGC technology was included in Huawei's industry manual, and the self-developed "AI Cloud Mirror Journey* (AI雲鏡之旅)" generated revenue while successfully expanding international orders for virtual characters.

** For identification purpose only*

Property Assets Management (formerly known as “New Cultural and Sports Space”)

The revenue of Property Assets Management division of the Group was mainly derived from: (1) rental income; and (2) management fee income.

The GDC Building has maintained a high occupancy rate for over a decade. Through staff optimization and energy consumption control, operating costs were significantly reduced in the first half of 2025. Despite market pressures, the Foshan Building operation is striving to clear vacant spaces and maintain strict control over expenses.

Government Awards

During the reporting period, the Group has applied 13 government subsidies and awards, which includes the original ocean-themed animation film series 9 and 10 was received subsidy from Shenzhen City, and “the digital virtual characters AI model-driven platform” was awarded subsidy from the Shenzhen Municipal Bureau of Culture, Sports, Tourism, Radio and Television.

In terms of qualifications and awards, the division was recognized as a demonstration unit 21st China (Shenzhen) International Cultural Industries Fair, an off-campus education base in Shenzhen, Innovation-leading Demonstration Unit awarded by China Cultural and Entertainment Industry Association and an outstanding institution for social responsibility by the China Cultural Entertainment Industry Association. The film was nominated for the “Golden Monkey Award* (金猴獎)” in the animation film category at the 21st China International Animation Festival.

Research and Development

In the current era of high-speed and repetitive computing in the digital content industry, technology research and development is the key to building the core competitiveness of the Group. We take AIGC as the core, the Interactive Entertainment and Digital Assets division has strategically upgraded from traditional production processes to a technology solutions provider to reduce creative costs. Notable achievements include:

- A VR360 panoramic rendering process that supports the latest engine rendering technology
- AI facial animation data production processes
- Development of the DynamicRig (dynamic bone) plugin
- Localization of AI large language models
- Implementation of a digital avatar platform

At the same time, the enterprise management system was fully upgraded. In the first half of 2025, based on the existing platform framework, the Interactive Entertainment and Digital Assets division focused on “platform construction and intelligent upgrades”. Through systematic technical repetitive calculations and innovative applications, we can effectively support the improvement of corporate operational efficiency.

** For identification purpose only*

OUTLOOK

Looking ahead to the second half of the year, 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 promote the conversion of key orders such as “Cutely Spy Dog* (萌犬特工)”, “original ocean animated films” and “Journey to the West”, strengthening collaboration with customers, such as Huawei and Qualcomm, while expanding applications in “VR + Cultural Tourism.”

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

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.

LITIGATIONS

1. Litigation in relation to Wuhou Sports Park Project in Chengdu City

On 25 April 2025, Institute of Digital Media Technology (Shenzhen) Limited (環球數碼媒體科技研究(深圳)有限公司) (“IDMT Shenzhen”) filed a civil action against 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) (“Wuhou Investment”) to 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 Supplementary Agreement with Wuhou Investment as Wuhou Investment was unable to complete the Project handover; and (ii) claimed for compensation on losses of RMB11,064,144.74 due to breach of the Operation and Management Agreement and the Supplementary Agreement by Wuhou Investment.

As at the date of this announcement, no judgement has been handed down. The Company will make further announcement(s) concerning further developments of the civil action as and when appropriate.

* For identification purpose only

2. Litigations in relation to the Pearl River Film Cultural Park Project in Guangzhou City

Details of the litigations between 廣東環球數碼創意產業有限公司 (“Guangdong GDC”), a non-wholly owned subsidiary of the Company, and 珠江電影製片有限公司 (“Pearl River Film Production”) in respect of the Pearl River Film Cultural Park Project were reported in the annual report and interim report of preceding financial years. Currently, all the litigations brought by or against Guangdong GDC have been concluded and executed by the courts. Guangdong GDC appealed to the Supreme People’s Procuratorate of the People’s Republic of China on 27 November 2024. As at the date of this announcement, no judgement has been handed down.

As described below, since Guangdong GDC was taken over by the bankruptcy administrator on 11 June 2025, the subsequent appeal procedures will be followed up by the bankruptcy administrator.

DECONSOLIDATION OF GUANGDONG GDC

As disclosed in the Company’s announcement dated 27 May 2025, the bankruptcy liquidation application of Guangdong GDC (the Group’s discontinued operations) had been accepted by the court and a bankruptcy administrator was officially appointed on 11 June 2025. From then on, the Company is no longer be considered to have control over Guangdong GDC and its financial performance is no longer be consolidated into the Group’s financial results.

Should there be any significant update, the Company will make timely disclosure on the respective websites of the Stock Exchange and the Company.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including treasury shares) whether on the Stock Exchange or otherwise during the six months ended 30 June 2025.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules throughout the six months ended 30 June 2025.

COMPLIANCE WITH CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries with the Directors, all Directors confirmed that they have complied with such code of conduct and the required standard of dealings regarding securities transactions by the Directors throughout the six months ended 30 June 2025.

AUDIT COMMITTEE

The Group's interim results for the six months ended 30 June 2025 were unaudited. However, the Company has engaged the Company's auditor, RSM Hong Kong (the "Auditor") to assist the Company's audit committee (the "Audit Committee") to review the 2025 interim results of the Group. The Audit Committee together with the Auditor and the management of the Company have reviewed the unaudited interim results of the Group for the six months ended 30 June 2025.

APPRECIATION

On behalf of the Board, I would like to extend our sincere gratitude to our shareholders, business partners and clients for their utmost support to the Group. I would also like to take this opportunity to extend my gratitude and appreciations to management members and all of the staff of the Group for their hard work and dedication throughout the Period.

By Order of the Board
Global Digital Creations Holdings Limited
Xu Liang
Chairman

Hong Kong, 20 August 2025

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

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