



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)

**FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**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.**

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*This announcement, for which the directors (the “Directors”) 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*

## FINAL RESULTS

The board of Directors of the Company (the “Board”) hereby announces the audited financial results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 with comparative figures for the year ended 31 December 2024.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Continuing operations</b>			
Revenue	2	57,050	70,432
Cost of sales		<u>(33,569)</u>	<u>(85,488)</u>
<b>Gross profit/(loss)</b>		<b>23,481</b>	(15,056)
Other income	4	12,472	11,132
Distribution and selling expenses		(4,683)	(16,967)
Administrative expenses		(32,843)	(31,017)
Reversal of impairment loss on trade receivable		–	119
Other losses, net	5	<u>(21,676)</u>	<u>(12,050)</u>
<b>Loss from operations</b>		<b>(23,249)</b>	(63,839)
Finance cost	6	<u>(155)</u>	<u>(502)</u>
<b>Loss before income tax</b>		<b>(23,404)</b>	(64,341)
Income tax credit	7	<u>6,873</u>	<u>6,381</u>
<b>Loss for the year from continuing operations</b>	8	<b>(16,531)</b>	(57,960)
<b>Discontinued operation</b>			
Profit/(loss) for the year from discontinued operation	9	<u>28,816</u>	<u>(5,852)</u>
<b>Profit/(loss) for the year</b>		<b>12,285</b>	(63,812)
<b>Other comprehensive income:</b>			
<i>Items that reclassified or may be reclassified to profit or loss</i>			
– Exchange differences on translation to presentation currency		11,889	(8,426)
– Exchange differences reclassified to profit or loss on deconsolidation of subsidiaries		<u>(7,778)</u>	<u>–</u>
Other comprehensive income for the year, net of tax		<u>4,111</u>	<u>(8,426)</u>
<b>Total comprehensive income for the year</b>		<b>16,396</b>	(72,238)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME** *(Continued)*

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Profit/(loss) for the year attributable to:</b>			
Owners of the Company			
– continuing operations		(16,531)	(57,960)
– discontinued operation		<u>29,933</u>	<u>(3,980)</u>
		<u>13,402</u>	<u>(61,940)</u>
 Non-controlling interests			
– continuing operations		–	–
– discontinued operation		<u>(1,117)</u>	<u>(1,872)</u>
		<u>(1,117)</u>	<u>(1,872)</u>
		<u><b>12,285</b></u>	<u><b>(63,812)</b></u>
 <b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company			
– continuing operations		1,478	(79,672)
– discontinued operation		<u>20,473</u>	<u>5,055</u>
		<u>21,951</u>	<u>(74,617)</u>
 Non-controlling interests			
– continuing operations		14	–
– discontinued operation		<u>(5,569)</u>	<u>2,379</u>
		<u>(5,555)</u>	<u>2,379</u>
		<u><b>16,396</b></u>	<u><b>(72,238)</b></u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME** *(Continued)*

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b><i>HK cents</i></b>	2024 <i>HK cents</i>
<b>Earnings/(loss) per share</b>	<i>10</i>		
Basic and diluted earnings/(loss) per share			
– Continuing operations		<b>(1.10)</b>	(3.86)
– Discontinued operation		<b>1.99</b>	<u>(0.26)</u>
Total basic and diluted earnings/(loss) per share		<b><u>0.89</u></b>	<b><u>(4.12)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>11,180</b>	11,384
Right-of-use assets		<b>7,895</b>	8,271
Investment property		<b>200,223</b>	211,809
Interest in an associate		–	–
Movies and television programmes rights		<b>1,088</b>	648
Productions work in progress		–	5,425
Time deposits with original maturity over one year		<b>19,700</b>	–
Deposit		–	98
		<hr/>	<hr/>
<b>Total non-current assets</b>		<b>240,086</b>	237,635
<b>Current assets</b>			
Contract assets		<b>1,401</b>	1,111
Trade receivables	12	<b>1,780</b>	3,289
Deposits, prepayments and other receivables		<b>2,993</b>	8,553
Restricted bank deposits		<b>2,720</b>	23
Time deposits		<b>129,323</b>	156,475
Cash and bank balances		<b>81,942</b>	67,238
		<hr/>	<hr/>
		<b>220,159</b>	236,689
<b>Current liabilities</b>			
Trade payables	13	–	47
Accruals and other payables		<b>58,606</b>	63,330
Provision for rental and settlement payables	14	–	138,225
Contract liabilities		<b>476</b>	4,720
Lease liabilities		<b>3,627</b>	8,979
Deferred government grant		<b>780</b>	744
Income tax payable		<b>8,334</b>	8,576
		<hr/>	<hr/>
		<b>71,823</b>	224,621
<b>Net current assets</b>		<hr/> <b>148,336</b>	<hr/> 12,068
<b>Total assets less current liabilities</b>		<hr/> <b>388,422</b>	<hr/> 249,703

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** *(Continued)**As at 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Non-current liabilities</b>			
Lease liabilities		44	201
Contract liabilities		1,839	1,277
Deferred tax liabilities		5,695	11,986
Other payables		289	289
		<u>7,867</u>	<u>13,753</u>
<b>NET ASSETS</b>		<u><b>380,555</b></u>	<u>235,950</u>
<b>Capital and reserves</b>			
Share capital		15,033	15,033
Retained earnings		14,319	437
Other reserves		350,865	342,796
		<u>380,217</u>	358,266
<b>Equity attributable to owners of the Company</b>		<u>380,217</u>	358,266
Non-controlling interests		338	(122,316)
		<u>380,555</u>	<u>235,950</u>
<b>TOTAL EQUITY</b>		<u><b>380,555</b></u>	<u>235,950</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and with the requirements of the Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. The following provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### (a) Application of new and revised HKFRS Accounting Standards

The Group has adopted all of the new or amended HKFRS Accounting Standards and Interpretations issued by the HKICPA that are mandatory for the current reporting period. There was no material impact to the consolidated financial statements as a result of the adoption of these standards.

### (b) Impact of revised HKFRS Accounting Standards in issue but not yet effective

The directors of the Company are in the process of making an assessment of what the impacts of these new standards, amendments to standards and interpretation are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

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

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

## 2. REVENUE

### Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line and geographical regions for the year from continuing operations, including revenue derived from the transfer of goods and services over time and at a point in time is as follows:

	Interactive Entertainment and Digital Assets ("IEDA")		Property Assets Management ("PAM") (formerly known as "New Culture and Sports Space")		Total	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>						
Computer graphic ("CG") production	14,497	12,994	–	–	14,497	12,994
Box office receipts	1,847	7,352	–	–	1,847	7,352
Licensing income from television programmes and movies to online platforms	2,606	4,286	–	–	2,606	4,286
Patent fee income from granting the right to access of trademarks	589	1,045	–	–	589	1,045
Management service fee	–	–	12,342	15,987	12,342	15,987
	<u>19,539</u>	<u>25,677</u>	<u>12,342</u>	<u>15,987</u>	<u>31,881</u>	<u>41,664</u>
<b>Revenue from other source</b>						
Rental income	–	–	25,169	28,768	25,169	28,768
Total revenue from external customers	<u>19,539</u>	<u>25,677</u>	<u>37,511</u>	<u>44,755</u>	<u>57,050</u>	<u>70,432</u>
<b>Primary geographical markets</b>						
Chinese Mainland	19,539	25,677	37,072	43,929	56,611	69,606
Hong Kong	–	–	439	826	439	826
	<u>19,539</u>	<u>25,677</u>	<u>37,511</u>	<u>44,755</u>	<u>57,050</u>	<u>70,432</u>

### 3. SEGMENT INFORMATION

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

The Group's business comprises two reportable operating segments as follows:

(a) IEDA

(b) PAM\*

\* Management has renamed New Cultural and Sports Space to PAM, to align more closely with the Group's development and internal reporting.

The 珠影文化產業園 (the "Cultural Park") operation has been classified as a discontinued operation since 1 December 2018. Certain costs continued to be incurred during the years ended 31 December 2025 and 2024. The segment information reported does not include any amounts for these discontinued operation, which are described in more detail in note 9.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is based on a measure of adjusted profit before income tax, and before unallocated income/expenses, for the purpose of allocating resources and assessing performance. These reports are prepared on the same basis as the consolidated financial statements.

Information about operating segment profit or loss, assets and liabilities from continuing operations:

	IEDA <i>HK\$'000</i>	PAM <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Year ended 31 December 2025</b>				
<b>Segment revenue:</b>				
Revenue from external customers	19,539	37,511	–	57,050
Segment loss	(7,605)	(7,470)	–	(15,075)
Unallocated other income				1,360
Unallocated corporate expenses				<u>(9,689)</u>
Loss before income tax from continuing operations				<u><u>(23,404)</u></u>
<b>Other segment information</b>				
Depreciation:				
– property, plant and equipment	(1,059)	(437)	(130)	(1,626)
– right-of-use assets	–	(656)	(540)	(1,196)
Amortisation of movies and television programmes rights	(9,881)	–	–	(9,881)
Fair value loss on investment property	–	(21,712)	–	(21,712)
Employee benefit expenses	(18,614)	(5,152)	(6,234)	(30,000)
Finance cost	–	(141)	(14)	(155)
Interest income	3,965	1	1,280	5,246
Government grants	6,513	33	–	6,546
	<u>5,795</u>	<u>6,725</u>	<u>84</u>	<u>12,604</u>
Additions to segment non-current assets*				
	<u>5,795</u>	<u>6,725</u>	<u>84</u>	<u>12,604</u>
<b>As at 31 December 2025</b>				
Segment assets	<u>127,780</u>	<u>278,273</u>	<u>54,192</u>	<u>460,245</u>
Segment liabilities	<u>38,840</u>	<u>37,401</u>	<u>3,449</u>	<u>79,690</u>

\* Excluding time deposits with original maturity over one year

	IEDA HK\$'000	PAM HK\$'000	Unallocated HK\$'000	Total HK\$'000
<b>Year ended 31 December 2024</b>				
<b>Segment revenue:</b>				
Revenue from external customers	25,677	44,755	–	70,432
Segment loss	(46,167)	(6,131)	–	(52,298)
Unallocated other income				568
Unallocated corporate expenses				(12,611)
Loss before income tax from continuing operations				(64,341)
<b>Other segment information</b>				
Depreciation:				
– property, plant and equipment	(1,526)	(362)	(105)	(1,993)
– right-of-use assets	–	(4,748)	(308)	(5,056)
Impairment loss on right-of-use assets	–	(6,072)	–	(6,072)
Amortisation of movies and television programmes rights	(19,424)	–	–	(19,424)
Impairment loss on movies and television programmes rights and productions work in progress	(4,490)	–	–	(4,490)
Fair value loss on investment property	–	(11,711)	–	(11,711)
Employee benefit expenses	(31,030)	(9,704)	(5,993)	(46,727)
Finance cost	–	(490)	(12)	(502)
Interest income	4,006	14	557	4,577
Government grants	5,932	10	–	5,942
Additions to segment non-current assets	11,074	19,582	2,104	32,760
<b>As at 31 December 2024</b>				
<b>Segment assets</b>	<b>159,036</b>	<b>302,657</b>	<b>12,631</b>	<b>474,324</b>
<b>Segment liabilities</b>	<b>41,476</b>	<b>45,514</b>	<b>151,384</b>	<b>238,374</b>

## Geographical information:

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets excluding time deposits with original maturity over one year by location of assets are detailed below:

	Revenue		Non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Chinese Mainland	56,611	69,606	219,616	235,980
Hong Kong	439	826	770	1,655
Consolidated total	<u>57,050</u>	<u>70,432</u>	<u>220,386</u>	<u>237,635</u>

Revenue from one customer of the Group's PAM segment (2024: one customer of the Group's IEDA segment) represented approximately HK\$6,759,000 (2024: HK\$7,135,000) of the total revenue of the Group for the year ended 31 December 2025.

## 4. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
<b>Continuing operations</b>		
Bank interest income	5,246	4,577
Government grants	6,546	5,942
Other	680	613
	<u>12,472</u>	<u>11,132</u>

## 5. OTHER LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
<b>Continuing operations</b>		
Fair value loss on investment property	(21,712)	(11,711)
Gain on disposal of property, plant and equipment	63	–
Net foreign exchange loss	(11)	(339)
Write-off of trade receivables	(16)	–
	<u>(21,676)</u>	<u>(12,050)</u>

## 6. FINANCE COST

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Continuing operations</b>		
Finance cost on lease liabilities	<u>155</u>	<u>502</u>

## 7. INCOME TAX CREDIT

Income tax relating to continuing operations has been recognised in profit or loss as following:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Current tax		
Provision for the year	146	618
Over-provision in prior years	<u>-</u>	<u>(318)</u>
	<u>146</u>	<u>300</u>
Deferred tax	<u>(7,019)</u>	<u>(6,681)</u>
	<u><b>(6,873)</b></u>	<u><b>(6,381)</b></u>

## 8. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

The Group's loss for the year from continuing operations is stated after charging/(crediting) the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Auditor's remuneration		
– Audit services	800	1,180
– Non-audit services	150	390
Amortisation of movies and television programmes rights	9,881	19,424
Reversal of allowance for trade receivables	–	(119)
Depreciation of property, plant and equipment	1,626	1,993
Depreciation of right-of-use assets	1,196	5,056
Fair value loss on investment property	21,712	11,711
Impairment loss on right-of-use assets	–	6,072
Provision for impairment of movies and television programmes rights	–	4,490
Research and development expense	4,536	4,583
Write-off of trade receivables	16	–
Direct operating expenses of investment property that generate rental income	<u>2,512</u>	<u>2,311</u>

## 9. DISCONTINUED OPERATION

During the year ended 31 December 2025, the Intermediate People's Court of Guangzhou 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"), which is a company incorporated in the People's Republic of China (the "PRC"), for the reasons of being insolvent and its assets not being sufficient to repay its indebtedness. The equity interest held by the non-controlling interest is 32% as of the year ended 31 December 2024.

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

The 珠影文化產業園 (the "Cultural Park") operation has been classified as discontinued operation since 1 December 2018.

Set out below is the summarised financial information for Guangdong GDC before inter-company eliminations.

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Profit/(loss) for the year from discontinued operation:		
Other income	–	2
Administrative expenses	<b>(2,289)</b>	(1,174)
Provision for rental and settlement expenses, net	<b>(2,848)</b>	(4,680)
Income tax expenses	–	–
	<hr/>	<hr/>
Loss for the year	<b>(5,137)</b>	(5,852)
Gain on deconsolidation of subsidiaries	<b>33,953</b>	–
	<hr/>	<hr/>
Profit/(loss) for the year from discontinued operation	<b>28,816</b>	(5,852)
	<hr/> <hr/>	<hr/> <hr/>

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 bank balances	60
Accruals and other payables	(155,078)
Due to group companies*	<hr/> (244,092)
Net liabilities upon deconsolidation	(398,476)
Net liabilities attributable to non-controlling interests	128,209
Release of exchange reserve	<hr/> (7,778)
Net liabilities attributable to owners of the Company	<hr/> <hr/> (278,045)
Due from Guangdong GDC	<hr/> <hr/> 244,092
Gain attributable to owners of the Company upon deconsolidation	<hr/> <hr/> 33,953

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

## 10. EARNINGS/(LOSS) PER SHARE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit/(loss) attributable to owners of the Company		
– Continuing operations	(16,531)	(57,960)
– Discontinued operation	<u>29,933</u>	<u>(3,980)</u>
	<u><b>13,402</b></u>	<u>(61,940)</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Weighted average number of outstanding ordinary shares	<u><b>1,503,310</b></u>	<u>1,503,420</u>
	2025 <i>HK cents</i>	2024 <i>HK cents</i>
Basic and diluted earnings/(loss) per share		
– Continuing operations	(1.10)	(3.86)
– Discontinued operation	<u>1.99</u>	<u>(0.26)</u>
Total basic and diluted earnings/(loss) per share	<u><b>0.89</b></u>	<u>(4.12)</u>

Basic earnings/(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 year excluding ordinary shares repurchased by the Company during the year.

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as there were no potential dilutive ordinary shares outstanding during the year ended 31 December 2025 (2024: same).

## 11. DIVIDEND

No dividend was paid, declared, or proposed during the years ended 31 December 2025 and 2024, and no dividend has been proposed since the end of the reporting period.

## 12. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables from contracts with customers	1,035	1,738
Rental receivables	<u>939</u>	<u>1,736</u>
	<b>1,974</b>	3,474
Allowance for doubtful debts	<u>(194)</u>	<u>(185)</u>
	<u><b>1,780</b></u>	<u>3,289</u>

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:

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Current to 90 days	<b>1,944</b>	3,236
91 to 180 days	<b>30</b>	–
Over 180 days	<u>–</u>	<u>238</u>
	<b><u>1,974</u></b>	<b><u>3,474</u></b>

The carrying amounts of the Group's trade receivables are denominated in Renminbi ("RMB").

### 13. TRADE PAYABLES

	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
Trade payables	<u>–</u>	<u>47</u>

### 14. PROVISION FOR RENTAL AND SETTLEMENT PAYABLES

The provision for rental and settlement payable of HK\$138,225,000 as at 31 December 2024 relates to legal dispute between Guangdong GDC 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.

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 was no longer deemed to have control over Guangdong GDC and its financial results were deconsolidated from Group's consolidated financial statements (note 9).

## **FINAL DIVIDEND**

The Board does not recommend the payment of final dividend for the year ended 31 December 2025 (2024: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL REVIEW**

#### **Revenue**

For the year ended 31 December 2025 (the “Year”), revenue from continuing operations amounted to HK\$57,050,000, representing a decrease of HK\$13,382,000 as compared with HK\$70,432,000 in 2024. The decrease in revenue resulted from the combined impact of the following factors: Only one animated film (2024: two animated films) was distributed during the Year, leading to a year-on-year decrease in related income of HK\$7,641,000. Rental and management service fee income decreased by HK\$7,244,000 year-on-year, while income from production services increased by HK\$1,503,000 year-on-year.

#### **Cost of Sales**

Cost of sales from continuing operations for the Year amounted to HK\$33,569,000, representing the decrease of HK\$51,919,000 as compared with HK\$85,488,000 in 2024. Cost of sales from Interactive Entertainment and Digital Assets recorded a year-on-year decrease of HK\$30,353,000, which was mainly attributable to reductions in direct labor costs, outsourcing expenses, and original film production costs recognized in profit or loss. The cost of sales for the Property Assets Management segment also decreased by HK\$21,566,000 year-on-year, mainly attributable to reduced operating costs resulting from the termination of the Suzhou project.

#### **Other Income**

Other income from continuing operations for the Year amounted to HK\$12,472,000 (2024: HK\$11,132,000) was mainly from government grants of HK\$6,546,000 and interest income of HK\$5,246,000.

#### **Distribution and Selling Expenses**

Distribution and selling expenses from continuing operations for the Year amounted to HK\$4,683,000, representing a decrease of HK\$12,284,000 as compared with HK\$16,967,000 in 2024, which was mainly attributable to the decrease in selling expenses required to distribute the films.

## **Administrative Expenses**

Administrative expenses from continuing operations for the Year amounted to HK\$32,843,000, representing an increase of HK\$1,826,000 as compared with HK\$31,017,000 in 2024, which was mainly attributable to the combined effect of two factors: year-on-year decrease of HK\$4,790,000 in administrative expenses for the Year, mainly representing the decrease of labor costs and professional service fees; and the provision of related costs of approximately HK\$6,615,000 due to the termination of the Chengdu projects.

## **Other Losses, Net**

Other net losses from continuing operations for the Year amounted to HK\$21,676,000, representing an increase of HK\$9,626,000 as compared with HK\$12,050,000 in 2024, which was attributable to an increase of HK\$10,001,000 arising from the drop in the fair value of investment properties in 2025 as compared with 2024.

## **Finance Cost**

Finance cost from continuing operations for the Year amounted to HK\$155,000 (2024: HK\$502,000). The Group does not have any borrowings and such finance costs were the interest component of lease liabilities.

## **Loss from Continuing Operations**

Based on the above factors, loss from the continuing operations for the Year amounted to HK\$16,531,000, representing a decrease of HK\$41,429,000 as compared with HK\$57,960,000 for the corresponding period of 2024.

## **Profit/(Loss) from Discontinued Operation**

Profit from the discontinued operation for the Year amounted to HK\$28,816,000, representing an increase in profit of HK\$34,668,000 as compared with loss of HK\$5,852,000 in 2024, which was mainly attributable to the one-off net gain of HK\$33,953,000 arising from the deconsolidation of Guangdong GDC.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 31 December 2025, the Group had cash and bank balances, restricted bank deposits and fixed deposits of HK\$233,685,000 (2024: HK\$223,736,000), which were mainly denominated in RMB, United States dollars and Hong Kong dollars.

As at 31 December 2025, the Group had no borrowings or overdrafts. The Group's current ratio was 3.07 (2024: 1.05), which was calculated based on current assets of HK\$220,159,000 and current liabilities of HK\$71,823,000.

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\$380,217,000 as at 31 December 2025 (2024: HK\$358,266,000). The increase mainly comprises exchange differences of HK\$8,549,000 and the profit attributable to owners of the Company of HK\$13,402,000 during the Year.

## **MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENT**

The Group did not have any material acquisitions, disposals and significant investment during the year ended 31 December 2025.

## **CHARGE ON ASSETS**

As at 31 December 2025, there were no charges on any of the Group's assets for loans and bank facilities.

## **FOREIGN EXCHANGE EXPOSURE**

As at 31 December 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, and thus has not implemented any foreign currency hedging policy at the moment. However, if necessary, the Group will use reasonable measures to hedge against foreign currency exposure. The closing RMB to HK\$ exchange rate as at 31 December 2025 was approximately 4.6% higher than the exchange rate as at the end of 2024, leading to an exchange gain of HK\$11,889,000 being recognised in the other comprehensive income upon translation of financial statements from functional currency to presentation currency for the Year.

## **CONTINGENT LIABILITIES**

The Group had no significant contingent liabilities as at 31 December 2025.

## **EMPLOYEES**

As at 31 December 2025, the Group employed 96 (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 Year, 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 2025, navigating a complex external environment, the Group demonstrated strong resilience by adhering to its dual-core strategy of innovation-driven growth and quality driven efficiency enhancement.

### **Interactive Entertainment and Digital Assets**

The revenue from 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 original animated films and distribution revenues of television series; (3) licensing income of original animated films and television series; and (4) licensing income derived from the animation intellectual property (“IP”).

The Interactive Entertainment and Digital Assets business focuses on animated films, Virtual Reality (“VR”), digital virtual characters and IP operations, emphasizing digital interactive content and application scenario solutions. The business covers various types of digital content including animated films, VR films, immersive space experience, virtual characters, and human-computer interaction applications. In 2025, we intensified R&D investment in VR projects and AI integration, yielding significant breakthroughs in core technologies. During the year, the original animated films “Ocean-themed Series 10” was selected as a national film masterpiece by the China Film Administration; “Ocean-themed Series 11” hit the theaters across China; “Ocean-themed Series 12” adopted an entirely new VR film production workflow. Moreover, benchmark projects such as Guangzhou Liede, Guangxi Xingning, and Suzhou High Speed Rail have been established. China’s first “VR Large Space + Cultural Relics Protection” project has been completed. The Nanhu Red Boat project achieved immersive historical recreation, pioneering a new paradigm for red tourism integration. Comprehensive digital virtual character simulation solutions and game production services were provided to Tencent IEG/TEG. Our AIGC technology was featured in Huawei’s industry handbook. Our self-developed “AI Cloud Mirror Journey\* (AI雲鏡之旅)” has been launched at high-end exhibitions across 14 countries and secured international orders.

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

The revenue from the Property Assets Management business of the Group was primarily derived from rental income and management fee income.

GDC has been operating GDC Building in Shenzhen for many years. Through workforce optimization and energy consumption control, it has achieved significant cost reduction and steady improvement in the quality of its asset portfolio. Despite market pressures, the Foshan project demonstrated agile operational capabilities by strictly controlling expenditures.

## **Government Grant**

We kept abreast of latest government grant policies and applied for 19 government award projects, including the award for national film masterpieces by the China Film Administration in 2024, film subsidies from Guangdong Province, award for original animated films the original animated films “Ocean themed Series 9 and 10” from Shenzhen, award for 2024 Digital Innovation Technology R&D and Application Project (the digital virtual character A.I. large model-driven platform) by Culture, Media, Television, Tourism and Sports Bureau of Shenzhen Municipality, subsidies for a demonstration unit at China (Shenzhen) International Cultural Industries Fair, and sponsor for professional design software usage. These projects have been approved, which were scheduled to achieve the annual budget target. In addition, we completed the applications for 12 copyright computer software copyrights and 126 copyrights of works.

In terms of qualifications and awards, GDC was recognized as a demonstration unit at 21st China (Shenzhen) International Cultural Industries Fair, a technology-based SME in Shenzhen, an innovative SME in Shenzhen, an off-campus education base in Shenzhen as well as an innovation-leading demonstration unit, an outstanding institution for social responsibility and an outstanding contribution unit awarded by the China Cultural and Entertainment Industry Association. Its original animated film “Ocean-themed Series 10” 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**

Our R&D team, in alignment with our corporate strategy, continued to advance the upgrade of our technical systems, building its comprehensive capabilities with intelligent content production focused on AIGC so as to achieve a critical leap from a traditional production model to a technology-driven organization.

We achieved systematic breakthroughs in enterprise-grade large models, full-stack intelligent workflows, Unreal Engine 5 extreme rendering systems, automated toolchains, AI animation, and VR360 panoramic rendering, establishing a self-controlled foundation for content production technology that significantly enhances production efficiency and delivery quality. Meanwhile, the digital upgrade of our enterprise level management system has been fully completed, markedly strengthening organizational operational synergy and production efficiency.

Our team completed certain R&D projects throughout the year, and secured 12 software copyrights, building a robust intellectual property barrier. We also participated in a number of major local and international projects deliveries, continuously validating the industry value of our solutions and our international service capabilities.

In general, our team achieved comprehensive advancement in technical capabilities, system platforms, knowledge assets, and delivery systems throughout 2025, laying a solid technological foundation for the Group’s future strategic expansion and intelligent development.

*\* For identification purpose only*

## OUTLOOK

Looking forward, GDC will strive to transform from a digital content provider into a digital interactive entertainment provider, developing a diversified model centered on four pillars, namely space operations, digital content production, industrial intelligent digitalization, and interactive entertainment experiences.

Guided by the core principles of “refining existing assets, innovating new growth areas, deepening technological capabilities and optimizing management flexibility”, the Group will deepen reform and innovation to drive development toward higher efficiency, greater resilience, and enhanced sustainability.

GDC will strengthen our competitive foundation through innovation, activate growth momentum through synergy, optimize talent and technology allocation, elevate business quality, and strive to expand markets, creating greater value for our shareholders.

## UPDATE ON 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”), a wholly owned subsidiary of the Company 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.

### 2. Litigations in relation to Pearl River Film Cultural Park 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 interim report and annual report of preceding financial years. All the litigations brought by or against Guangdong GDC in relation to Pearl River Film Cultural Park have been concluded by the courts. Guangdong GDC was taken over by the bankruptcy administrator on 11 June 2025. On 28 September 2025, the Guangzhou Intermediate People’s Court declared official bankruptcy of Guangdong GDC.

Should there be any significant update, the Company will make timely disclosure on the respective websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company.

\* For identification purpose only

## **REPURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (whether on the Stock Exchange or otherwise).

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

During the year ended 31 December 2025, the Company has applied and complied with the principles of the code provisions of the Corporate Governance Code as set out in Appendix C1 under the GEM Listing Rules to the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of the Stock Exchange.

## **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 year ended 31 December 2025.

## **AUDIT COMMITTEE**

The Company’s Audit Committee together with the auditor and the management of the Company have reviewed the final results of the Group for the year ended 31 December 2025.

## **SCOPE OF WORK OF RSM HONG KONG**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 (“the Year”) as set out in the preliminary announcement have been agreed by the Group’s auditor, RSM Hong Kong, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by RSM Hong Kong on the preliminary announcement.

## **ANNUAL GENERAL MEETING**

The annual general meeting of the Company (the “Annual General Meeting”) will be held on Friday, 22 May 2026. The notice of the Annual General Meeting will be separately published in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 19 May 2026 to Friday, 22 May 2026, both dates inclusive, during which period, no transfer of shares will be registered. In order to qualify for attend and vote at the Annual General Meeting, 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, 18 May 2026.

## **PUBLICATION OF 2025 FINAL RESULTS AND 2025 ANNUAL REPORT**

The 2025 final results announcement of the Company is published on the website of the Stock Exchange and the Company's website. The 2025 annual report of the Company will be despatched to the shareholders of the Company and published on the above websites in due course.

## **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 for their hard work and dedication throughout the year.

By Order of the Board  
**Feng Xianhuai**  
*Chairman & Managing Director*

Hong Kong, 25 March 2026

*As at the date of this announcement, 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 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>.*