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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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Global Digital Creations Holdings Limited, you should at once hand this circular and the accompanying 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.

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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)

PROPOSALS FOR GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice of annual general meeting of Global Digital Creations Holdings Limited to be held at 10:30 a.m. on Friday, 6 June 2008 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the meeting, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrars and transfer office of the Company, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the meeting 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 meeting or any adjourned meeting (as the case may be) should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the date of posting.

31 March 2008

* For identification purpose only

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be held at 10:30 a.m. on Friday, 6 June 2008 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong or any adjournment thereof
“associate(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“Company”	Global Digital Creations Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the GEM
“connected person”	has the same meaning as ascribed to it under the GEM Listing Rules
“controlling shareholder”	has the same meaning as ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	25 March 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“PRC”	the People’s Republic of China but excluding, for the purpose of this circular, Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan

DEFINITIONS

“SCG”	Shougang Concord Grand (Group) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers
“%”	per cent.



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)

Directors:

Cao Zhong (*Chairman*)

Chen Zheng (*Managing Director*)

Jin Guo Ping (*Deputy Managing Director*)

Lu Yi, Gloria (*Deputy Managing Director*)

Leung Shun Sang, Tony (*Non-executive Director*)

Kwong Che Keung, Gordon

(*Independent Non-executive Director*)

Bu Fan Xiao

(*Independent Non-executive Director*)

Hui Hung, Stephen

(*Independent Non-executive Director*)

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal Office in Hong Kong:

Rooms 1101-4, 11th Floor

Harcourt House

39 Gloucester Road

Wanchai

Hong Kong

31 March 2008

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with details regarding the proposals for (i) granting of general mandates to the Directors to issue and repurchase the Shares and (ii) re-election of retiring Directors. Such proposals will be dealt at the Annual General Meeting.

* For identification purpose only

LETTER FROM THE BOARD

GENERAL MANDATES

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with Shares not exceeding in aggregate 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of such resolution; (ii) to repurchase Shares comprising the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of such resolution; and (iii) to add the aggregate amount of the Shares repurchased by the Company to the general mandate to the Directors to allot new Shares of up to 20% of the issued share capital of the Company.

The mandates to issue and repurchase Shares granted at the annual general meeting held on 6 June 2007 will lapse at the conclusion of the Annual General Meeting. Resolutions Nos. 5 to 7 set out in the notice of Annual General Meeting will be proposed at the Annual General Meeting to renew these mandates. With reference to these resolutions, the Directors wish to state that they have no present intention to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

Based on 1,295,245,540 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are repurchased or issued prior to the Annual General Meeting, subject to the passing of the relevant ordinary resolutions to approve the mandate to issue Shares at the Annual General Meeting, the Directors will be authorised to allot and issue up to a limit of 259,049,108 Shares under the general mandate to issue Shares.

The explanatory statement, required by the GEM Listing Rules to be sent to Shareholders in connection with the proposed general mandate to repurchase the Shares (the “Repurchase Mandate”) is set out in the Appendix to this circular. This contains all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out in this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve the general mandates for the issue and repurchase by the Company of its own Shares.

Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out as follows:

Ms. Lu Yi, Gloria, aged 37, a chartered financial analyst. Ms. Lu was appointed the Deputy Managing Director of the Company in September 2007. She was a senior management of Deutsche Securities Asia Limited, a wholly-owned subsidiary of Deutsche Bank AG. Save as disclosed above, Ms. Lu does not hold any directorships in other listed public companies in the last three years and is independent of and not connected with the directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company or any of its subsidiaries.

LETTER FROM THE BOARD

A service contract has been entered into between Ms. Lu and a wholly-owned subsidiary of the Company for a term of three years commencing on 1 January 2008. Under the service contract, Ms. Lu is entitled to a monthly salary of HK\$120,000 and a housing allowance of a maximum amount of HK\$100,000 per month which are determined with reference to her experience and duties as well as the then prevailing market conditions. Ms. Lu is also entitled to a discretionary bonus as may be determined by the Remuneration Committee of the Company from time to time with reference to the then prevailing market conditions, the performance of the Company as well as her individual performance. For the financial year ended 31 December 2007, the discretionary bonus received by Ms. Lu is HK\$240,000. As at the Latest Practicable Date, Ms. Lu had a beneficial interest of 12,000,000 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

In relation to the proposed re-election of Ms. Lu as a Director, there is no information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provision under Rules 17.50(2)(h) to (v) of the GEM Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Leung Shun Sang, Tony, aged 65. Mr. Leung was appointed a Non-executive Director of the Company in December 2005. He is the Chairman of the Remuneration Committee of the Company and the Vice Chairman of the Nomination Committee of the Company. He is also a Director of each of Shougang Concord International Enterprises Company Limited, Shougang Concord Technology Holdings Limited, Shougang Concord Century Holdings Limited (“Shougang Century”) and SCG, the holding company of the Company. Mr. Leung is also the managing director of CEF Group. Save as disclosed above, Mr. Leung does not hold any directorships in other listed public companies in the last three years and is independent of and not connected with the directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company or any of its subsidiaries. Mr. Leung holds a master degree in business administration from New York State University and has over 30 years of experience in finance, investment and corporate management.

An engagement letter has been entered with Mr. Leung for a term of three years commencing on 1 January 2008. Under the engagement letter, Mr. Leung will receive a director’s fee as may be determined by the Board from time to time pursuant to the authority to be given by the Shareholders at the Annual General Meeting. For the financial year ending 31 December 2008, the director’s fee for Mr. Leung is proposed to be HK\$190,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Leung. For the financial year ended 31 December 2007, the director’s fee of Mr. Leung is HK\$120,000, which was determined by the Board pursuant to the authority given by the Shareholders and with reference to Mr. Leung’s experience and duties as well as the then prevailing market conditions. As at the Latest Practicable Date, Mr. Leung had beneficial interests of 8,008,200 Shares and of 4,900,000 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

In relation to the proposed re-election of Mr. Leung as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provision under Rules 17.50(2)(h) to (v) of the GEM Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

Professor Bu Fan Xiao, aged 62, graduated from Zhejiang University in 1982 majored in chemical engineering with automation concentration. Professor Bu was appointed an Independent Non-executive Director of the Company in May 2005. He is a member of each of Audit, Nomination and Remuneration Committee of the Company. He was the vice chancellor of Zhejiang University and is currently the chairman of Zhejiang University Qware Technology Group Co., Ltd. Save as disclosed above, Professor Bu does not hold any directorships in other listed public companies in the last three years and is independent of and not connected with the directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company or any of its subsidiaries. Professor Bu has over 20 years of experience in administrative management.

An engagement letter has been entered with Professor Bu for a term of three years commencing on 1 January 2008. Under the engagement letter, Professor Bu will receive a director's fee as may be determined by the Board from time to time pursuant to the authority to be given by the Shareholders at the Annual General Meeting. For the financial year ending 31 December 2008, the director's fee of Professor Bu is proposed to be HK\$240,000 for a full year which will be paid in proportion to the actual length of services provided by Professor Bu. For the financial year ended 31 December 2007, the director's fee of Professor Bu is HK\$150,000, which was determined by the Board pursuant to the authority given by the Shareholders and with reference to Professor Bu's experience and duties as well as the then prevailing market conditions. As at the Latest Practicable Date, Professor Bu had a beneficial interest of 1,290,820 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

In relation to the proposed re-election of Professor Bu as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provision under Rules 17.50(2)(h) to (v) of the GEM Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Professor Bu, being an Independent Non-executive Director of the Company, has provided an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Nomination Committee of the Company, therefore, considers Professor Bu to be independent and believes that he should be re-elected.

Mr. Hui Hung, Stephen, aged 50. Mr. Hui was appointed an Independent Non-executive Director of the Company in February 2006. He is a member of each of Audit, Nomination and Remuneration Committee of the Company. He was also an Independent Non-executive Director of each of Shougang Century and SCG. Mr. Hui is the managing director of Federal Glory International Limited and Eastern Gain International Limited and was the manager of the China Division of the Far East Regional Office of the Bank of Credit and Commerce International in Hong Kong and an independent non-executive director of The Quaypoint Corporation Limited, a Hong Kong listed company. Save as disclosed above, Mr. Hui does not hold any directorships in other listed public companies in the last three years and is

LETTER FROM THE BOARD

independent of and not connected with the directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company or any of its subsidiaries. Mr. Hui graduated from Middlesex University in the United Kingdom in 1982 with a bachelor of arts degree in economics and geography. Mr. Hui has been conferred a master of business administration in 2001 by the Barrington University of the United States. Mr. Hui has extensive experience in banking, investment and financing investment in Mainland China.

An engagement letter has been entered with Mr. Hui for a term of three years commencing on 1 January 2008. Under the engagement letter, Mr. Hui will receive a director's fee as may be determined by the Board from time to time pursuant to the authority to be given by the Shareholders at the Annual General Meeting. For the financial year ending 31 December 2008, the director's fee of Mr. Hui is proposed to be HK\$240,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Hui. For the financial year ended 31 December 2007, the director's fee of Mr. Hui is HK\$150,000, which was determined by the Board pursuant to the authority given by the Shareholders and with reference to Mr. Hui's experience and duties as well as the then prevailing market conditions. As at the Latest Practicable Date, Mr. Hui had beneficial interests of 800,820 Shares and of 490,000 underlying Shares attached to the share options granted by the Company within the meaning of Part XV of the SFO.

In relation to the proposed re-election of Mr. Hui as a Director, there is no information which is discloseable nor is/was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provision under Rules 17.50(2)(h) to (v) of the GEM Listing Rules, and there is no other matter that needs to be brought to the attention of the Shareholders.

Mr. Hui, being an Independent Non-executive Director of the Company, has provided an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Nomination Committee of the Company, therefore, considers Mr. Hui to be independent and believes that he should be re-elected.

A form of proxy for the Annual General Meeting is enclosed herewith. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy and return it to the Hong Kong branch share registrars and transfer office of the Company, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, 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 Annual General Meeting 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 Annual General Meeting or any adjourned meeting (as the case may be) should you so wish.

LETTER FROM THE BOARD

DEMANDING A POLL AT ANNUAL GENERAL MEETING

Pursuant to Bye-law 66 of the Bye-laws, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the Shareholders present in person or (being a corporation) by a duly authorised corporate representative, but a poll may be demanded (before or upon the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) by the chairman of the relevant meeting or by:

- (a) at least 3 Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting;
or
- (b) any Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting;
or
- (c) a Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to vote at the meeting, being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right; or
- (d) if required by the rules of the designated stock exchange, any Director or Directors who, individually or collectively, hold proxies in respect of shares representing 5% or more of the total voting rights at the meeting.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the proposals for (i) granting of general mandates to the Directors to issue and repurchase Shares and (ii) re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the Annual General Meeting in respect thereof.

Yours faithfully,

For and on behalf of

Global Digital Creations Holdings Limited

Cao Zhong

Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules which is set out as follows:

1. SHAREHOLDERS' APPROVAL

All proposed repurchases of shares by a company with a primary listing on the GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction. The Company's sole listing is on the GEM.

2. SOURCE OF FUNDS

Repurchases must be funded out of funds legally available for the purpose in accordance with the Bye-laws and the applicable laws of Bermuda. It is presently proposed that any Shares repurchased under the Repurchase Mandate would be purchased out of the capital paid up on the repurchased Shares, the profits of the Company which would otherwise be available for dividend and the Company's share premium account.

3. EXERCISE OF THE REPURCHASE MANDATE

The Shares proposed to be repurchased by the Company must be fully paid up. Under the GEM Listing Rules, the total number of shares which a company is authorised to repurchase on the GEM is shares representing up to a maximum of 10% of the existing issued share capital as at the date of the resolution granting such general mandate. Exercise in full of the Repurchase Mandate, on the basis of 1,295,245,540 Shares in issue as at the Latest Practicable Date and assuming no Shares are issued and repurchased by the Company, could result in up to 129,524,554 Shares, which represents 10% of the issued share capital of the Company as at the Latest Practicable Date, being repurchased by the Company during the period from the passing of the resolution granting the Repurchase Mandate up to the conclusion of the next annual general meeting of the Company or the expiration of the period within the next annual general meeting of the Company as required by the applicable laws of Bermuda to be held, or when revoked or varied by an ordinary resolution of Shareholders in general meeting, whichever occurs first.

4. REASONS FOR REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they believe that it is in the best interests of the Company and the Shareholders to have a general authority from Shareholders to enable the Directors to purchase Shares on the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws and the applicable laws of Bermuda.

The exercise in full of the Repurchase Mandate might have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in its most recent audited accounts for the year ended 31 December 2007. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

6. GENERAL

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by Shareholders to sell Shares to the Company or its subsidiaries.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of Bermuda.
- (c) If as a result of the share repurchase a shareholder's proportionate interest in the voting rights of the repurchasing company increases, such increase will be treated as an acquisition of voting rights for purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of a repurchasing company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, SCG was beneficially interested in approximately 52% of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full and no further Shares are issued during the proposed repurchase period, the beneficial interest of SCG in the issued share capital of the Company will increase to approximately 57%. The Directors are not aware of any consequences for SCG under the Takeovers Code as a result, solely, of the Directors exercising the Repurchase Mandate in full.

- (d) The Company has not repurchased any of its Shares (whether on the GEM or otherwise) in the six months preceding the Latest Practicable Date and will not repurchase its Shares if public float is less than 25%.
- (e) No connected person has notified the Company that he or she has a present intention to sell Shares to the Company, and no connected person has undertaken not to sell any of Shares held by him/her to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

(f) The highest and lowest prices at which the Shares have traded on the GEM during each of the previous twelve months were as follows:

	Highest HK\$	Lowest HK\$
2007		
March	1.780	0.480
April	2.050	1.440
May	2.810	1.820
June	3.050	2.600
July	3.700	2.650
August	3.350	2.200
September	3.700	2.520
October	3.000	2.500
November	2.940	2.340
December	2.600	1.570
2008		
January	1.790	1.050
February	1.250	0.700
March (up to Latest Practicable Date)	0.780	0.395



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 the Annual General Meeting of Global Digital Creations Holdings Limited (the “Company”) will be held at 10:30 a.m. on Friday, 6 June 2008 at JW Marriott Ballroom, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong for the following purposes:

AS ORDINARY BUSINESS

1. To receive the report of the directors and the audited financial statements for the year ended 31 December 2007.
2. To re-elect the retiring directors.
3. To authorise the board of directors to fix the directors’ remuneration for the year ended 31 December 2008 and all subsequent years.
4. To appoint auditors and to authorise the directors to fix their remuneration.

AS SPECIAL BUSINESS

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and it is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (iv) any scrip dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution; and

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or any class thereof (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any territories outside Hong Kong).”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, and that the exercise by the directors of all the powers of the Company to repurchase such shares subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, be and it is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) in addition, the approval in paragraph (a) above shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate nominal amount of shares repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the revocation or variation of this resolution by any ordinary resolution of the shareholders of the Company in general meeting.”

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolution no. 6 as set out in the notice convening this meeting of which this resolution forms part, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said resolution no. 6 shall be added to the aggregate nominal amount of the shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to and in accordance with resolution no. 5 as set out in the notice convening this meeting of which this resolution forms part.”

By Order of the Board
Cheng Man Ching
Company Secretary

Hong Kong, 31 March 2008

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) With respect to Resolution 2 above, Ms. Lu Yi, Gloria, Mr. Leung Shun Sang, Tony, Professor Bu Fan Xiao and Mr. Hui Hung, Stephen will retire from office at the above meeting pursuant to the bye-laws of the Company and, being eligible, offer themselves for re-election at the above meeting.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
- (3) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a member of the Company.
- (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 lodged at the Hong Kong branch share registrars and transfer office of the Company, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting 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 meeting 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, 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 meeting, 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 be accepted to the exclusion of the votes of the other registered holders.