G·D·C

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 2026

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* *For identification purpose only*

INTERIM RESULTS

The board of Directors (the "Board") of Global Digital Creations Holdings Limited (the "Company") hereby announces the unaudited interim condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2026. 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 2026

		(Unaudited) Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Continuing operations			
Revenue	*2*	**28,354**	30,019
Cost of sales		**(15,394)**	(24,357)
Gross profit		**12,960**	5,662
Other income	*3*	**3,712**	6,777
Distribution and selling expenses		**(242)**	(3,011)
Administrative expenses		**(11,624)**	(12,960)
Other losses, net		**(2,072)**	(1,633)
Profit/(loss) from operations		**2,734**	(5,165)
Finance cost		**(9)**	(89)
Profit/(loss) before income tax	*4*	**2,725**	(5,254)
Income tax (expense)/credit	*5*	**(17)**	471
Profit/(loss) for the period from continuing operations		**2,708**	(4,783)
Discontinued operation			
Profit for the period from discontinued operation	*8*	**–**	28,816
Profit for the period		**2,708**	24,033

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

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	Notes	(Unaudited) Six months ended 30 June **2026** ***HK$'000***	2025 *HK$'000*
Other comprehensive income:			
Item that reclassified or may be reclassified to profit or loss:			
– Exchange differences on translation to presentation currency		**11,899**	6,326
– Gain previously in exchange reserves related to subsidiaries deconsolidated during the period recognised in statement of profit or loss		**–**	(7,778)
Other comprehensive income for the period		**11,899**	(1,452)
Total comprehensive income for the period, net of tax		**14,607**	22,581
Profit for the period attributable to:			
Owners of the Company:			
– Continuing operations		**2,708**	(4,783)
– Discontinued operation		**–**	29,933
		2,708	25,150
Non-controlling interests:			
– Continuing operations		**–**	–
– Discontinued operation		**–**	(1,117)
		–	(1,117)
		2,708	24,033

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*
FOR THE SIX MONTHS ENDED 30 JUNE 2026

		(Unaudited)	
		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Total comprehensive income for the period attributable to:			
Owners of the Company:			
– Continuing operations		**14,595**	7,669
– Discontinued operation		**–**	20,473
		14,595	28,142
Non-controlling interests:			
– Continuing operations		**12**	–
– Discontinued operation		**–**	(5,561)
		12	(5,561)
		14,607	22,581
		HK cents	*HK cents*
Earnings/(loss) per share attributable to the owners of the Company:			
Basic and diluted earnings/(loss) per share			
– Continuing operations	*7*	**0.18**	(0.32)
– Discontinued operation	*7*	**–**	1.99
		0.18	1.67

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	**(Unaudited) As at 30 June 2026 *HK$'000***	(Audited) As at 31 December 2025 *HK$'000*
Non-current assets			
Property, plant and equipment		**11,528**	11,180
Right-of-use assets		**8,701**	7,895
Investment property		**205,312**	200,223
Interest in an associate		**–**	–
Movies and television programmes rights		**467**	1,088
Productions work in progress		**–**	–
Time deposits with original maturity over one year		**104,894**	19,700
Deposit		**93**	–
Total non-current assets		**330,995**	240,086
Current assets			
Contract assets		**2,903**	1,401
Trade receivables	*9*	**2,301**	1,780
Deposits, prepayments and other receivables		**3,612**	2,993
Restricted bank deposits		**2,724**	2,720
Time deposits		**60,948**	129,323
Cash and cash equivalents		**66,424**	81,942
		138,912	220,159
Current liabilities			
Accruals and other payables		**55,181**	58,606
Contract liabilities		**396**	476
Lease liabilities		**530**	3,627
Deferred government grant		**808**	780
Income tax payable		**9,275**	8,334
		66,190	71,823
Net current assets		**72,722**	148,336
Total assets less current liabilities		**403,717**	388,422

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

AS AT 30 JUNE 2026

	Notes	(Unaudited) As at 30 June 2026 HK$'000	(Audited) As at 31 December 2025 HK$'000
Non-current liabilities			
Lease liabilities		**462**	44
Contract liabilities		**1,905**	1,839
Deferred tax liabilities		**5,899**	5,695
Other payables		**289**	289
		8,555	7,867
NET ASSETS		**395,162**	380,555
Capital and reserves			
Share capital		**15,033**	15,033
Retained earnings		**17,027**	14,319
Other reserves		**362,752**	350,865
Equity attributable to owners of the Company		**394,812**	380,217
Non-controlling interests		**350**	338
TOTAL EQUITY		**395,162**	380,555

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These condensed consolidated 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 consolidated financial statements should be read in conjunction with the 2025 annual consolidated financial statements. Except as described below, the accounting policies (including the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2025.

These condensed consolidated financial statements are presented in Hong Kong dollars ("HK$") unless otherwise stated.

These condensed consolidated financial statements have not been audited.

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 consolidated financial statements.

The Group has applied the new and amended HKFRS Accounting Standards that are effective for the current reporting period for the first time from 1 January 2026. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting these new and amended HKFRS Accounting Standards.

2. SEGMENT INFORMATION

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

(a) Interactive Entertainment and Extended Reality ("IEER")*

(b) Property Assets Management ("PAM")

* Management has renamed Interactive Entertainment and Digital Assets ("IEDA") to IEER, 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 six months ended 30 June 2025. The segment information reported does not include any amounts for this discontinued operation, which are described in more detail in note 8.

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. Unallocated assets mainly comprise corporate cash and cash equivalents, while unallocated liabilities mainly comprise corporate accruals and other payables. These reports are prepared on the same basis as the condensed consolidated financial statements.

	(Unaudited) Six months ended 30 June 2026		
	IEER (formerly known as IEDA)	**PAM**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
– Revenue from computer graphic ("CG") production	**9,248**	**–**	**9,248**
– Box office receipt	**–**	**–**	**–**
– Licensing income from television programmes and movies to online platforms	**136**	**–**	**136**
– Patent fee income from granting the right to access of trademarks	**278**	**–**	**278**
– Management service fee	**–**	**5,350**	**5,350**
– Rental income	**–**	**13,342**	**13,342**
Total revenue from external customers	**9,662**	**18,692**	**28,354**
Segment results	**(5,506)**	**11,391**	**5,885**
Unallocated income			**893**
Unallocated expenses			**(4,053)**
Profit before income tax from continuing operations			**2,725**

	IEER (formerly known as IEDA)	PAM	Total
	(Unaudited) Six months ended 30 June 2025		
	HK$'000	*HK$'000*	*HK$'000*
– Revenue from 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
Total revenue from external customers	11,595	18,424	30,019
Segment results	(4,650)	3,545	(1,105)
Unallocated income			216
Unallocated expenses			(4,365)
Loss before income tax from continuing operations			(5,254)

The segment assets and liabilities as at 30 June 2026 and 31 December 2025 are as follows:

	As at 30 June 2026 (Unaudited)			
	IEER (formerly known as IEDA)	**PAM**	**Unallocated**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Segment assets	**127,403**	**291,535**	**50,969**	**469,907**
Segment liabilities	**39,111**	**32,248**	**3,386**	**74,745**

	As at 31 December 2025 (Audited)			
	IEER (formerly known as IEDA)	PAM	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment assets	127,780	278,273	54,192	460,245
Segment liabilities	38,840	37,401	3,449	79,690

3. OTHER INCOME

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Government grants	**952**	4,608
Interest income	**2,653**	2,058
Others	**107**	111
	3,712	6,777

4. PROFIT/(LOSS) BEFORE INCOME TAX

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit/(loss) before tax has been arrived at after charging:		
Employee benefit expenses	**16,958**	14,244
Amortisation of movies and television programmes rights	**653**	9,782
Depreciation of property, plant and equipment	**621**	876
Depreciation of right-of-use assets	**359**	630

5. INCOME TAX (EXPENSE)/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 2026 and 2025.

The Company's subsidiaries established in Chinese Mainland are subject to the People's Republic of China Corporate Income Tax ("PRC CIT") rate of 25% (six months ended 30 June 2025: 25%) while certain subsidiaries are subject to various preferential tax treatments.

A PRC CIT of HK$17,000 was recognised for the six months ended 30 June 2026 (six months ended 30 June 2025: tax credit of HK$471,000). The tax credit recognised in the prior period was primarily representing the reversal of overpaid PRC CIT.

6. DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

7. EARNINGS/(LOSS) PER SHARE

	(Unaudited) Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
Profit/(loss) attributable to owners of the Company		
– Continuing operations	**2,708**	(4,783)
– Discontinued operation	**–**	29,933
	2,708	25,150

	(Unaudited) Six months ended 30 June	
	2026	2025
	'000	*'000*
Weighted average number of outstanding ordinary shares	**1,503,310**	1,503,310

	(Unaudited)	
	Six months ended 30 June	
	2026	2025
	HK cents	*HK cents*
Basic and diluted earnings/(loss) per share		
– Continuing operations	**0.18**	(0.32)
– Discontinued operation	**–**	1.99
Total basic and diluted earnings/(loss) per share	**0.18**	1.67

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 period.

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 six months ended 30 June 2026 (six months ended 30 June 2025: Same).

8. DISCONTINUED OPERATION

During the six months ended 30 June 2025, the Guangzhou Intermediate People's Court 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 company established in Chinese Mainland, 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 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 condensed consolidated financial statements of the Group.

** English entity name is for identification purpose only*

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

	(Unaudited) Six months ended 30 June 2025 *HK$'000*
Administrative expenses	(2,289)
Provision for rental and settlement expenses, net	(2,848)
Income tax expense	–
Loss for the period	(5,137)
Gain attributable to owners of the Company upon deconsolidation	33,953
Profit for the period from discontinued operation	28,816
Net cash outflow from operating activities	(784)
Net cash inflow from investing activities	–
Net cash inflow from financing activity	735
Net decrease in cash and cash equivalents	(49)

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

	HK$'000
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*	(244,092)
Net liabilities upon deconsolidation	(398,476)
Net liabilities attributable to non-controlling interests	128,209
Release of exchange reserve	(7,778)
Net liabilities attributable to owners of the Company	(278,045)
Due from Guangdong GDC	244,092
Gain attributable to owners of the Company upon deconsolidation	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*

9. TRADE RECEIVABLES

	(Unaudited) As at 30 June 2026 *HK$'000*	(Audited) As at 31 December 2025 *HK$'000*
Trade receivables from contracts with customers	**1,127**	1,035
Rental receivables	**1,375**	939
	2,502	1,974
Less: Provision for impairment	**(201)**	(194)
	2,301	1,780

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:

	(Unaudited) As at 30 June 2026 *HK$'000*	(Audited) As at 31 December 2025 *HK$'000*
Current to 90 days	**2,300**	1,944
91 to 180 days	**202**	30
	2,502	1,974

The carrying amounts of trade receivables are mainly denominated in Renminbi.

10. CONTINGENT LIABILITY

Pursuant to the Company's announcement dated 31 March 2026, the Company disclosed that during the year ended 31 December 2025, the Company held 68% of shares in Guangdong GDC. Guangdong GDC became insolvent and the application for bankruptcy liquidation has been admitted by the Guangzhou Intermediate People's Court during 2025. As a result, the Company ceased to have control over Guangdong GDC since around June 2025.

環球數碼媒體科技研究(深圳)有限公司 (the "Defendant"), an indirectly wholly-owned subsidiary of the Company, received a civil summons from Guangzhou Intermediate People's Court on 30 March 2026 (the "Summons") regarding the litigation claim filed by 珠江電影製片有限公司 (the "Plaintiff"). According to the Summons, Guangdong GDC owned a debt to the Plaintiff in the sum of approximately RMB129.8 million at the date of its liquidation as a result of certain contract disputes between Guangdong GDC and the Plaintiff. The claim was made against the Defendant (being the former shareholder of Guangdong GDC), a non-executive director and the Deputy Chairman of the Company (being a former senior management of Guangdong GDC) and certain former senior management of Guangdong GDC, who shall be liable for the debts payable by Guangdong GDC to the Plaintiff in the sum of approximately RMB129.8 million, and that GDC China Limited, an indirectly wholly-owned subsidiary of the Company and immediate shareholder of the Defendant, shall also bear joint and several liability.

In April 2026, pursuant to the Guangzhou Intermediate People's Court order issued in connection with the litigation claim. As at 30 June 2026, three bank accounts of the Defendant totaling approximately HK$2,711,000 were restricted from use. Accordingly, the related bank balances were classified as restricted bank deposits as at the reporting date.

As at the date of this announcement, no judgement has been handed down by the Guangzhou Intermediate People's Court. The Company is seeking advice from its legal counsel and will continue to monitor the progress of the civil action and assess its potential impact on the Group's condensed consolidated financial statements as appropriate.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the six months ended 30 June 2026 (the "Period"), revenue from continuing operations amounted to HK$28,354,000, representing a decrease of HK$1,665,000 as compared with HK$30,019,000 in the corresponding period of last year. The decrease in revenue was mainly attributable to a combination of the following factors: rental and management fee income for the Period of HK$18,692,000, an increase of HK$268,000 as compared with HK$18,424,000 in the corresponding period of last year; revenue from the Interactive Entertainment and Extended Reality division for the Period of HK$9,662,000, a decrease of HK$1,933,000 as compared to HK$11,595,000 in the corresponding period of last year. There were no animated film (six months ended 30 June 2025: one animated film) releases during the Period, resulting in a year-over-year decrease in related revenue of HK$3,256,000.

Cost of sales from continuing operations for the Period amounted to HK$15,394,000, representing a decrease of HK$8,963,000 as compared with HK$24,357,000 in the corresponding period of last year, which was mainly attributable to an adjustment to the provision for costs related to the Chengdu project.

Other income from continuing operations for the Period amounted to HK$3,712,000 (six months ended 30 June 2025: HK$6,777,000), which was mainly attributable to government grants of HK$952,000 and interest income of HK$2,653,000.

Distribution and selling expenses from continuing operations for the Period amounted to HK$242,000, representing a decrease of HK$2,769,000 as compared with HK$3,011,000 in the corresponding period of last year, which was mainly attributable to a significant decrease in marketing and sales expenses resulting from the absence of animated film releases during the Period.

Administrative expenses from continuing operations for the Period amounted to HK$11,624,000, representing a decrease of HK$1,336,000 as compared with HK$12,960,000 in the corresponding period of last year, which was mainly attributable to the decrease in staff costs.

Other net losses from continuing operations for the Period amounted to HK$2,072,000 (six months ended 30 June 2025: HK$1,633,000), which was mainly attributable to the decrease in fair value of investment property.

Finance cost from continuing operations for the Period amounted to HK$9,000 (six months ended 30 June 2025: HK$89,000). The Group does not have any borrowings and such finance costs were the interest component of lease liabilities.

The Group did not have any discontinued operations during the Period, while the profit from the discontinued operation for the six months ended 30 June 2025 amounted to HK$28,816,000, which was mainly attributable to a one-off net gain of HK$33,953,000 arising from the deconsolidation of 廣東環球數碼創意產業有限公司 ("Guangdong GDC").

In summary, the profit for the Period was HK$2,708,000, representing a decrease of HK$21,325,000 as compared with HK$24,033,000 in the corresponding period of last year.

Liquidity and Financial Resources

As at 30 June 2026, the Group had cash and bank balances, restricted bank deposits and term deposits totalling HK$234,990,000 (31 December 2025: HK$233,685,000), which were denominated in Renminbi ("RMB"), United States dollars ("US$") and Hong Kong dollars ("HK$").

As at 30 June 2026, the Group had no borrowings or overdrafts. The Group's current ratio was 2.10 (31 December 2025: 3.07), which was calculated based on current assets of HK$138,912,000 and current liabilities of HK$66,190,000.

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

Capital Structure

As at 30 June 2026, equity attributable to owners of the Company amounted to HK$394,812,000 (31 December 2025: HK$380,217,000). The increase was due to exchange differences of HK$11,887,000 on translation of financial statements from functional currency to presentation currency for the Period and the profit attributable to owners of the Company of HK$2,708,000 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 2026.

Charge on Assets

As at 30 June 2026, there were no charges on any of the Group's assets for loans and bank facilities.

Foreign Exchange Exposure

As at 30 June 2026, 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

Save for the disclosure in Note 10 to the condensed consolidated financial statements, the Group had no significant contingent liabilities as at 30 June 2026.

Employees

As at 30 June 2026, the Group employed 94 (31 December 2025: 96) 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 work experience. Other benefits, including medical coverage, labour insurance, mandatory provident fund, five social insurances and one housing fund in the Chinese Mainland 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 2026, despite a complex external environment, the Group steadfastly pursued its dual-core strategy of innovation-driven development, quality enhancement, and efficiency optimization. The Company continues to fortify its competitive foundation through innovation, while simultaneously unlocking growth momentum via synergistic collaboration.

Interactive Entertainment and Extended Reality

The revenue from the Interactive Entertainment and Extended Reality 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 Extended Reality Division focuses on three core tracks: cultural tourism integration, industrial digitalization, and Virtual Reality ("VR") immersive content, with all operations progressing steadily and yielding significant results.

- ***Deepening Cultural Tourism Integration to Build Distinctive Benchmark Projects***

  In the service area of cultural tourism sector, the Interactive Entertainment and Extended Reality Division successfully implemented the "Finless Porpoise" IP project at the Jiangsu Highway Xinqiao Service Area, establishing a comprehensive urban IP productization system. Additionally, the Group has actively deployed regional cultural tourism projects, empowering urban cultural tourism upgrading through digital content to facilitate the digital transformation of local cultural tourism industries.

- ***Activating Industrial Digitalization to Empower the Upgrading of the Real Economy***

  Focusing on high-risk industrial scenarios, the Group has intellectualized industrial safety training by developing a VR intelligent training system. Through immersive simulation scenarios, this system drives the transformation of industrial safety management from traditional "human-based defense" to precise "technology-based defense". This assists high-risk production scenarios in achieving elevated safety standards, providing scalable and replicable solutions for the digital and safety transformation of industrial enterprises.

- ***Optimizing VR Large-Space Immersive Experience Models***

  The Interactive Entertainment and Extended Reality Division continues to refine its VR large-space immersive experience models to create interactive experience products characterized by "walk-through navigation, narrative-driven plots, and high immersion." These products precisely target family demographic. Leveraging high-quality content, the Group achieves sustainable commercial monetization, solidifying its leading position within the immersive digital content industry.

Property Assets Management

The revenue from the property assets management business of the Group was primarily derived from rental income and management fee income.

In the first half of the year, the property leasing market continued to face downward pressure, driven by multiple factors including an increase in macro-level market inventory and the relocation of leading enterprises away from Nanshan District. Having operated the Shenzhen GDC Building for many years, the Group effectively navigated these challenges by deepening engagement with existing clients and enhancing full-process property synergy. Consequently, the Group achieved core operational indicators that outperformed the market average, maintaining a stable business foundation and demonstrating strong overall operational resilience.

Government Grant

The Group declared 13 government incentive projects and successfully secured the Shenzhen Nanshan District Original Cultural Masterpiece Incentives for original animated film "Ocean-themed series 10 and 11", as well as the Rewards for Growth and Expansion of Service Sector Enterprises. Additionally, the Group was officially recognized as a Shenzhen Technology-based Small and Medium-sized Enterprise. 9 computer software copyright certificates have been obtained, with an additional 3 applications currently in progress.

Leveraging government channels to full advantage for brand promotion and marketing, the Group joined the delegation organized by the Publicity Department of the Shenzhen Municipal Committee of the CPC to participate in the Hong Kong International Film & TV Market (FILMART). The original animated VR films were showcased at the Shenzhen Bay Sports Center, the China (Shenzhen) International Cultural Industries Fair (ICIF), and the Chongqing Animation Film Week. Furthermore, the Group VR masterpieces were featured at the 2026 China Science Fiction Convention (CSFC), and original animated film "Ocean-themed series 11" was shortlisted for the prestigious "Golden Monkey Awards" competition at the 22nd China International Cartoon and Animation Festival (CICAF).

Research and Development

During the first half of 2026, our technical research and development focused on the accumulation of core technologies and the practical implementation of AI capabilities. Concurrently, we fortified our rendering technologies to provide solid technical support for project production and efficiency enhancement.

The Group have continuously deepened our expertise in film and television production and virtual interaction technologies, resulting in the successful implementation of multiple achievements. Through the development of procedural modeling systems, AI-driven special effects systems, and MCP modeling systems, we have achieved automated content production. The development of the Unreal Engine material system has strengthened content reusability within the engine. Furthermore, we have implemented AI painting, virtual human interaction, and VR panoramic video, covering both content production and immersive interactive scenarios. Regarding rendering technology, the Group completed the verification of Graphic Processing Unit rendering plug-ins, which significantly enhanced efficiency and guaranteed the network rendering delivery of multiple projects.

The construction of our AI capabilities has progressed steadily. The Group completed the setup of our local AI infrastructure and deployed several tailored large language models, achieving stable operations for intranet AI inference services and token services, thereby building a self-controlled computing power infrastructure. Meanwhile, the Group promoted enterprise AI robots and AI Agent tools to support a variety of office scenarios.

OUTLOOK

Guided by the Group's strategic objectives, the Group will center its efforts on innovation-driven development, quality enhancement, and efficiency optimization. By focusing on key sectors and strengthening resource integration and synergistic alignment, the Company aims to enhance its core competitiveness. Furthermore, the Company will continue to advance the high-quality execution of key projects, including digital cultural tourism, VR intelligent industrial training, and VR immersive content. It will also deepen strategic partnerships with Tencent and Huawei, fully maximizing the commercial value of these projects through resource integration and business model innovation. Concurrently, the Company will accelerate technological iteration and upgrading, utilizing AIGC to boost digital content production efficiency and elevate immersive experiences, thereby constructing a technology-driven foundation for innovation.

By fortifying its competitive foundation through innovation and activating growth momentum through synergy, the Group remains dedicated to optimizing its talent pool and technological capabilities, improving operational proficiency, and actively expanding its market presence to generate sustainable value for shareholders of the Company.

LITIGATIONS

1. Litigation with Pearl River Film Production*

On 30 March 2026, 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"), an indirectly wholly-owned subsidiary of the Company, received a civil summons from Guangzhou Intermediate People's Court (the "Summons"). According to the Summons, 廣東環球數碼創意產業有限公司, a former non-wholly owned subsidiary of the Group which was declared bankrupt by the Guangzhou Intermediate People's Court on 28 September 2025 ("Guangdong GDC") owed a debt to 珠江電影製片有限公司 ("Pearl River Film Production") in the sum of approximately RMB129.8 million at the date of its liquidation, as a result of certain contract disputes between Guangdong GDC and Pearl River Film Production. Pearl River Film Production claimed that IDMT Shenzhen (being a shareholder of Guangdong GDC) shall be liable for the debt payable by Guangdong GDC to Pearl River Film Production in the sum of approximately RMB129.8 million, and GDC China Limited, an indirectly wholly-owned subsidiary of the Company as well as the immediate shareholder of IDMT Shenzhen, shall also bear joint and several liability. IDMT Shenzhen received the civil ruling from the Guangzhou Intermediate People's Court in April 2026. The Guangzhou Intermediate People's Court granted an order to preserve certain bank accounts of IDMT Shenzhen based on the application by Pearl River Film Production. The aggregate deposits in such bank accounts amounted to HK$2,711,000 as at 30 June 2026.

As at the date of this announcement, no judgement has been handed down. Should there be any significant updates, the Company will make timely disclosures on the respective websites of the Stock Exchange and the Company.

** For identification purpose only*

2. Litigation with Wuhou Investment*

On 25 April 2025, 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.

On 10 May 2026, the Wuhou District People's Court of Chengdu handed down a judgment as follows: (i) the Operation and Management Agreement and the Supplementary Agreement between IDMT Shenzhen and Wuhou Investment have been confirmed as terminated; and (ii) Wuhou Investment shall pay damages in the amount of RMB2.05 million to IDMT Shenzhen, both parties filed appeals with the Chengdu Intermediate People's Court.

As at the date of this announcement, both parties are waiting for the notice on trial date from the court. Should there be any significant updates, the Company will make timely disclosures 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 (includes treasury shares, if any) (whether on the Stock Exchange or otherwise) during the six months ended 30 June 2026.

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 (the "CG Code") throughout the six months ended 30 June 2026, except for the deviation from the following code provision:

During the period from 1 January 2026 to 30 June 2026 (the "Period"), Mr. Feng Xianhuai took up both the roles of the chairman of the board and the managing director of the Company which is a deviation of the code provision C.2.1 of the CG Code. Although the positions of chairman of the Board and managing director of the Company were not separate during the Period, power and authority have not been concentrated in one individual as all major decisions have been made in consultation with the Board and appropriate Board committees. In addition, there was one non-executive Director and four independent non-executive Directors on the Board offering their experience, expertise, independent advice and views from different perspectives. The Board is therefore of the view that there has been an adequate balance of power and safeguards in place throughout the Period. Thereafter, with effect from 1 July 2026, Mr. Feng Xianhuai has assumed the role of chairman of the Board, while Mr. Zhao Jinkui has taken up the position of managing director of the Company.

** For identification purpose only*

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 2026.

AUDIT COMMITTEE

The Group's interim results for the six months ended 30 June 2026 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 2026 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 2026.

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
Feng Xianhuai
Chairman

Hong Kong, 14 August 2026

As at the date of this announcement, the Board comprises Mr. Feng Xianhuai (Chairman), Mr. Zhao Jinkui (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.