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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2018 and the information currently available, the Group is expected to record a notable increase in net loss for the year ending 31 December 2018 compared to the net loss for the year ended 31 December 2017.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Global Digital Creations Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the "**SFO**").

The board of directors of the Company (the "**Board**") wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, notwithstanding the fact that, according to the Company's unaudited third quarterly results announcement for the nine months ended 30 September 2018, the Group still recorded a net profit, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2018 and the information currently available, the Group is expected to record a notable increase in net loss for the year ending 31 December 2018 compared to the net loss for the year ended 31 December 2017. The expected increase in net loss for the year ending 31 December 2018 is mainly attributable to (1) the derecognition of investment property of approximately RMB333 million (equivalent to approximately HK$378 million); (2) cessation of recognition of rental income and management fee as revenue arising from the derecognition of investment property starting from 1 December 2018; and (3) additional provisions and payables in relation to 珠影文化產業園 (the "**Pearl River Film Cultural Park**") of not less than RMB70 million (equivalent to approximately HK$80 million). The Board wishes to emphasize that the above-mentioned derecognition of investment property is non-cash by nature and the Board does not consider such derecognition to have any material impact on the cash flow of the Group.

The Board also wishes to inform the Shareholders and potential investors that, as at the date of this announcement, whilst 廣東環球數碼創意產業有限公司 (Guangdong Cultural Park*), an indirect non-wholly owned subsidiary of the Company, and 珠江電影製片有限公司 (Pearl River Film Production Limited*) are still negotiating the operating terms of the completed properties of Phase I of the Pearl River Film Cultural Park, considering the recent actions of Pearl River Film Production Limited, including demanding the Group to return the Pearl River Film Cultural Park and has even attempted to take possession of the same without the consent of the Group at the end of November 2018, in view of the heightened uncertainty over the Group's prospects of securing the operating terms of completed properties of Phase I of the Pearl River Film Cultural Park, the Board has decided to derecognise the Pearl River Film Cultural Park as an investment property of the Group from the Company's accounts and to reflect the changes of other related accounting treatments, including the cessation of recognizing all revenue derived from the Pearl River Film Cultural Park starting from 1 December 2018. The Board wishes to emphasize that notwithstanding such decision, the Group has no intention to give up any of its rights and legitimate interests on the Pearl River Film Cultural Park, and the Group remains eager to continue negotiation with Pearl River Film Production Limited over the operating terms of the completed properties of Phase I of the Pearl River Film Cultural Park.

This announcement is only based on a preliminary assessment of unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2018 and information currently available, which have not been audited or reviewed by the Company's auditor and thus may be subject to further adjustments. The financial information and other related details of the Group for the year ending 31 December 2018 will be announced in the 2018 annual results announcement of the Group which is expected to be published by March 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Global Digital Creations Holdings Limited
Cheng Xiaoyu
Chairman

Hong Kong, 10 December 2018

As at the date of this announcement, the Board comprises Ms. Cheng Xiaoyu (Chairman and Executive Director), Mr. Chen Zheng (Chief Executive Officer and Executive Director), Mr. Jin Guo Ping (Vice President and Executive Director), Mr. Xu Liang (Executive Director), Mr. Kwong Che Keung, Gordon (Independent Non-executive Director), Prof. Japhet Sebastian Law (Independent Non-executive Director) and Mr. Lam Yiu Kin (Independent Non-executive Director).

This announcement, for which the directors of the Company (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 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.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company's website at www.gdc-world.com.

* *For identification purpose only*