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)**

# SUPPLEMENTAL ANNOUNCEMENT DISCLOSEABLE TRANSACTIONS COOPERATION AGREEMENT

Reference is made to the announcement of Global Digital Creations Holdings Limited (the "**Company**") dated 17 December 2018 (the "**Announcement**") in relation to the Cooperation Agreement entered into between Shenzhen IDMT, Foshan GDM, Foshan Xincai and Brilliant Link. Unless otherwise specified, capitalized terms used herein shall have the same meanings as defined in the Announcement.

The Board would like to provide the following additional information in relation to the Cooperation Agreement and the transactions contemplated thereunder.

## BACKGROUND

As disclosed in the Announcement, the parties to the Cooperation Agreement shall cooperate to construct the Foshan Digital Animation Industry Base*（佛山數碼動漫產業基地）with an annual production capability of 3,000 minutes of animation before 5 February 2021. This production capability was a specification stated in the grant of the development right of the land on which the animation base is located from the PRC government to Foshan Xincai. In light of our established experience and expertise in animation production, Foshan Xincai and Brilliant Link therefore invited Shenzhen IDMT and Foshan GDM to cooperate to establish the Foshan Digital Animation Industry Base.

* *For identification purpose only*

## AGREEMENT TERMS

If the aforementioned production capability cannot be achieved, the GDM Group shall pay damages to Foshan Xincai in an amount equivalent to the then market value of Property A and to Brilliant Link in an amount equivalent to its cash contribution of RMB26 million, respectively. On the other hand, if Foshan Xincai or Brilliant Link does not comply with the terms of the Cooperation Agreement (e.g. the title of Property A is not transferred by Foshan Xincai or cash contribution is not made by Brilliant Link), it shall also be liable to damages to the GDM Group pursuant to the Cooperation Agreement.

In addition, as disclosed in the Announcement, Foshan Xincai and Brilliant Link will be given 10% and 5% equity interest in Foshan GDM upon the contribution of Property A by Foshan Xincai to Foshan GDM and the cash contribution by Brilliant Link to Foshan GDM, respectively. They shall then be entitled to share any profit of Foshan GDM in proportion to their respective equity holdings if dividends are proposed and approved by the shareholders of Foshan GDM in future. If Foshan GDM sustains loss and liability or incurred debt from its business operations, under the Cooperation Agreement, Foshan Xincai and Brilliant Link shall not be responsible for providing additional capital to Foshan GDM, nor providing guarantee for bank loans and debts of Foshan GDM (if any) in proportion to their respective equity holdings, and therefore they shall not be responsible for loss and liability arising from the business and debt of Foshan GDM.

The terms of the Cooperation Agreement including the date on which the Group is entitled to acquire the 10% and 5% equity interest in Foshan GDM from Foshan Xincai and Brilliant Link, respectively, at a nominal value of RMB1 and the term of lease of Property B, were arrived at arm's length negotiations between the parties and taking into account the totality of the terms of the cooperation as a whole. The Directors consider that the terms of the Cooperation Agreement are fair and reasonable, based on normal commercial terms and are in the best interests of the Company and its shareholders as a whole.

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

Hong Kong, 25 January 2019

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

*This announcement, 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 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.*