

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a 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 (the “Company”), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or 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)

**PROPOSED GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES**

**PROPOSED REFRESHMENT OF SHARE OPTION  
SCHEME MANDATE LIMIT**

**PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT OF  
THE SHARE OPTION OF A SUBSIDIARY  
RE-ELECTION OF RETIRING DIRECTORS  
ADOPTION OF NEW BYE-LAWS**

**AND**

**NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of the Company to be held at JW Marriott Ballroom, Level 3, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, on 6th June, 2007 at 9:30 a.m. is contained in this circular of the Company. Shareholders of the Company are advised to read the notice and to complete and return the form of proxy for use at the annual general meeting enclosed with the circular of the Company in accordance with the instructions printed thereon.

A form of proxy for the AGM is enclosed with this circular. Whether you are able to attend or not, please complete and return the enclosed form of proxy to the branch share registrar of the Company, Standard Registrars Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the AGM in person.

*This circular will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for 7 days from the date of its posting.*

30th March, 2007

\* for identification purpose only

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## CHARACTERISTICS OF GEM

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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 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.

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## RESPONSIBILITY STATEMENT

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This circular, for which the directors of the Company 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 of the Company having made all reasonable enquires, confirm that, to the best of their knowledge and belief:–

- (i) the information contained in the Circular is accurate and complete in all material respects and not misleading;
- (ii) there are no other matters the omission of which would make any statement herein misleading; and
- (iii) 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.

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## DEFINITIONS

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

“2006 Annual Report”	means the annual report of the Company for the year ended 31st December, 2006
“AGM”	means annual general meeting of the Company to be convened and held at JW Marriot Ballroom, Level 3, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong, held on 6th June, 2007 at 9:30 a.m.
“Associates”	means the same definition as described under the GEM Listing Rules
“Company”	means Global Digital Creations Holdings Limited, a company incorporated in Bermuda with limited liability whose securities are listed on the GEM
“Director(s)”	means the board of directors of the Company
“GDC Tech”	GDC Technology Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of the Company
“GDC Tech Shares”	ordinary shares of HK\$0.10 each in the share capital of GDC Tech
“GDC Tech Option”	means a right granted to eligible participants to subscribe for GDC Tech Shares under the GDC Tech Share Option Scheme
“GDC Tech Share Option Scheme”	the share option scheme of GDC Tech adopted by the Shareholders on 19th September, 2006
“GEM”	means the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong Dollar, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	means 21st March, 2007, being the latest practicable date prior to the printing of this circular

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## DEFINITIONS

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“Notice”	means the notice convening the AGM
“Options”	means a right granted to eligible participants to subscribe for Shares under the Share Option Scheme of the Company
“Repurchase Mandate”	means a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares of the Company on the terms set out in the Notice of AGM
“Share Option Scheme Mandate Limit”	means the maximum number of Shares which may be issued upon the exercise of all the Options to be granted under the Share Option Scheme and such other schemes of the Company which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of the approval of the Share Option Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“SCG”	Shougang Concord Grand (Group) Limited, a company incorporated in Bermuda with limited liability whose securities are listed on the main board of the Stock Exchange
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means share(s) of par value of HK\$0.010 each in the capital of the Company
“Share Option Scheme”	means the Share Option Scheme adopted by the Company on 18th July, 2003
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Subsidiary Scheme Mandate Limit”	means the maximum number of GDC Tech Shares which may be issued upon the exercise of all the GDC Tech Options to be granted under the GDC Tech Share Option Scheme and such other schemes of GDC Tech which initially shall not in aggregate exceed 10% of the GDC Tech Shares in issue as at the date of the approval of the GDC Tech Share Option Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the GDC Tech Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“Takeover Code”	means the Hong Kong Code on Takeovers and Mergers
“%”	means 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)

*Executive Directors:*

Cao Zhong (*Chairman*)

Chen Zheng (*Chief Executive Officer*)

Jin Guo Ping (*Vice-president*)

Xu Qing, Catherine (*Vice-president*)

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Non-Executive Director:*

Leung Shun Sang, Tony

*Principal Place of Business:*

6/F., Bank of East Asia

Harbour View Centre

56 Gloucester Road

Wanchai

Hong Kong

*Independent Non-Executive Directors:*

Kwong Che Keung, Gordon

Bu Fanxiao

Hui Hung, Stephen

30th March, 2007

*To Shareholders of the Company*

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES TO ISSUE AND  
REPURCHASE SHARES**

**PROPOSED REFRESHMENT OF SHARE OPTION  
SCHEME MANDATE LIMIT**

**PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT OF  
THE SHARE OPTION OF A SUBSIDIARY**

**ADOPTION OF NEW BYE-LAWS**

**AND**

**NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM to be held at JW Marriott Ballroom, Level 3, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 6th June, 2007 at 9:30 a.m. which, upon approval, would enable the Company to:–

- (a) allot, issue and deal with additional shares of the Company and to make or grant offers, agreements, options and warrants not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue as at the date of passing such resolution;

\* for identification purpose only

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## LETTER FROM THE BOARD OF DIRECTORS

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- (b) repurchase shares not exceeding 10% of the aggregate nominal value of the shares of the Company in issue as at the date of passing such resolution;
- (c) add to the general mandate for issuing shares set out in (a) above the number of shares repurchased by the Company pursuant to the Repurchase Mandate set out in (b) above;
- (d) refreshment of the Share Option Scheme Mandate Limit;
- (e) refreshment of the Subsidiary Scheme Mandate Limit; and
- (f) adoption of new Bye-laws.

### **PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES**

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors of the Company be given a general and unconditional mandate to exercise all powers of the Company to issue new shares in the Company up to 20% of the aggregate nominal value of the issued share capital of the Company on the date of the passing of the ordinary resolution (“New Issue Mandate”). In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors of the Company be given a general mandate to issue further shares in the Company of an aggregate nominal value equal to the aggregate nominal value of the share capital of the Company repurchased under the Repurchase Mandate. Any issue of new shares in the Company is subject to approval from the Stock Exchange for the listing of and permission to deal such new shares.

### **PROPOSED GENERAL MANDATE TO REPURCHASE SHARES**

At the AGM, it will be proposed, by way of an ordinary resolution, that the Directors of the Company be given a general and unconditional mandate to exercise all powers of the Company to repurchase shares on the GEM of the Stock Exchange in the Company up to a maximum of 10% of the shares of the Company in issue at the date of passing the ordinary resolution.

The Repurchase Mandate, if approved, will continue in force until the conclusion of the next AGM of the Company or until revoked or varied by ordinary resolution of shareholders in general meeting prior to the next AGM.



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## LETTER FROM THE BOARD OF DIRECTORS

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The Company may only repurchase its shares on GEM if:–

- (i) the shares proposed to be repurchased by the Company are fully paid up;
- (ii) the Company has previously sent to its shareholders the explanatory statement set out on pages 9 to 11 of this circular; and
- (iii) the shareholders of the Company have in general meeting approved the Repurchase Mandate and the relevant documents in connection therewith have been delivered to the Stock Exchange.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the GEM Listing Rules of the Stock Exchange, in particular GEM Rule 13.08, is set out on pages 9 to 11 to this circular. This explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

### **REFRESHMENT OF THE SHARE OPTION SCHEME MANDATE LIMIT**

The Company adopted the Share Option Scheme on 18th July, 2003. Under the rules of the Share Option Scheme:–

- 1. the number of shares subject to Options that may be granted must not exceed 10% of the Shares in issue on 26th May, 2006;
- 2. the Company may refresh the Share Option Scheme Mandate Limit at any time subject to prior shareholders' approval. However, the Share Option Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid shareholders' approval. Options previously granted under the Share Option Scheme and other share option schemes (including those outstanding, cancelled, lapsed in accordance with the schemes or exercised options) will not be counted for the Share Option purpose of calculating the Scheme Mandate Limit as refreshed. A circular must be sent to shareholders in connection with the meeting at which their approval will be sought;
- 3. the Company may seek separate approval of the Shareholders in general meeting to grant Options beyond the Share Option Scheme Mandate Limit to participants specifically identified by the Company before the aforesaid shareholders' meeting where such approval is sought; and
- 4. the overall limit on the number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme must not in aggregate exceed 30% of the Shares in issue from time to time.

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## LETTER FROM THE BOARD OF DIRECTORS

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Up to the Latest Practicable Date, the Company had granted to certain participants Options to subscribe for an aggregate of 69,848,380 Shares of the Company. As at the Latest Practicable Date, there were 69,848,380 outstanding Options of the Company granted and yet to be exercised. As such, 10,233,620 Options may be granted under the Share Option Scheme before the refresh of the Share Option Scheme Mandate Limit.

The Directors consider that the Company should refresh the Share Option Scheme Mandate Limit so that the Company could have more flexibility to provide incentive to Participants by way of granting Options to them. If the renewal of the existing Share Option Scheme Mandate Limit is approved at the AGM based on the 851,729,840 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to grant Options up to a total of 85,172,984 Shares, representing 10% of the issued share capital of the Company as at the date of the AGM.

The Directors consider that the refreshment of the Share Option Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other select participants under the Share Option Scheme. The refreshment of the Share Option Scheme Mandate Limit is in line with purpose of the Share Option Scheme.

The refreshment of the Share Option Scheme Mandate Limit is in compliance with GEM Rule 23.03. The proposed refreshment of the Share Option Scheme Mandate Limit is conditional upon; (a) the passing of an ordinary resolution by the shareholders of the Company; and (b) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of Options granted under the refreshed Share Option Scheme Mandate Limit

Application will be made to the Stock Exchange for granting the approval of the listing of, and permission to deal in the Shares to be issued pursuant to the exercise of Options to be granted under the refreshed Share Option Scheme Mandate Limit.

An ordinary resolution, as special business, will be proposed at the forthcoming AGM to approve the refreshment of the existing Share Option Scheme Mandate Limit in the terms as set out in Resolution No.5 of the Notice of AGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to the Company, the Directors recommend that Shareholders vote in favour of this resolution.

### **REFRESHMENT OF THE SUBSIDIARY SCHEME MANDATE LIMIT**

The Shareholders approved the adoption of the GDC Tech Share Option Scheme on 19th September 2006.

As at the Latest Practicable Date, options carrying the rights to subscribe for up to a total of 26,656,665 GDC Tech Shares have been granted, 130,000 GDC Tech options have lapsed and 2,130,000 GDC Tech options have been exercised by one grantee. Unless the Subsidiary Scheme Mandate Limit is “refreshed”, only up to 5,343,335 GDC Tech Options may be granted under the GDC Tech Share Option Scheme.

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## LETTER FROM THE BOARD OF DIRECTORS

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The Directors consider that the Company should refresh the Subsidiary Scheme Mandate Limit so that the Company could have more flexibility to provide incentive to Participants by way of granting options to them. If the refreshment of the existing Subsidiary Scheme Mandate Limit is approved at the AGM based on the 161,180,247 GDC Tech Shares in issue as at the Latest Practicable Date and assuming no further shares are issued and no shares are repurchased after the Latest Practicable Date and up to the date of the AGM, the Directors will be able to grant Options up to a total of 8,059,012 Shares, representing 5% of the issued share capital of the Company as at the date of the AGM.

The Directors consider that the refreshment of the Subsidiary Scheme Mandate Limit is in the interests of the Group and the Shareholders as a whole because it enables the GDC Tech to reward and motivate its employees and other select participants under the GDC Tech Share Option Scheme. The refreshment of the Subsidiary Scheme Mandate Limit is in line with purpose of the GDC Tech Share Option Scheme.

The proposed refreshment of the Subsidiary Scheme Mandate Limit is conditional upon the passing of an ordinary resolution by the shareholders of the Company and SCG in general meeting.

An ordinary resolution, as special business, will be proposed at the forthcoming AGM to approve the renewal of the existing GDC Tech Scheme Mandate Limit in the terms as set out in Resolution No. 6 of the Notice of AGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to GDC Technology Limited, the Directors recommend that Shareholders vote in favour of this resolution.

### RE-ELECTION OF RETIRING DIRECTORS

In accordance with the Bye-laws of the Company, Messrs. Cao Zhong, Chen Zheng and Kwong Che Keung, Gordon will retire at the Company's forthcoming AGM and, being eligible, offer themselves for re-election.

Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### ADOPTION OF NEW BYE-LAWS

The Board proposed to adopt new Bye-laws to replace the existing Bye-laws by consolidating all of the changes passed by the shareholders of the Company in the Annual General Meeting held on 26th May, 2006 or any subsequent amendments and in the form produced to the meeting

At the AGM, the Special Resolution no. 7 will be proposed for the Shareholders to consider and, if thought fit, approve the adoption of new Bye-laws of the Company.

### THE AGM

The following are the details of the AGM:—

Date : 6th June, 2007

Time : 9:30 a.m.

Venue: JW Marriott Ballroom, Level 3, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong

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## LETTER FROM THE BOARD OF DIRECTORS

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A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the branch share registrar of the Company, Standard Registrars Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting. The completion of a form of proxy will not preclude you from attending and voting at the meeting in person.

### PROCEDURE FOR DEMANDING A POLL AT THE AGM

Pursuant to Bye-law 66 of the Bye-laws of the Company, a poll may be demanded by:

- (a) by the chairman of such meeting; or
- (b) by at least three members of the Company present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a member or members of the Company present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Members having the right to vote at the meeting; or
- (d) by a member or members of the Company present in person (or in the case of a Member being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which and 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
- (e) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

### RECOMMENDATION

The Directors are of the opinion that the proposals referred to in this circular are in the best interests of the Company and its shareholders and recommend you to vote in favour of the resolutions relating to the proposed general mandates; the proposed refreshment of share Option Scheme Mandate Limit; the proposed refreshment of the Subsidiary Scheme Mandate Limit; the adoption of new Bye-laws, the re-election of directors and all other resolutions to be proposed at the AGM.

Yours faithfully,  
By order of the Board

**Chen Zheng**  
*Executive Director and Chief Executive Officer*

This is an explanatory statement given to all shareholders of the Company relating to a resolution to be proposed at the AGM authorizing 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. EXERCISE OF THE REPURCHASE MANDATE**

If the Repurchase Mandate was exercised in full, on the basis of 851,729,840 shares in issue as at the Latest Practicable Date, could result in up to 85,172,984 shares to be repurchased by the Company during the period from the date of passing the resolution up to the conclusion of the next AGM of the Company, the expiration of the period within which the next AGM of the Company is required by any applicable law or the Bye-laws of the Company to be held or when the Repurchase Mandate is revoked or varied by an ordinary resolution by the shareholders in general meeting, whichever is the earliest.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from shareholders to enable the Company to repurchase shares in the market. Repurchases of shares will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders. 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.

## **3. FUNDING OF REPURCHASES**

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with its Bye-laws of the Company and the laws of the Bermuda.

## **4. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report 2006) in the event that the Repurchase Mandate is exercised in full. 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## **5. DISCLOSURE OF INTERESTS**

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates, have any present intention, if the Repurchase Mandate is exercised, to sell any shares to the Company or its subsidiaries.

**6. DIRECTORS' UNDERTAKING**

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 the Bermuda.

**7. TAKEOVERS CODE CONSEQUENCES**

If as a result of a repurchase of shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeover Code. As a result, a shareholder, or a group of shareholders acting in concert, depending on the level of increase in the shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, SCG, which is a controlling shareholder of the Company, held approximately 56.46% of the shares issued by the Company. As at the Latest Practicable Date, the Directors are not aware of any consequences for SCG under the Takeover Code as a result, solely for the Directors exercising the Repurchase Mandate in full.

As the minimum amount of shares to be held by the public cannot be less than 25% of the issued share capital of the Company, the Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to the extent that the Company will infringe such minimum public float requirement.

**8. SHARE PURCHASE MADE BY THE COMPANY**

No repurchases of securities have been made by the Company in the previous six months, whether on the Stock Exchange or otherwise.

**9. CONNECTED PERSON**

No connected person (as defined in the GEM Listing Rules) has notified the Company that it has a present intention to sell shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the shareholders.

10. SHARE PRICES

The highest and lowest prices at which the shares were traded on the GEM during each of the previous twelve months before the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2006</b>		
March	0.200	0.178
April	—	—
May	0.182	0.182
June	0.370	0.185
July	0.300	0.249
August	0.280	0.250
September	0.285	0.280
October	0.280	0.200
November	0.260	0.200
December	0.600	0.221
<b>2007</b>		
January	0.415	0.211
February	0.560	0.380

The details of the retiring directors proposed to be re-elected at the AGM are set out as follows:

**Cao Zhong (Age 47)**  
*Executive Director & Chairman*

Mr. Cao Zhong aged 47, graduated from Zhejiang University, the PRC and Graduate School, The Chinese Academy of Social Sciences with a bachelor degree in engineering and a master degree in economics. He was appointed a non-executive director and the joint chairman of the Company in February 2005 and was re-designated as chairman and executive director of the Company in June 2006. He was appointed as the chairman of each of Shougang Concord Century Holdings Limited and Shougang Concord Technology Holdings Limited, the deputy chairman and general manager of Shougang Holding (Hong Kong) Limited, the managing director of Shougang Concord International Enterprises Company Limited and the vice chairman and managing director of Shougang Concord Grand (Group) Limited. He also acts as the assistant general manager of Shougang Corporation and the chairman of China Shougang International Trade and Engineering Corporation. Mr. Cao has extensive experience in corporate management and operation.

Mr. Cao Zhong does not have any relationship with any other directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Cao had the following interests in shares and underlying shares of the Company and its associated companies within the meaning of Part XV of the SFO:

Name of Company	Nature of Interest	Interests in shares	Interests under equity derivatives (share options)
Global Digital Creations Holdings Limited	Beneficial Owner	–	8,008,200
*Shougand Concord Grand (Group) Limited	Beneficial Owner	8,278,679	11,368,000
*GDC Technology Limited	Beneficial Owner	4,266,667	4,266,667

\* *the associated corporation within the meaning of Part XV of the SFO.*

The service agreement of Mr. Cao Zhong was for a term of three years commencing from 1st March, 2006. In accordance with the Bye-laws of the Company, Mr. Cao is subject to retirement by rotation at least once every three years at the annual general meeting of the Company. Mr. Cao 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 ended 31st December, 2006, the director’s fee of Mr. Cao is HK\$120,000 per annum which is determined with reference to his experience and duties as well as the prevailing market conditions.



In relation to the proposed re-election of Mr. Cao as a Director of the Company, 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 provisions under Rules 17.50(2)(h)-(v) of the GEM Listing Rules.

**Chen Zheng (Age 47)**  
*Executive Director & Chief Executive Officer*

Mr. Chen Zheng, aged 47, is an engineer and a senior economist. Mr. Chen holds a bachelor degree in chemical engineering and a master degree in business administration. He is an executive Director and re-designated Chief Executive Officer of the Company in February 2006. He is also a managing director of operations and executive director of Shougang Concord Grand (Group) Limited. Mr. Chen has worked for leading cultural media in China for many years and has extensive experience in investing business and corporate management.

Mr. Chen Zheng does not have any relationship with any other directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Chen had the following interests in shares and underlying shares of the Company and its associated companies within the meaning of Part XV of the SFO:

Name of Company	Nature of Interest	Interests in shares	Interests under equity derivatives (share options)
Global Digital Creations Holdings Limited	Beneficial Owner	–	8,008,200
*Shougang Concord Grand (Group) Limited	Beneficial Owner	–	11,368,000
*GDC Technology Limited	Beneficial Owner	4,266,667	4,266,667

\* *the associated corporation within the meaning of Part XV of the SFO.*

The service agreement of Mr. Chen Zheng was for a term of three years commencing from 1st March, 2006. In accordance with the Bye-laws of the Company, Mr. Chen Zheng is subject to retirement by rotation at least once every three years at the annual general meeting of the Company. Mr. Chen 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 ended 31st December, 2006, the director’s fee of Mr. Chen is HK\$120,000 per annum which is determined with reference to his experience and duties as well as the prevailing market conditions.

In relation to the proposed re-election of Mr. Chen as a Director of the Company, 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 provisions under Rules 17.50(2)(h)-(v) of the GEM Listing Rules.

**Kwong Che Keung, Gordon (Age 57)**  
*Independent non-executive Director*

Mr. Kwong Che Keung, Gordon, aged 57, was a graduate of the University of Hong Kong in 1972 and qualified as a chartered accountant in England and Wales in 1977. Mr. Kwong was a partner of PriceWaterhouse Hong Kong from 1984 to 1998. He has served as a part-time panel member of the Hong Kong Government’s Central Policy Unit from 1993 to 1995 and was an independent member of the Council of the Stock Exchange from 1992 to 1997 during which time he also acted as convener of both the Compliance Committee and the Listing Committee of the Stock Exchange. Currently, he is an independent non-executive director of a number of Hong Kong listed companies on the Stock Exchange, including COSCO International Holdings Limited, Tianjin Development Holdings Limited, Beijing Capital International Airport Company Limited, Frasers Property (China) Limited, NWS Holdings Limited, China Oilfield Services Limited, Concepta Investments Limited, China Chengtong Development Group Limited, Ping An Insurance (Group) Company of China, Limited, Quam Limited, Tom Online Inc., China Power International Development Limited, New World Mobile Holdings Limited, Henderson Land Development Company Limited, Henderson Land Development Company Limited, Henderson Investment Limited and Agile Property Holding Limited. Mr. Kwong previously served as a non-executive director of COSCO Pacific Limited until his resignation in January 2006 and was an independent non-executive director of Henderson China Holdings Limited which was privatized in July 2005.

Mr. Kwong Che Keung, Gordon is independent of and not connected with any directors, senior management, substantial shareholders of the Company or its subsidiaries or any of their respective associations.

As at the Latest Practicable Date, Mr. Kwong had the following interests in shares and underlying shares of the Company and its associated companies within the meaning of Part XV of the SFO:

Name of Company	Nature of Interest	Interests in shares	Interests under equity derivatives* (Share options)
Global Digital Creations Holdings Limited	Beneficial Owner	–	800,820
*GDC Technology Limited	Beneficial Owner	–	1,706,667

\* *the associated corporation within the meaning of Part XV of the SFO.*

Mr. Kwong Che Keung, Gordon entered into a service agreement with the Company for a term of one year commencing from 1st March, 2006. In accordance with the Bye-laws of the Company, Mr. Kwong is subject to retirement by rotation at least once every three years at the annual general meeting of the Company. Mr. Kwong 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 ended 31st December, 2006, the director’s fee of Mr. Kwong is HK\$150,000 per annum which is determined with reference to his experience and duties as well as the prevailing market conditions.

In relation to the proposed re-election of Mr. Kwong as a Director of the Company, there is no information which is discloseable nor is/was he involved in any of the requirements of the provisions under Rules 17.50(2)(h)-(v) of the GEM Listing Rules.



**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 OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (“AGM”) of the members of Global Digital Creations Holdings Limited (the “Company”) will be held at JW Marriott Ballroom, Level 3, JW Marriot Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 6th June, 2007 at 9:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31st December, 2006.
2. To re-elect Directors and to authorize the board of directors (“Board”) to fix the Directors’ remuneration.
3. To appoint auditors of the Company and authorize the Board of directors to fix their remuneration.

**ORDINARY RESOLUTIONS**

As special business, to consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolutions:

4. (A) **“THAT**
  - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase ordinary shares in the capital of the Company on the Growth Enterprise Market (the “GEM”) of The Stock Exchange of Hong Kong Limited (the “Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by The Securities and Futures Commission of Hong Kong (“Securities and Futures Commission”) and the Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Securities and Futures Commission and the Exchange or any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;

\* for identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
  - (c) for the purpose 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 revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings; or
    - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held.”;
- (B) **“THAT**
- (a) subject to the following provisions of this Resolution and pursuant to the Rules Governing the Listing of Securities on the GEM of the Exchange, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers during or after the end of the Relevant Period;
  - (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a rights issue where shares are offered to shareholders of the Company or any class thereof on a fixed record date in proportion to their then holdings of shares or any class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong); or (ii) the exercise of any options granted under any option

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## NOTICE OF ANNUAL GENERAL MEETING

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scheme or similar arrangement for the time being adopted by the Company for the grant or issue to eligible participants thereunder or rights to acquire shares in the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company in force from time to time, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and

(d) for the purpose 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 revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held.”;

(C) “**THAT** conditional upon Resolution 4(B) above being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with shares and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company since the granting of a general mandate to the Directors to exercise the powers of the Company to purchase such shares, provided that such amount shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”.

5. As special business, to consider and if thought fit, pass with or without any amendments, the following resolution as an ordinary resolution:

“**THAT** the existing scheme mandate limit (“**Scheme Mandate Limit**”) of the Company in respect of the granting of share options under the share option scheme adopted by the Company on 18th July, 2003 (the “**Share Option Scheme**”) be refreshed provided

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## NOTICE OF ANNUAL GENERAL MEETING

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that the total number of shares of HK\$0.010 each in the capital of the Company (each a “**Share**”) which may be issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company must not exceed 10% of the Share in issue at the date of approval of such refreshment of the Scheme Mandate Limit.”

6. As special business, to consider and if thought fit, pass with or without any amendments, the following resolution as an ordinary resolution:

“**THAT** the existing scheme mandate limit (“**Subsidiary Scheme Mandate Limit**”) of GDC Technology Limited in respect of the granting of share options under the share option scheme adopted by the GDC Technology Limited, a non-wholly owned subsidiary of the Company, on 19th September, 2006 (the “**GDC Tech Share Option Scheme**”) be refreshed provided that the total number of shares of HK\$0.10 each in the capital of the GDC Technology Limited (each a “**GDC Tech Share**”) which may be issued upon the exercise of all options to be granted under the GDC Tech Share Option Scheme and any other share option scheme of GDC Technology Limited must not exceed 10% of the GDC Tech Share in issue at the date of approval of such refreshment of the Subsidiary Scheme Mandate Limit.”

### SPECIAL RESOLUTION

7. As special business, to consider and if thought fit, pass with or without any amendments, the following resolution as special resolution:

**THAT** the new Bye-laws of the Company, consolidating all of the changes passed by the shareholders of the Company in the Annual General Meeting held on 26th May, 2006 or any subsequent amendments and in the form produced to the meeting, be and are hereby adopted with immediate effect in replacement of the existing Bye-laws of the Company.”

By Order of the Board

**Chen Zheng**

*Executive Director and Chief Executive Officer*

Hong Kong, 30th March, 2007

*Head office and principal place of business:*  
6/F., Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wanchai  
Hong Kong

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. With respect to Resolution 2 above, Mr. Cao Zhong, Mr. Chen Zheng and Mr. Kwong Che Kwong, Gordon will retire from office at the above meeting pursuant to the Bye-laws of the Company, and being eligible, will offer themselves for re-election at the above meeting.
2. A Shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and on a poll, vote in his stead at the AGM that the appointment shall specify the number and class of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
3. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's branch share registrar in Hong Kong, Standard Registrars 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 AGM or any adjournment thereof.
4. 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.
5. Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more 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.