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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 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 2021 Third Quarter and the information currently available, the Group is expected to record a net loss of not more than HK\$8,000,000 for the 2021 Third Quarter as compared to a net profit of HK\$6,377,000 recorded in the corresponding period in 2020.

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**”, and 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 (as defined under the GEM Listing Rules) 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, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the nine months ended 30 September 2021 (the “**2021 Third Quarter**”) and the information currently available, despite an increase of net profit from continuing operations by not less than 60%, the Group is expected to record a net loss of not more than HK\$8,000,000 for the 2021 Third Quarter as compared to a net profit of HK\$6,377,000 recorded for the corresponding period in 2020. It is mainly caused by the expected turnaround from net profit to net loss from the discontinued operation, which is primarily attributable to (1) a reversal of provision made for accrued rental and settlement payables associated with 珠影文化產業園 (Pearl River Film Cultural Park*), namely property occupation fee of certain parking spaces and related interest for the nine months ended 30 September 2020, while no similar reversal is expected to be recorded for the 2021 Third Quarter; and (2) an increase in litigation expenses and payment of employee severance compensation for the 2021 Third Quarter.

This announcement is only based on a preliminary assessment of unaudited consolidated management accounts of the Group for the 2021 Third Quarter and the information currently available, which have not been audited or reviewed by the Company's auditor and are subject to adjustments. The Company is still in the process of finalising the financial results of the Group for the 2021 Third Quarter. Financial information and other details of the Group will be disclosed in the third quarterly results announcement of the Group which is expected to be announced on 5 November 2021.

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
Xu Liang
Chairman

Hong Kong, 21 October 2021

As at the date of this announcement, the Board comprises Mr. Xu Liang (Chairman), Mr. Wang Hongpeng (Managing Director) and Mr. Xiao Yong as Executive Directors; Mr. Chen Zheng (Deputy Chairman) as Non-executive Director; Prof. Japhet Sebastian Law, Mr. Lam Yiu Kin, Mr. Zheng Xiaodong and Mr. Li Yao as Independent Non-executive Directors.

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 Listed Company Information" 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*