Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

中國創意
Creative China

Creative China Holdings Limited
中國創意控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8368)

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO TENANCY AGREEMENT

On 15 March 2019 (after trading hours), Mr. Philip Jian Yang, as the landlord, and Emphasis Media (a company controlled by the Company through contractual arrangements), as the tenant, entered into the Tenancy Agreement, pursuant to which the Mr. Yang agreed to lease the Property to Emphasis Media.

Mr. Yang is an executive Director and chairman and chief executive officer of the Company. He is the son of Mr. Yang Shaoqian and Ms. Mu Sufang, the controlling shareholders of the Company. As at the date of this announcement, Mr. Yang Shaoqian and Ms. Mu Sufang hold 879,840,000 Shares, representing approximately 61.80% of the entire issued share capital of the Company. Accordingly, Mr. Yang is a connected person of the Company and the transactions contemplated under the Tenancy Agreement constitute continuing connected transactions of the Company under the GEM Listing Rules.

The Annual Caps for the Tenancy Agreement for the four financial years ended 31 December 2019, 31 December 2020, 31 December 2021 and 31 December 2022 are determined to be RMB908,000, RMB1,140,000, RMB1,140,000 and RMB233,000 respectively. The Annual Caps are based on the rent payable in each financial years covered over the leasing period under the Tenancy Agreement. Since one or more of the applicable percentage ratios are more than 5% but less than 25% and the largest Annual Cap is less than HK$10,000,000, the Tenancy Agreement is subject to announcement, annual review and reporting requirements but is exempt from independent Shareholders' approval under Chapter 20 of the GEM Listing Rules.

THE TENANCY AGREEMENT

The Board is pleased to announce that on 15 March 2019 (after trading hours), Emphasis Media, a company controlled by the Company through contractual arrangements, entered into the Tenancy Agreement with Mr. Yang in relation to the leasing of the Property from Mr. Yang for a term of three years commencing from 15 March 2019 at a monthly rent of RMB95,000 (exclusive of management fee, and all other outgoings).

The principal terms of the Tenancy Agreement are as follows:

Date

15 March 2019

Parties

(1) Emphasis Media (as the tenant); and

(2) Mr. Yang (as the landlord).

Property

Room 1901, 19/F, Yulin Building, No. 5A Xiangjun Nanli 2nd Alley, Chaoyang District, Beijing, the PRC*

Term

Three years, commencing from 15 March 2019 and expiring on 14 March 2022 (both days inclusive)

Rental

RMB95,000 per month (exclusive of management fee, and all other outgoings), payable in advance on the 5th day of each calendar month

Deposit

RMB190,000 (equal to two months' rental)

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE TENANCY AGREEMENT

The Group is principally engaged in the businesses of (i) program production, (ii) event organisation, (iii) mobile live broadcasting and e-commerce; (iv) entertainment contents on demand system and (v) artist management.

The Property will be used as the head office and principal place of business of the Group in the PRC. The Directors considers that the change of head office and principal place of business in the PRC was aligned with the Group's current operational requirements and business development. The terms and the rental of the Tenancy Agreement were determined after arm's length negotiation between the parties thereto and with reference to, amongst other things, the current market rental for properties similar to the Property and of comparable utility. The Directors (including the independent non-executive Directors) are of the view that the Tenancy Agreement is entered into on normal commercial terms in the ordinary and usual course of business of the Group and that the terms of the Tenancy Agreement and the Annual Caps are fair, reasonable and in line with the market level and in the interest of the Company and the Shareholders as a whole.

As the Property is owned by Mr. Yang, Mr. Yang, who is an executive Director, chairman, chief executive officer of the Company and the son of the controlling shareholders of the Company, has material interest in the transaction under the Tenancy Agreement. Mr. Yang has to and did abstain from voting on the relevant Board resolutions approving the Tenancy Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Tenancy Agreement and was required to abstain from voting on the relevant Board resolutions approving the Tenancy Agreement and the transactions contemplated thereunder.

GEM LISTING RULES IMPLICATIONS

Mr. Yang is an executive Director and chairman and chief executive officer of the Company. He is the son of Mr. Yang Shaoqian and Ms. Mu Sufang, the controlling shareholders of the Company. As at the date of this announcement, Mr. Yang Shaoqian and Ms. Mu Sufang hold 879,840,000 Shares, representing approximately 61.80% of the entire issued share capital of the Company. Accordingly, Mr. Yang is a connected person of the Company and the transactions contemplated under the Tenancy Agreement constitute continuing connected transactions of the Company under the GEM Listing Rules.

The Annual Caps for the Tenancy Agreement for the four financial years ended 31 December 2019, 31 December 2020, 31 December 2021 and 31 December 2022 are determined to be RMB908,000, RMB1,140,000, RMB1,140,000 and RMB233,000 respectively. The Annual Caps are based on the rent payable in each financial years covered over the leasing period under the Tenancy Agreement. Since one or more of the applicable percentage ratios are more than 5% but less than 25% and the largest Annual Cap is less than HK$10,000,000, the Tenancy Agreement is subject to announcement, annual review and reporting requirements but is exempt from independent Shareholders' approval under Chapter 20 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Annual Cap(s)"	the respective maximum aggregate annual rent payable by Emphasis Media under the Tenancy Agreement
"Board"	board of the directors of the Company
"Company"	Creative China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM (Stock code: 8368)
"connected person(s)"	has the meaning ascribed to it in the GEM Listing Rules
"Director(s)"	the director(s) of the Company

"Emphasis Media"	Emphasis Media Co., Ltd*, a company established in the PRC with limited liability and controlled by the Company through contractual arrangements
"GEM"	the GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Mr. Yang"	Mr. Philip Jian Yang, an executive Director and chairman and chief executive officer of the Company, son of Mr. Yang Shaoqian and Ms. Mu Sufang (the controlling shareholders of the Company)
"PRC"	the People's Republic of China (excluding, for the purposes of this announcement, Hong Kong, Macau and Taiwan)
"Property"	Room 1901, 19/F, Yulin Building, No. 5A Xiangjun Nanli 2nd Alley, Chaoyang District, Beijing, the PRC*
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Tenancy Agreement"	the agreement dated 15 March 2019 entered into between Mr. Yang as landlord and Emphasis Media as tenant in relation to the leasing of the Property for a term of three years

"%" per cent

* *For identification only*

By order of the Board
Creative China Holdings Limited
Philip Jian Yang
Chairman & Executive Director

Hong Kong, 15 March 2019

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Philip Jian Yang, Mr. Yang Shiyuan and Ms. Yang Jianping as executive directors; Mr. Ge Xuyu and Mr. Wang Yong as non-executive directors; and Mr. Li Fei, Mr. Yau Yan Yuen and Mr. Tan Song Kwang 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 GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the date of its publication and will be published on the website of the Company at www.ntmediabj.com.