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 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)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

CHARACTERISTICS OF THE GEM (THE “GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of Creative China Holdings Limited (the “Company”) collectively and individually accept full responsibility, include particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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.

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2022

The board of Directors of the Company (the “Board”) is pleased to present the audited results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2022, together with comparative figures for the preceding financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2022

	<i>Notes</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Revenue	5	152,688	59,307
Direct costs		(80,036)	(17,187)
Gross profit		72,652	42,120
Other income	6	293	227
Other gains and losses	7	8,832	(675)
Impairment loss under expected credit loss model, net of reversal		(3,089)	(433)
Selling and distribution costs		(4,236)	(1,753)
Administrative expenses		(14,659)	(13,923)
Finance costs	8	(458)	(138)
Profit before taxation	9	59,335	25,425
Taxation	10	(10,338)	(1,929)
Profit for the year		48,997	23,496
Other comprehensive income that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		212	202
Total comprehensive income for the year		49,209	23,698
Profit (loss) for the year attributable to:			
Owners of the Company		49,077	23,561
Non-controlling interests		(80)	(65)
		48,997	23,496

	<i>Note</i>	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		49,306	23,759
Non-controlling interests		(97)	(61)
		<u>49,209</u>	<u>23,698</u>
Earnings per share attributable to owners of the Company			
– Basic and Diluted (<i>RMB cents</i>)	12	<u>13.49</u>	<u>7.94</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	<i>Notes</i>	2022 RMB'000	2021 RMB'000
Non-current assets			
Property, plant and equipment		522	215
Right-of-use assets		3,933	457
Intangible asset		5,830	7,516
Interest in a joint venture		–	–
Deferred tax assets		882	–
Total non-current assets		11,167	8,188
Current assets			
Serial program rights	13	8,785	111,854
Trade and other receivables	14	294,862	116,570
Amounts due from non-controlling interests		1,876	1,747
Bank balances and cash		24,044	6,126
Total current assets		329,567	236,297
Total assets		340,734	244,485
Current liabilities			
Trade payables	15	2,183	64,804
Other payables and accruals		54,009	37,241
Contract liabilities		18,589	14,195
Tax payables		17,704	6,318
Lease liabilities		2,608	540
Amounts due to shareholders		29,891	22,690
Amount due to a director		5,909	3,189
Amount due to a related party		4,671	–
Bank borrowings		26,000	–
Total current liabilities		161,564	148,977
Net current assets		168,003	87,320
Total assets less current liabilities		179,170	95,508

	<i>Note</i>	2022 RMB'000	2021 <i>RMB'000</i>
Non-current liabilities			
Lease liabilities		<u>1,453</u>	–
Total liabilities		<u>163,017</u>	<u>148,977</u>
NET ASSETS		<u>177,717</u>	<u>95,508</u>
Capital and reserves			
Share capital	16	15,505	13,810
Reserves		<u>160,714</u>	<u>81,853</u>
Equity attributable to owners of the Company			
		176,219	95,663
Non-controlling interests		<u>1,498</u>	<u>(155)</u>
TOTAL EQUITY		<u>177,717</u>	<u>95,508</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2022

	Reserves					Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total
	Share capital	Share premium	Other reserve	Merger reserve	Foreign exchange reserve				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2021	13,188	165,378	5,362	9,300	467	(126,201)	67,494	(94)	67,400
Profit (loss) for the year	-	-	-	-	-	23,561	23,561	(65)	23,496
Other comprehensive income	-	-	-	-	198	-	198	4	202
Total comprehensive income (expense) for the year	-	-	-	-	198	23,561	23,759	(61)	23,698
Issue of shares under consideration shares, net of issuing expenses (note 16(a))	622	3,788	-	-	-	-	4,410	-	4,410
Balance at 31 December 2021 and 1 January 2022	13,810	169,166	5,362	9,300	665	(102,640)	95,663	(155)	95,508
Profit (loss) for the year	-	-	-	-	-	49,077	49,077	(80)	48,997
Other comprehensive income (expense)	-	-	-	-	229	-	229	(17)	212
Total comprehensive income (expense) for the year	-	-	-	-	229	49,077	49,306	(97)	49,209
Issue of shares under consideration shares, net of issuing expenses (note 16(a))	1,463	29,787	-	-	-	-	31,250	-	31,250
Acquisition of additional interests from a non-controlling interest (note 16(b))	232	1,346	(1,578)	-	-	-	-	-	-
Contribution from a non-controlling interest	-	-	-	-	-	-	-	1,750	1,750
Balance at 31 December 2022	<u>15,505</u>	<u>200,299</u>	<u>3,784</u>	<u>9,300</u>	<u>894</u>	<u>(53,563)</u>	<u>176,219</u>	<u>1,498</u>	<u>177,717</u>

Notes:

1. CORPORATE INFORMATION

Creative China Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands on 1 November 2013. The address of its registered office is at the offices of Codan Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Its principal place of business in the People’s Republic of China (the “PRC”) is located at Room 1901, 19/F, Yulin Building, No. 5A Xiangjun Nanli 2nd Alley, Chaoyang District, Beijing, the PRC, and its principal place of business in Hong Kong is located at 23/F, Yue Thai Commercial Building, 128 Connaught Road Central, Sheung Wan, Hong Kong. Up to the date of approval of the consolidation financial statements, Youth Success Holdings Limited and Guang Rui Investments Limited are its immediate and ultimate parent respectively. Guang Rui Investments Limited is wholly and beneficially owned by Mr. Yang Shaoqian and his spouse, Ms. Mou Sufang.

The principal activity of the Company is investment holding while its subsidiaries are principally engaged in serial program/film production and related services and film rights investment, concert and event organisation services, mobile application development and operation services and artist management. The Company and its subsidiaries are collectively referred as the “Group” hereafter.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2022 for the preparation of the consolidated financial statements:

Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020

The application of the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ³
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after a date to be determined.

³ Effective for annual periods beginning on or after 1 January 2024.

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKAS 1 “Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)”

The amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that:
 - (i) the classification should not be affected by management intentions or expectations to settle the liability within 12 months; and
 - (ii) if the right is conditional on the compliance with covenants, the right exists if the conditions are met at the end of the reporting period, even if the lender does not test compliance until a later date; and
- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 “Financial Instruments: Presentation”.

In addition, Hong Kong Interpretation 5 was revised as a consequence of the Amendments to HKAS 1 to align the corresponding wordings with no change in conclusion.

Based on the Group’s outstanding liabilities as at 31 December 2022, the application of the amendments will not result in reclassification of the Group’s liabilities.

Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”

HKAS 1 is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 “Making Materiality Judgements” (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments is not expected to have significant impact on the consolidated financial position or performance of the Group but may affect the disclosures of the Group’s significant accounting policies. The impacts of application, if any, will be disclosed in the Group’s future consolidated financial statements.

Amendments to HKAS 8 “Definition of Accounting Estimates”

The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty – that is, the accounting policy may require such items to be measured at monetary amounts that cannot be observed directly and must instead be estimated. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. Developing accounting estimates involves the use of judgements or assumptions based on the latest available, reliable information.

In addition, the concept of changes in accounting estimates in HKAS 8 is retained with additional clarifications.

The application of the amendments is not expected to have significant impact on the Group’s consolidated financial statements.

3. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation to the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are accounted for in accordance with HKFRS 16 “Leases”, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the same as the functional currency of the Company and its major subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

4. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision maker (“CODM”) that are used to make strategic decisions.

The Group has the following reportable segments which are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group’s reportable and operating segments:

- Serial program/film production and related services and film rights investment (“Serial Program/Film Production and Film Rights Investment”)

Serial Program/Film Production and Film Rights Investment segment provides film and television program original script creation, adaptation, production and licensing and related services and film rights investment.

- Concert and event organisation and related services (“Concert and Event Organisation”)

Concert and Event Organisation segment provides organisation services, such as music concerts, prize presentation ceremony, automobile shows, university alumni and other performance events.

- Mobile application development and operation and related services (“Mobile Application Development and Operation”)

Mobile Application Development and Operation segment provides electronic platforms for entertainment contents consumption and e-commerce, such as online store. This segment also provides live streaming e-commerce, online program production, online advertising and promotional services, mobile application development and related services.

- Artist management and related services (“Artist Management”)

Artist management segment provides agency service for the artists for arrangement of different performance activities.

(a) Business segments

For the year ended 31 December 2022

	Serial Program/Film Production and Film Rights Investment <i>RMB'000</i>	Concert and Event Organisation <i>RMB'000</i>	Mobile Application Development and Operation <i>RMB'000</i>	Artist Management <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from contracts with customers	<u>143,947</u>	<u>861</u>	<u>6,738</u>	<u>1,142</u>	<u>152,688</u>
Represented by:					
Recognised over time					
– Provision of artist management services	-	-	-	1,142	1,142
Recognised at a point in time					
– Sale of script copyright and program	93,755	-	-	-	93,755
– Sale of film rights investment	50,192	-	-	-	50,192
– Live streaming e-commerce	-	-	6,738	-	6,738
– Concert and events income	-	861	-	-	861
Reportable segment revenue from external customers	<u>143,947</u>	<u>861</u>	<u>6,738</u>	<u>1,142</u>	<u>152,688</u>
Reportable segment profit (loss)	<u>73,428</u>	<u>(571)</u>	<u>(9,685)</u>	<u>(372)</u>	<u>62,800</u>
Interest income	2	-	1	2	5
Interest expense	(312)	(5)	(41)	(23)	(381)
Depreciation of right-of-use assets	(989)	(90)	(605)	(291)	(1,975)
Depreciation of property, plant and equipment	(94)	-	(94)	-	(188)
Amortisation of intangible asset	-	-	(1,686)	-	(1,686)
Reportable segment assets	265,206	16,190	21,102	31,114	333,612
Additions to non-current assets <i>(note)</i>	2,224	241	3,526	-	5,991
Reportable segment liabilities	<u>(68,169)</u>	<u>(11,009)</u>	<u>(5,525)</u>	<u>(7,898)</u>	<u>(92,601)</u>

For the year ended 31 December 2021

	Serial Program/Film Production and Film Rights Investment <i>RMB'000</i>	Concert and Event Organisation <i>RMB'000</i>	Mobile Application Development and Operation <i>RMB'000</i>	Artist Management <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from contracts with customers	40,410	265	13,632	5,000	59,307
Represented by:					
Recognised over time					
– Provision of event organisation services	–	265	–	–	265
– Provision of artist management services	–	–	–	5,000	5,000
– Provision of online advertising services	–	–	4,510	–	4,510
Recognised at a point in time					
– Sale of script copyright and program	40,410	–	–	–	40,410
– Sale of mobile application	–	–	9,122	–	9,122
Reportable segment revenue from external customers	40,410	265	13,632	5,000	59,307
Reportable segment profit/(loss)	20,667	(590)	9,528	3,181	32,786
Interest income	4	–	2	1	7
Interest expense	(101)	(12)	–	(12)	(125)
Depreciation of right-of-use assets	(979)	(147)	–	(147)	(1,273)
Depreciation of property, plant and equipment	(437)	–	(2)	–	(439)
Amortisation of intangible asset	–	–	(915)	–	(915)
Reportable segment assets	187,803	18,148	32,548	5,108	243,607
Additions to non-current assets (<i>note</i>)	9	–	8,464	–	8,473
Reportable segment liabilities	(99,961)	(10,325)	(2,035)	(6,708)	(119,029)

Note: Non-current assets include property, plant and equipment, right-of-use assets and intangible asset.

(b) **Reconciliation of reportable segment revenue, profit or loss, assets and liabilities**

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Revenue		
Reportable segment revenue from external customers	<u>152,688</u>	<u>59,307</u>
	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Profit before taxation		
Reportable segment profit	62,800	32,786
Other gains or losses:		
– Exchange gain (losses)	3,319	(678)
Unallocated corporate expenses:		
– Auditor's remuneration	(589)	(589)
– Directors' emoluments	(2,102)	(2,553)
– Legal and professional fee	(1,107)	(1,825)
– Salaries and other benefits for key management and administration staff	(1,100)	(1,266)
– General operating expenses	<u>(1,886)</u>	<u>(450)</u>
Consolidated profit before taxation	<u>59,335</u>	<u>25,425</u>
	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Assets		
Reportable segment assets	333,612	243,607
Unallocated corporate assets:		
– Property, plant and equipment	37	133
– Bank balances and cash	6,403	305
– Others	<u>682</u>	<u>440</u>
Consolidated total assets	<u>340,734</u>	<u>244,485</u>
	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Liabilities		
Reportable segment liabilities	92,601	119,029
Unallocated corporate liabilities:		
– Accruals and other payables	3,945	4,069
– Amounts due to shareholders	29,891	22,690
– Amount due to a director	5,909	3,189
– Amount due to a related party	4,671	–
– Bank borrowings	<u>26,000</u>	<u>–</u>
Consolidated total liabilities	<u>163,017</u>	<u>148,977</u>

(c) **Geographic information**

The following table provides a geographical analysis of the Group's revenue from external customers:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Hong Kong		
– Sale of script copyright and program	–	13,508
– Sale of film rights investment	50,192	–
– Provision of event organisation services	–	265
– Sale of mobile application	–	9,122
PRC		
– Sale of script copyright and program	93,755	26,902
– Concert and events income	861	–
– Provision of online advertising services	–	4,510
– Provision of artist management services	1,142	5,000
– Live streaming e-commerce	6,738	–
	152,688	59,307

Note: Geographical region of customers is based on the location at which the goods and services are provided.

(d) **Information about major customers**

For the year ended 31 December 2022, revenues from four customers (2021: four customers) with whom transactions have exceeded 10% of the Group's revenue for the year. Details were as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Customer I:		
– Serial Program/Film Production and Film Rights Investment	50,025	N/A*
Customer II:		
– Serial Program/Film Production and Film Rights Investment	33,623	N/A*
Customer III:		
– Serial Program/Film Production and Film Rights Investment	29,167	12,100
Customer IV:		
– Serial Program/Film Production and Film Rights Investment	16,981	N/A*
Customer V:		
– Serial Program/Film Production and Film Rights Investment	N/A*	14,151
Customer VI:		
– Serial Program/Film Production and Film Rights Investment	N/A*	13,508
Customer VII:		
– Mobile Application Development and Operation	N/A*	9,122
	129,796	48,881

* The corresponding revenue for the customer did not contribute over 10% of the total revenue of the Group during the year.

5. REVENUE

Revenue of the Group represents revenue generated from (i) serial program/film production and related services and film rights investment; (ii) concert and event organisation and related services; (iii) mobile application development and operation and related services; and (iv) artist management and related services. The amounts of each significant category of revenue recognised during the year are as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Sale of script copyright and program	93,755	40,410
Sale of film rights investment	50,192	–
Concert and events income	861	–
Provision of event organisation services	–	265
Livestreaming e-commerce	6,738	–
Provision of online advertising services	–	4,510
Sale of mobile application	–	9,122
Provision of artist management services	1,142	5,000
	<u>152,688</u>	<u>59,307</u>

All of the Group's sales contracts have an original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to the remaining performance obligation for these contracts is not disclosed.

6. OTHER INCOME

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Interest income from bank deposits	5	7
Rental income	35	135
Government subsidy (<i>note</i>)	253	83
Sundry income	–	2
	<u>293</u>	<u>227</u>

Note: During the year ended 31 December 2022, the Group recognised government grants amounting to RMB124,000 (2021: RMB83,000) which was related to Anti-epidemic Fund provided by the government in Hong Kong.

7. OTHER GAINS AND LOSSES

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Gain on disposal of property, plant and equipment	509	3
Gain on termination of a serial program right (<i>note 13</i>)	5,004	–
Exchange gain (losses)	3,319	(678)
	<u>8,832</u>	<u>(675)</u>

8. FINANCE COSTS

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Interest on bank borrowings	224	–
Interest on amount due to a related party	72	–
Interest on lease liabilities	162	138
	<u>458</u>	<u>138</u>

9. PROFIT BEFORE TAXATION

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Profit before taxation is arrived at after charging:		
Staff costs (including directors' emolument)	10,009	8,244
Auditor's remuneration (<i>note</i>)	589	589
Depreciation of property, plant and equipment (<i>note</i>)	200	439
Depreciation of right-of-use assets (<i>note</i>)	2,062	1,419
Amortisation of intangible asset (<i>note</i>)	1,686	915
	<u>1,686</u>	<u>915</u>

Note: Included in “administrative expenses” for both years.

10. TAXATION

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Current tax – HK		
– provision for the year	2,427	1,485
– underprovision in prior years	–	8
Current tax – the PRC		
– provision for the year	8,765	436
Deferred taxation	(882)	–
Withholding tax	28	–
	<u>10,338</u>	<u>1,929</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

11. DIVIDEND

No dividend had been paid or declared by the Company during the year (2021: nil).

12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Profit for the purposes of basic earnings per share	<u>49,077</u>	<u>23,561</u>
	2022 '000	2021 '000
Weighted average number of ordinary shares	<u>363,826</u>	<u>296,795</u>

Note: No diluted earnings per share is presented as there were no potential ordinary shares in issue for both years.

13. SERIAL PROGRAM RIGHTS

	Serial program rights <i>RMB'000</i>	Adaptation rights <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2021	107,687	4,289	111,976
Additions	15,600	–	15,600
Recognised as expenses included in cost of sales	(15,600)	–	(15,600)
Exchange realignment	–	(122)	(122)
	<u>107,687</u>	<u>4,167</u>	<u>111,854</u>
At 31 December 2021 and 1 January 2022	107,687	4,167	111,854
Additions	13,749	–	13,749
Termination of a serial program right	(79,902)	–	(79,902)
Recognised as expenses included in cost of sales	(37,301)	–	(37,301)
Exchange realignment	–	385	385
	<u>4,233</u>	<u>4,552</u>	<u>8,785</u>
At 31 December 2022	<u>4,233</u>	<u>4,552</u>	<u>8,785</u>

The serial program rights shown above included television drama series obtained by the Group under co-financing arrangements and belonging to the Serial Program/Film Production and Film Rights Investment segment.

During the year ended 31 December 2022, the Group entered into an agreement with an independent third party for termination of the co-financing arrangement between the parties. Pursuant to the termination agreement, the Group would be entitled to a receivable amounting to RMB46,000,000, and released for the obligation of payable amounting to RMB44,850,000. A gain on termination of a serial program right amounting to RMB5,004,000 was recognised in profit or loss during the year.

The Group carries out a net realisable value review on a project-by-project basis at the end of each reporting period and make provision for obsolete if necessary. The Directors the Company assessed that the net realisable value of each of the serial program rights are higher than their carrying amounts, hence no impairment was recognised during both years.

14. TRADE AND OTHER RECEIVABLES

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Trade receivables, gross	128,579	24,520
Less: impairment allowance	<u>(3,599)</u>	<u>(1,257)</u>
Trade receivables, net	124,980	23,263
Prepayments and deposits (<i>note</i>)	117,468	82,534
Other receivables	48,968	7,263
Amount due from a joint venture	<u>3,446</u>	<u>3,510</u>
	<u>294,862</u>	<u>116,570</u>

Note:

At the end of the reporting period, the balances of prepayments and deposits are mainly represented by the following:

- (i) The balance included prepayment to event organisers of approximately RMB15,700,000 (2021: RMB15,164,000) under Concert and Event Organisation segment for the purpose of concert to be held in the coming years.
- (ii) The balance included prepaid service fees to actors and performers of approximately RMB16,781,000 (2021: RMB16,781,000) in relation to performing in the Group's mobile live broadcasting platform.
- (iii) The balance included prepaid service fees of approximately RMB76,922,000 (2021: RMB47,080,000) in relation to program production.

The Group has performed assessment on whether impairment indicator exists for the prepayments for program production, event or concert and live broadcasting program. Management considered the plans and status of utilisation of the prepayments. Based on the management's assessment, no impairment indicator has been identified for the prepayments.

The aging analysis of trade receivables (net of impairment allowance), based on invoice dates, as of the end of year, is as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
Within 30 days	47,756	3,736
31 to 90 days	61,591	12,061
91 to 180 days	437	3,881
181 to 365 days	<u>15,196</u>	<u>3,585</u>
	<u>124,980</u>	<u>23,263</u>

The normal credit period granted to trade debtors is generally within one year.

15. TRADE PAYABLES

The aging analysis of trade payables, based on invoice dates, as of the end of year, is as follows:

	2022 <i>RMB'000</i>	2021 <i>RMB'000</i>
91 to 365 days	200	1,850
Over 365 days	<u>1,983</u>	<u>62,954</u>
	<u><u>2,183</u></u>	<u><u>64,804</u></u>

16. SHARE CAPITAL

Authorised and issued share capital

	2022			2021		
	Number	<i>HK\$'000</i>	Equivalent to <i>RMB'000</i>	Number	<i>HK\$'000</i>	Equivalent to <i>RMB'000</i>
Authorised						
Ordinary shares of HK\$0.05 each	<u>1,600,000,000</u>	<u>80,000</u>	<u>67,024</u>	<u>1,600,000,000</u>	<u>80,000</u>	<u>67,024</u>
Issued and fully paid						
Ordinary shares						
At beginning of year	331,315,511	16,566	13,810	1,581,577,559	15,816	13,188
Issue of shares under consideration shares (note a)	36,000,000	1,800	1,463	75,000,000	750	622
Issue of shares on acquisition of additional interest from a non-controlling interest (note b)	5,671,467	284	232	-	-	-
Share consolidation (note c)	-	-	-	(1,325,262,048)	-	-
At end of year	<u>372,986,978</u>	<u>18,650</u>	<u>15,505</u>	<u>331,315,511</u>	<u>16,566</u>	<u>13,810</u>

Notes:

- (a) On 17 June 2021, pursuant to an agreement entered into between Idol Entertainment Limited (the “Vendor”), the Company and Beijing Yiju Creative Technology Limited (“Yiju Creative”), a company established under the laws of the PRC and an indirect non-wholly owned subsidiary of the Company (the “Purchaser”) (the “Agreement”), the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell all assets pertinent to a Mobile APP including, among others, its business, ownership, operating rights and Intellectual Property Rights (the “Target Asset”) at the consideration of RMB14,000,000 in which the amount of RMB4,000,000 out of the consideration was set off against the deposit in the amount of RMB4,000,000 which had been paid by the Purchaser to the Vendor under an operation agreement, and the amount of RMB10,000,000 out of the consideration was satisfied by the allotment and issue of the 75,000,000 consideration shares at the issue price of HK\$0.16 per consideration share by the Company to the Vendor. The acquisition was completed on 17 June 2021.

On 20 October 2021, the Group, Truth Pictures (Hong Kong) Limited and Yuanxin Pictures (Beijing) Limited (collectively the “Cooperation Partners”) and Mr. Liang Longfei (the “Guarantor”) entered into a cooperation agreement, pursuant to which (i) the Group and Cooperation Partners have conditionally agreed to carry out the cooperation in the distribution of the six foreign imported films in the PRC; and (ii) the consideration in the sum of RMB30,000,000 is payable by the Group to the Cooperation Partners, which would be settled by the allotment and issue of an aggregate of 36,000,000 consideration shares by the Company to the Cooperation Partners or their nominee(s) at the issue price of HK\$1.0 each according to the terms and conditions thereof. The transaction was completed on 29 March 2022. The transaction was treated as share-based payment transactions with the Cooperation Partners and the related film rights investment were recognised as assets at fair value at the date of acquisition in accordance with HKFRS 2. The fair value of the film rights investment amounting to approximately RMB31,250,000 were primarily valued based on the discount cash flows method using the discount rate of 21.7% based on the management’s estimation. During the year ended 31 December 2022, the Group has disposed of these film rights investment to an independent third party at a consideration of approximately RMB50,000,000.

- (b) On 1 December 2021, the Group and Beijing Chuangju Shi Dai Cultural Communication Limited (the “Vendor”) entered into an equity transfer agreement, pursuant to which the Vendor has conditionally agreed the sell and the Group has conditionally agreed to acquire, 10% equity interests of Yiju Creative at the consideration of RMB2,112,900, which would be settled by the allotment and issue of the 5,671,467 consideration shares by the Company to the Vendor or its nominee(s) at the issue price of HK\$0.456 each on the completion date. The transaction was completed on 31 January 2022.
- (c) On 15 July 2021, every five issued shares of the Company were consolidated into one share of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Unless otherwise specified, the figures stated in the following review are extracted from the audited financial figures of the continuing operations of the Group:

Revenue

For the year ended 31 December 2022 (“Year 2022”), the Group recorded revenue of approximately RMB152.7 million, representing an increase of approximately 157.5% over approximately RMB59.3 million for the year ended 31 December 2021 (“Year 2021”). The increase in revenue was mainly due to several sales of script copyrights and licensing of broadcasting rights of serial programs and film rights investment.

Gross profit

For Year 2022, the Group recorded gross profit of approximately RMB72.7 million, representing an increase of approximately 72.5% over approximately RMB42.1 million recorded in Year 2021. The increase in gross profit was mainly due to several sales of script copyrights and licensing of broadcasting rights of serial programs and film rights investment.

Other income

Other income of the Group increased from approximately RMB0.2 million in Year 2021 to approximately RMB0.3 million in Year 2022, mainly due to government grants related to Anti-epidemic Fund in Hong Kong being obtained for the year.

Expenses

For Year 2022, selling and distribution costs amounted to approximately RMB4.2 million, as comparing to approximately RMB1.8 million (increased by approximately 141.6%) from Year 2021, mainly due to the increase in the selling and distribution costs of live streaming e-commerce. For Year 2022, administrative expenses amounted to approximately RMB14.7 million, which was increased by 5.3%, mainly due to leasing of studio for live streaming e-commerce, when comparing to approximately RMB13.9 million in 2021.

Taxation

The Group's taxation amounted to approximately RMB10.3 million for Year 2022, and approximately RMB1.9 million for Year 2021. Taxation for Year 2022 were due to profits arising from the sale of several script copyrights and film rights investment. The provision of profit tax made for Hong Kong profits tax and PRC enterprise income tax in Year 2022 were RMB2.4 million and RMB8.8 million respectively. PRC enterprise income tax for subsidiaries incorporated in the PRC is calculated at 25% on assessable profits during the year. Hong Kong profit tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profit and 16.5% on the estimated assessable profit above HK\$2 million during the year. The income tax expenses recognised in the relevant periods are in accordance with the relevant laws and regulations.

Profit attributable to owners of the Company for the year

The Group's profit attributable to owners of the Company amounted to approximately RMB49.1 million, while for Year 2021 the Group's profit attributable to owners of the Company was approximately RMB23.6 million. The increase in profit attributable to owners of the Company was mainly attributable to sales of script copyrights, licensing of broadcasting rights of serial programs and film rights investment.

Financial resources, liquidity and capital structure

For Year 2022, the Group continued to finance its working capital through cash flows generated from operating activities, loans and shareholders' equity. As at 31 December 2022, the Group had net current assets of approximately RMB168.0 million (as at 31 December 2021: approximately RMB87.3 million) including cash and cash equivalents of approximately RMB24.0 million (as at 31 December 2021: approximately RMB6.1 million). The increase mainly due to increase in trade receivables and bank balances and cash. The current ratio, calculated as the ratio of current assets to current liabilities, was approximately 2.04 times as at 31 December 2022 (as at 31 December 2021: approximately 1.59 times). The capital of the Group comprises solely of ordinary shares. Total equity attributable to owners of the Company amounted to approximately RMB176.2 million as at 31 December 2022 (as at 31 December 2021: approximately RMB95.7 million). The gearing ratio for Year 2022 was 23.87%, increased from 20.68% in Year 2021. It was mainly due to the increase in net debt (For details, please refer to note 36 to the consolidated financial statements).

Consideration shares

(1) Acquisition of shareholding interests in a subsidiary involving the issue of consideration shares under specific mandate

On 1 December 2021, Beijing Chuangju Shi Dai Cultural Communication Limited (the “Vendor”), the Company and Beijing Emphasis Media Company Limited (the “Purchaser”), an indirect wholly owned subsidiary of the Company, entered into the equity transfer agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire, 10% equity interests of Beijing Yiju Creative Technology Limited (“Yiju Creative”) at the consideration of RMB2,112,900, which would be settled by the allotment and issue of the consideration shares by the Company to the Vendor or its nominee(s) at the issue price of HK\$0.456 each on the completion date. The transaction was completed on 31 January 2022. Details can be referred to the circular made on 12 January 2022 and the announcement dated 31 January 2022.

(2) Cooperation Agreement involving the issue of consideration shares under general mandate

On 20 October 2021, the Company, CCH Film Production Limited, Truth Pictures (Hong Kong) Limited (“Truth Pictures”), Yuanxin Pictures (Beijing) Limited* (“Yuanxin Pictures”) (Truth Pictures and Yuanxin Pictures, collectively the “Cooperation Partners”) and Mr. Liang Longfei (the “Guarantor”) entered into a cooperation agreement, pursuant to which (i) the Group and Cooperation Partners have conditionally agreed to carry out the cooperation in the distribution of the six foreign imported films in the PRC; and (ii) the Consideration in the sum of RMB30,000,000 (equivalent to approximately HK\$36,000,000) is payable by the Company to the Cooperation Partners, which would be settled by the allotment and issue of an aggregate of 36,000,000 Consideration Shares by the Company to the Cooperation Partners or their nominee(s) at the issue price of HK\$1.0 each according to the terms and conditions thereof. The transaction was completed on 29 March 2022. Detail can be referred to the announcements made on 6 September 2021, 20 October 2021 and 29 March 2022.

* For identification purpose only

BUSINESS REVIEW AND PROSPECTS

The Group is principally engaged in the businesses of (i) Serial Program/film production and related services and film rights investment; (ii) concert and event organisation; (iii) mobile application development and operation; and (iv) artist management.

Serial program/film production and related services and film rights investment

The Group's revenue from serial program/film production and related services and film rights investment amounted to approximately RMB143.9 million for Year 2022 and approximately RMB40.4 million for the corresponding period last year. The increase was mainly due to several sales of script copyrights, licensing of broadcasting rights of serial programs and film rights investment.

The Group believes that imported films will gradually recover from the downturn. The Group will steadily explore investment related to the introduction of Imported Films business to broaden our source of income.

The Group actively collaborates with more film and television production companies in the PRC engaging in the creation of film and television intellectual property, in order to obtain more potential resources and reserves of television programs, online dramas and movies. The Group continues to leverage its own production experience and related resources to expand the program production segment to original script creation, adaptation, production, licensing, and related services, in order to create more self-developed film and serial program script copyrights.

Concert and event organisation

Revenue from the event organisation segment increased by approximately 224.9% from Year 2021 of approximately RMB0.3 million to approximately RMB0.9 million for Year 2022. The increase was mainly due to a Meet and Greet Korean show being held in Taipei in the fourth quarter of 2022.

Due to the relaxation of quarantine rules in the PRC, Southeast Asia and Taiwan, the Group is rescheduling the timetable of concerts which already being entered into agreements with Korean pop and PRC stars.

Mobile application development and operation

Revenue from the mobile application development and operation segment amounted to approximately RMB6.7 million for Year 2022, representing a decrease of approximately 50.6% as comparing to approximately RMB13.6 million being recorded for Year 2021. The decrease was mainly due to more focus being placed in live streaming e-commerce, hence no development of customised mobile application.

The Group started its live streaming e-commerce since the second quarter, and launched live broadcasts, namely 365 Blessings on Taobao, including in-depth cooperation with a well-known Mainland China artist. The Group has entered into a live broadcast management contract with a well-known artist in Mainland China in the third quarter. The Group endorsed the artist to participate in the “China New Anchor Contest” being organised by Taobao platform and won the championship. The Group cooperated with a well-known celebrity in Mainland China to launch the live broadcasts on DouYin platform in the fourth quarter. The Group will continue to get into in-depth cooperation with well-known celebrities to deeply cultivate the huge market of live streaming e-commerce.

The Group expanded the official pages of certain artists on our mobile application including our live streaming broadcasting artists. Features includes the documentary, gallery and updates of artists. Fans can access the official pages to follow updates. The Group will continue to work on the aspects of creating and managing the official pages for artists, in order to create more business opportunities and revenue for the Group, the Group expects the mobile application will bring more peripheral revenue (including advertising, product endorsements, etc.), while also increase revenue derives from customized mobile applications and internet platform promotional planning revenue.

Artist management

Revenue amounted to approximately RMB1.1 million for the year ended 31 December 2022 and approximately RMB5.0 million for the corresponding period last year, representing a decrease of approximately 77.2%. The decrease was mainly due to less jobs being arranged while athletes were under tournament and overseas training during the reporting period.

The Group will continue to work on the development of mobile application and the expansion planning; and introduce more artists proactively in order to promote the online fans and stars to participate and interact through our mobile application in order to generate more revenue to the Group.

Despite various external challenges facing the Group’s businesses, the Group is confident that under the leadership of our experienced management and the strong teams formed by the seasoned staff, the Group will be able to overcome any and all challenges. With various business opportunities that the Group is currently exploring, the Group believes that our business will continue to improve.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2022, the Group had a total of 43 employees (2021: 26). The increase was mainly due to increase of staff in the live streaming e-commerce businesses. The Group remunerates its employees based on their performance, experience and the prevailing market situation. Their remuneration packages are normally renewed on an annual basis, based on performance appraisals and other relevant factors. The Group may pay discretionary bonuses to its employees based on individual performance.

FOREIGN EXCHANGE RISKS

Regular sales and purchases of the Group are mainly conducted in RMB. The Group will review and monitor the risk relating to foreign exchanges.

EXPENDITURE

The Group paid approximately RMB0.5 million for the addition of property, plant and equipment during Year 2022 (Year 2021: approximately RMB42,000).

COMMITMENTS

As at 31 December 2022, the Group had commitments of RMB33.0 million (Year 2021: RMB25.3 million).

CONTINGENT LIABILITIES

As at 31 December 2022, the Group did not have any significant contingent liabilities.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There were no significant investments held as at 31 December 2022 (as at 31 December 2021: (i) the Cooperation Agreement involving the issue of consideration shares under general mandate and (ii) acquisition of Mobile APP involving the issue of consideration shares under general mandate) nor material acquisitions and disposals of subsidiaries or affiliated companies made by the Group during Year 2022 (Year 2021: acquisition of shareholding interests in a subsidiary involving the issue of consideration shares under specific mandate), other than (i) Acquisition of shareholding interests in a subsidiary involving the issue of consideration shares under specific mandate, and (ii) Cooperation Agreement involving the issue of consideration shares under general mandate, as disclosed in the Management Discussion and Analysis under the Consideration shares section.

CORPORATE GOVERNANCE

The Board strives to uphold the principles of corporate governance set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix 15 to the GEM Listing Rules, and adopted various measures to enhance the internal control systems, the Directors’ continuous professional development and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create value and achieve maximum return for its shareholders. The Board will continue to conduct review and improve the quality of corporate governance practices with reference to local and international standards.

For the year ended 31 December 2022, the Company has complied with the code provisions set out in the CG Code except the following deviations (Code Provisions C.2.1 and D.2.5):

Chairman and Chief Executive Officer

Mr. Philip Jian Yang is the Chairman of the Board and the Chief Executive Officer of the Company and is responsible for the overall operations, management, business development and strategy planning of the Group.

The Chairman also takes the lead to ensure that the Board works effectively and acts in the best interest of the Company by encouraging the directors to make active contribution in Board’s affairs and promoting a culture of openness and debate.

The Board is of the view that although Mr. Yang is both Chairman and the Chief Executive Officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company. The Board will regularly review the need to appoint different individuals to perform the roles of chairman and chief executive officer separately.

Internal Audit Function

The Company does not have an internal audit function and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group’s business. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance with applicable laws, rules and regulations. The situation will be reviewed from time to time.

PURCHASES, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2022.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial control, internal control and risk management systems of the Group, and provide advice and comments on the Group's financial reporting matters to the Board.

As at the date of this announcement, the audit committee comprises three independent non-executive directors, namely Mr. Yau Yan Yuen, Ms. Fu Yuehong and Mr. Tan Song Kwang.

The audited annual results of the Company for the year ended 31 December 2022 have been reviewed by the audit committee members who have provided advice and comments thereon.

DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2022.

SCOPE OF WORK OF CL PARTNERS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2022 as set out in this preliminary announcement have been agreed by the Group's auditor, CL Partners CPA Limited, to the amounts set out in the audited consolidated financial statements of the Group for the year. The work performed by CL Partners CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by CL Partners CPA Limited on this preliminary announcement.

ANNUAL GENERAL MEETING (THE "AGM")

The 2023 AGM of the Company will be held on 25 May 2023 (Thursday) at 10:00 a.m., the AGM notice will be published and dispatched to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 22 May 2023 (Monday) to 25 May 2023 (Thursday), both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's share registrars in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong for registration no later than 4:30 p.m. on 19 May 2023 (Friday).

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company's website at www.ntmediabj.com. The annual report of the Company for the year ended 31 December 2022 will be dispatched to the shareholders of the Company and will be available on the respective websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 23 March 2023

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Philip Jian Yang as executive director; Mr. Yang Shiyuan, Mr. Ge Xuyu and Mr. Wang Yong as non-executive directors; and Ms. Fu Yuehong, Mr. Yau Yan Yuen and Mr. Tan Song Kwang as independent non-executive directors.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk 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.