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環球數碼創意控股有限公司*
GLOBAL DIGITAL CREATIONS HOLDINGS LIMITED
(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.

The Board wishes to inform the Shareholders and potential investors that it is expected that the Group will record a substantial loss for the six months ended 30 June 2008 as compared with the results of the Group for the corresponding period in 2007.

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”, together with its subsidiaries, the “Group”) pursuant to rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that it is expected that the Group will record a substantial loss for the six months ended 30 June 2008 as compared with the results of the Group for the corresponding period in 2007. Such loss is mainly attributable to (1) the segment result of computer graphic creation and production division turned from profit to loss during the period as production of several projects was delayed by some of the clients; and (2) increase in the segment loss of digital content distribution and exhibitions division during the period mainly due to decrease in revenue from sales of goods, inclusion of amortisation of intangible assets of the digital cinema project cooperated by China Film Group Corporation (“CFGC”) and the Group in the People’s Republic of China (“PRC”) and other expense paid during the period for films distribution rights in the PRC to CFGC.

The Company is still in the process of finalising its interim results for the six months ended 30 June 2008. Details of the Group’s performance will be disclosed in the interim results announcement of the Company to be released on 13 August 2008.

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
Cao Zhong
Chairman

7 August 2008

As at the date of this announcement, the Board comprises Mr. Cao Zhong (Chairman), Mr. Chen Zheng (Managing Director), Mr. Jin Guo Ping (Deputy Managing Director), Ms. Lu Yi, Gloria (Deputy Managing Director), Mr. Leung Shun Sang, Tony (Non-executive Director), Mr. Kwong Che Keung, Gordon (Independent Non-executive Director), Professor Bu Fan Xiao (Independent Non-executive Director) and Mr. Hui Hung, Stephen (Independent Non-executive Director).

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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and at the Company’s website at www.gdc-world.com.

** For identification purpose only*