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 INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE") (THE "GEM")

GEM has been positioned as a market designed to accommodate 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. 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 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, includes particulars given in compliance with the Rules Governing the Listing of Securities on the 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.

The board of Directors (the "Board") of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months and six months ended 30 June 2019, together with the comparative figures for the corresponding period in 2018, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2019

		Three months ended 30 June		**Six months ended 30 June**	
		2019	2018	**2019**	2018
		RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	Notes	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Revenue	*3(a)*	**40,341**	4,504	**45,741**	7,744
Direct costs		**(24,584)**	(20,469)	**(29,370)**	(41,712)
Gross profit/(loss)		**15,757**	(15,965)	**16,371**	(33,968)
Other revenue	*4*	**32**	29	**127**	89
Other gains and losses	*5*	**1,426**	(165)	**1,683**	562
Selling and distribution costs		**(2,089)**	(3,669)	**(4,613)**	(7,038)
Administrative expenses		**(4,335)**	(5,877)	**(9,716)**	(11,947)
Profit/(loss) from operations		**10,791**	(25,647)	**3,852**	(52,302)
Finance cost	*7*	**(204)**	–	**(303)**	–
Profit/(loss) before income tax	*6*	**10,587**	(25,647)	**3,549**	(52,302)
Income tax (expense)/credit	*8*	**(3,418)**	55	**(3,418)**	111
Profit/(loss) for the period		**7,169**	(25,592)	**131**	(52,191)
Other comprehensive income that may be reclassified subsequently to profit or loss:					
Exchange difference of translating foreign operations		**(28)**	–	**(50)**	–
Total comprehensive income/(loss) for the period		**7,141**	(25,592)	**81**	(52,191)

	Notes	Three months ended 30 June **2019** ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Unaudited)	Six months ended 30 June **2019** ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Unaudited)
Profit/(loss) for the period attributable to:					
Owners of the Company		**8,952**	(23,280)	**2,658**	(48,824)
Non-controlling interests		**(1,783)**	(2,312)	**(2,527)**	(3,367)
		7,169	(25,592)	**131**	(52,191)
Total comprehensive income/ (loss) for the period attributable to:					
Owners of the Company		**8,926**	(23,280)	**2,610**	(48,824)
Non-controlling interests		**(1,785)**	(2,312)	**(2,529)**	(3,367)
		7,141	(25,592)	**81**	(52,191)
Earnings/(loss) per share:					
– Basic and diluted (RMB cents)	*10*	**0.6289**	(1.6354)	**0.1867**	(3.4298)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 30 June 2019** ***RMB'000*** **(Unaudited)**	As at 31 December 2018 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment	*11*	**5,861**	1,885
Goodwill		**26,758**	26,758
Deferred tax assets		**1,449**	1,449
Financial assets at fair value though other comprehensive income		**5,000**	6,582
Total non-current assets		**39,068**	36,674
Current assets			
Serial programme rights		**27,785**	48,574
Inventories		**123**	106
Trade and other receivables	*12*	**70,416**	35,859
Amounts due from non-controlling interests	*15(b)*	**189**	189
Cash and cash equivalents		**3,455**	8,897
Total current assets		**101,968**	93,625
Total assets		**141,036**	130,299
Current liabilities			
Trade payables	*13*	**52,973**	58,178
Other payables		**17,694**	15,948
Contract liabilities		**11,561**	3,826
Current tax liabilities		**6,990**	3,572
Other borrowing		**5,000**	5,000
Loan due to a shareholder	*15(c)*	**–**	4,034
Loan due to a director	*15(d)*	**264**	–
Total current liabilities		**94,482**	90,558
Net current assets		**7,486**	3,067
Total assets less current liabilities		**46,554**	39,741

	Notes	As at 30 June 2019 *RMB'000* (Unaudited)	As at 31 December 2018 *RMB'000* (Audited)
Non-current liabilities			
Other payables		**1,789**	–
Loan due to a shareholder	*15(c)*	**4,943**	–
Total non-current liabilities		**6,732**	–
Total liabilities		**101,214**	90,558
NET ASSETS		**39,822**	39,741
Capital and reserves			
Share capital	*14*	**11,788**	11,788
Reserves		**27,447**	24,837
Equity attributable to owners of the Company		**39,235**	36,625
Non-controlling interests		**587**	3,116
TOTAL EQUITY		**39,822**	39,741

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

		Reserves					Equity attributable to the owners of the Company		
	Share capital	Share premium	Other reserve	Merger reserve	Foreigh exchange reserve	Accumulated losses		Non-controlling interests	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Balance at 1 January 2019 (audited)	**11,788**	**158,096**	**5,362**	**9,300**	**(102)**	**(147,819)**	**36,625**	**3,116**	**39,741**
Profit for the period	–	–	–	–	–	2,658	2,658	(2,527)	131
Other comprehensive loss	–	–	–	–	(48)	–	(48)	(2)	(50)
Total comprehensive income for the period	–	–	–	–	(48)	2,658	2,610	(2,529)	81
Balance at 30 June 2019 (unaudited)	**11,788**	**158,096**	**5,362**	**9,300**	**(150)**	**(145,161)**	**39,235**	**587**	**39,822**
Balance at 1 January 2018 (audited)	**11,788**	**158,096**	**5,362**	**9,300**	**–**	**(82,149)**	**102,397**	**3,179**	**105,576**
Disposal of partial interest in a subsidiary	–	–	–	–	–	5,916	5,916	4,084	10,000
Loss and total comprehensive loss for the period	–	–	–	–	–	(48,824)	(48,824)	(3,367)	(52,191)
Balance at 30 June 2018 (unaudited)	**11,788**	**158,096**	**5,362**	**9,300**	**–**	**(125,057)**	**59,489**	**3,896**	**63,385**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(4,501)**	(18,555)
Net cash used in investing activities	**(2,094)**	(9,755)
Net cash generated from financing activities	**1,170**	–
Net decrease in cash and cash equivalents	**(5,425)**	(8,800)
Effect of foreign exchange rate changes	**(17)**	–
Cash and cash equivalents at beginning of period	**8,897**	18,381
Cash and cash equivalents at end of period – represented by cash and bank deposits only	**3,455**	9,581

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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, 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.

The principal activity of the Company is investment holding while its subsidiaries are principally engaged in the provision of program production services and serial programme publishing, concert and event organisation services, mobile live broadcasting and e-commerce services, entertainment contents on demand system services and artist management.

2. BASIS OF PRESENTATION

The unaudited condensed consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRSs") and the disclosure requirements of the Hong Kong Companies Ordinance.

In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the GEM Listing Rules.

The unaudited condensed consolidated financial results have been prepared under the historical cost basis.

The unaudited condensed consolidated results are presented in Renminbi ("RMB"), which is the same as the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies applied in the preparation of the unaudited condensed consolidated results are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2018, except that the Group has adopted a number of new or revised HKFRSs, which are newly effective for the current period. The adoption of these new or revised HKFRSs had no change in significant accounting policies and no significant effect on the financial results of the current period. Also, no prior period adjustment is required.

The Group has not applied or early adopted the new or revised HKFRSs (including their consequential amendments) which are relevant to the Group that have been issued but are not yet effective in the preparation of these unaudited condensed consolidated results. The Group is currently assessing the impact of these new or revised HKFRSs upon initial application but is not yet in a position to state whether these new or revised HKFRSs would have any significant impact on its results of operations and financial position. It is anticipated that all of the pronouncements will be adopted in the Group's accounting policies in the accounting periods when they first become effective.

The unaudited condensed consolidated results have not been reviewed nor audited by the Company's auditor, but have been reviewed by the audit committee of the Board (the "Audit Committee").

3. REVENUE AND SEGMENT INFORMATION

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

The Group has five reportable segments. The segments 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 segments:

– Program production and related services ("Program Production");

  Program Production segment provides traditional television program production, serial programme publishing, distribution and related services.

– 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 live broadcasting and e-commerce and related services (" Mobile Live Broadcasting and E-Commerce");

  Mobile Live Broadcasting and E-Commerce segment provides an electronic platform for entertainment contents consumption and e-commerce, such as online store. This segment also provides online programme production and related services.

– Entertainment contents on demand system and related services ("Entertainment on Demand System");

  Entertainment on Demand System segment provides entertainment content through an entertainment on demand system named "Fengtingxun" which are installed in hardware placed within various karaoke boxes, mini-cinemas, hotels and internet cafes in the PRC.

– Artist Management and related services ("Artist Management");

  Artist Management segment provides agency service and commercial, public relations, commercial endorsements and etc. for the artists and athletes for arrangement of different performance activities.

The price of inter-segment transactions are determined with reference to prices charged to external parties for similar services or products. Central revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segments' profit that is used by the chief operating decision maker for assessment of segment performance.

(a) Revenue

The amounts of each significant category of revenue recognised during the periods are as follows:

	Three months ended 30 June		**Six months ended 30 June**	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Program production and related income	**35,653**	–	**35,653**	–
Concert and event organisation and related income	**116**	2,429	**2,426**	5,079
Mobile live broadcasting and e-commerce and related income	**–**	1,132	**–**	1,142
Entertainment contents on demand system and related income	**3,346**	943	**6,436**	1,523
Artist management and related income	**1,226**	–	**1,226**	–
	40,341	4,504	**45,741**	7,744

(b) Business segments

The segment information provided to the chief operating decision maker for the reportable segments is as follows:

For the six months ended 30 June 2019 (unaudited)

	Program Production *RMB'000*	Concert and event Organisation *RMB'000*	Mobile Live Broadcasting *RMB'000*	Entertainment on Demand System *RMB'000*	Artist Management *RMB'000*	Total *RMB'000*
Reportable segment revenue from external customers	35,653	2,426	–	6,436	1,226	45,741
Reportable segment profit/(loss)	14,256	(1,459)	(2,396)	(3,221)	(229)	6,951
Interest income	1	–	–	2	–	3
Interest expenses	–	–	–	198	–	198
Depreciation of property, plant and equipment	651	38	–	198	114	1,001
Reportable segment assets	67,417	5,112	30,425	34,372	2,474	139,800
Additions to non-current assets	4,367	–	–	143	–	4,510
Reportable segment liabilities	57,594	3,534	9,861	15,746	7,822	94,557

For the six months ended 30 June 2018 (unaudited)

	Program Production *RMB'000*	Concert and event Organisation *RMB'000*	Mobile Live Broadcasting *RMB'000*	Entertainment on Demand System *RMB'000*	Artist Management *RMB'000*	Total *RMB'000*
Reportable segment revenue from external customers	–	5,079	1,142	1,523	–	7,744
Reportable segment loss	(3,368)	(41)	(38,986)	(4,515)	–	(46,910)
Interest income	3	–	–	1	–	4
Depreciation of property, plant and equipment	574	160	36	188	–	958
Amortisation of intangible assets	–	444	–	–	–	444
Additions to non-current assets	–	–	–	246	–	246

(c) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June **2019** ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Unaudited)
Revenue		
Reportable segment and consolidated revenue	**45,741**	7,744

	Six months ended 30 June **2019** ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Unaudited)
Profit/(loss) before income tax		
Reportable segment profit/(loss)	**6,951**	(46,910)
Other revenue:		
– Interest income	**2**	1
Other gains and losses:		
– Exchange gain	**288**	171
– Waiver of contingent consideration payables	**–**	151
Unallocated corporate expenses:		
– Director's emoluments	**(1,309)**	(1,262)
– Legal and professional fee	**(449)**	(1,371)
– Salaries and other benefits for key management and administration staffs	**(1,194)**	(1,264)
– General operating expenses	**(740)**	(1,818)
Consolidated profit/(loss) before income tax	**3,549**	(52,302)

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 RMB'000 (Audited)
Assets		
Reportable segment assets	**139,800**	117,318
Unallocated corporate assets:		
– Property plant and equipment	**164**	191
– Cash and bank balances	**1,009**	5,479
– Financial assets at fair value through other comprehensive income	**–**	6,582
– Others	**63**	729
Consolidated total assets	**141,036**	130,299

	As at 30 June 2019 RMB'000 (Unaudited)	As at 31 December 2018 RMB'000 (Audited)
Liabilities		
Reportable segment liabilities	**94,557**	77,270
Unallocated corporate liabilities:		
– Accruals and other payable	**1,450**	9,254
– Loan due to a shareholder	**4,943**	4,034
– Loan due to a director	**264**	–
Consolidated total liabilities	**101,214**	90,558

(d) Geographic information

	Six months ended 30 June 2019 RMB'000 (Unaudited)	2018 RMB'000 (Unaudited)
Revenue		
PRC	**43,315**	5,315
Hong Kong	**1,703**	–
Other countries in Southeast Asia	**723**	2,429
	45,741	7,744

Geographical location of customers is based on the location at which the services are provided.

No geographical location of non-current assets is presented as substantial non-current assets are physically based in the PRC.

(e) Information about major customers

For the six months ended 30 June 2019, revenues from one customer (for the six months ended 30 June 2018: three customers) with whom transactions have exceeded 10% of the Group's revenue for the period. Details were as follows:

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue from the customer:		
Customer I:		
– Program production and related services	**35,653**	N/A[i]
Customer II:		
– Concert and event organisation and related services	**N/A[ii]**	2,650
Customer III:		
– Concert and event organisation and related services	**N/A[ii]**	2,429
Customer IV:		
– Mobile live broadcasting and e-commerce and related services	**N/A[ii]**	1,132
	35,653	6,211

Notes:

(i) The corresponding revenue in the six months ended 30 June 2018 for Customer I did not contribute over 10% of the total revenue of the Group.

(ii) The corresponding revenue in the six months ended 30 June 2019 for Customers II, III and IV did not contribute over 10% of the total revenue of the Group.

4. OTHER REVENUE

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Interest income from bank deposits	**2**	3	**5**	5
Sundry income	**30**	26	**122**	84
	32	29	**127**	89

5. OTHER GAINS AND LOSSES

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Exchange gain/(loss)	**52**	(165)	**288**	171
Gain on disposal of property, plant and equipment	**–**	–	**21**	–
Waiver of contingent consideration payables	**–**	–	**–**	151
Provision of doubtful debts written back	**1,374**	–	**1,374**	240
	1,426	(165)	**1,683**	562

6. PROFIT/(LOSS) BEFORE INCOME TAX

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit/(loss) before income tax is arrived at after charging:				
Directors' remuneration (including retirementbenefit scheme contributions)	**656**	634	**1,309**	1,262
Other staff costs	**3,106**	3,607	**6,387**	7,275
Retirement benefit schemes contributions for other staffs	**768**	597	**1,695**	1,302
Staff costs	**4,530**	4,838	**9,391**	9,839
Depreciation of property, plant and equipment	**1,076**	430	**1,441**	1,132
Amortisation of intangible assets	**–**	222	**–**	444

7. FINANCE COST

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Interest on other borrowings	**99**	–	**198**	–
Imputed interest on other payables	**105**	–	**105**	–
	204	–	**303**	–

8. INCOME TAX (EXPENSE)/CREDIT

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Current tax – the PRC – provision for the period	**(3,418)**	–	**(3,418)**	–
Current tax – Hong Kong – provision for the period	**–**	–	**–**	–
Deferred tax	**–**	55	**–**	111
Income tax (expense)/credit	**(3,418)**	55	**(3,418)**	111

PRC enterprise income tax and Hong Kong profits tax are calculated at 25% (for the six months ended 30 June 2018: 25%) and 16.5% (for the six months ended 30 June 2018: 16.5%) on the estimated assessable profits for the period respectively.

9. DIVIDEND

The directors do not recommend the payment of any dividend for the three and six months ended 30 June 2019 (for the three and six months ended 30 June 2018: nil).

10. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company is based on the following data:

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Profit/(loss)				
Profit/(loss) for the purposes of basic earnings/(loss) per share	**8,952**	(23,280)	**2,658**	(48,824)

	Three months ended 30 June		Six months ended 30 June	
	2019	2018	**2019**	2018
	'000	*'000*	***'000***	*'000*
Number of shares				
Weighted average number of ordinary shares *(note)*	**1,423,513**	1,423,513	**1,423,513**	1,423,513

Note:

Diluted earnings/(loss) per share was the same as basic earnings/(loss) per share as there were no potential dilutive ordinary shares outstanding for the three months and six months ended 30 June 2019 and 2018.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2019, the Group acquired property, plant and equipment amounting to approximately RMB5.4 million (including the initial recognition of right of use assets of approximately RMB3.9 million of leased properties pursuant to the application of HKFRS 16) (for the six months ended 30 June 2018: approximately RMB250,000).

12. TRADE AND OTHER RECEIVABLES

	As at 30 June 2019 *RMB'000* (Unaudited)	As at 31 December 2018 *RMB'000* (Audited)
Trade receivables	**37,044**	4,291
Less: impairment allowance	**(2,789)**	(4,164)
Trade receivables, net	**34,255**	127
Prepayments and deposits	**22,431**	23,617
Other receivables	**14,155**	12,540
Less: impairment allowance	**(425)**	(425)
Other receivables, net	**13,730**	12,115
	70,416	35,859

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

	As at 30 June 2019 *RMB'000* (Unaudited)	As at 31 December 2018 *RMB'000* (Audited)
Within 30 days	**33,988**	3
31 to 90 days	**–**	8
91 to 180 days	**–**	116
Over 180 days	**267**	–
	34,255	127

Note:

The credit period granted to trade debtors ranges 0-90 days from the invoice dates.

At the end of reporting period, the Group reviews trade and other receivables for evidence of impairment on both an individual and collective basis.

The below table reconciled the impairment allowance of trade debtors for the period:

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
At beginning of period	**4,163**	1,592
Provision for the period	**–**	–
Recovered during the period	**(1,374)**	(240)
At end of period	**2,789**	1,352

Trade receivables that were not past due relate to customers for whom there was no recent history of default.

13. TRADE PAYABLES

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

	As at 30 June 2019	As at 31 December 2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 30 days *(note)*	**952**	48,692
31 to 90 days	**12**	–
91 to 365 days	**42,487**	–
Over 365 days	**9,522**	9,486
	52,973	58,178

Note:

Included in trade payables within 91 to 365 days as at 30 June 2019 and within 30 days as at 31 December 2018 was the remaining balances of RMB42,487,000 and RMB48,692,000 respectively in respect of purchase of serial programme rights which was payable by instalments. The Group is negotiating with different TV stations and online platforms for publishing of the serial programme. The Group requested and obtained conditional consent (in case the initial publishing is delayed) from the vendor to settle the payable no later than 31 December 2020.

14. SHARE CAPITAL

Authorised and issued share capital

	Number	HK$'000	Equivalent to RMB'000
Authorised			
At 1 January 2018, 31 December 2018, 1 January 2019 and 30 June 2019	**8,000,000,000**	**80,000**	**67,024**
Issued and fully paid			
Ordinary shares			
At 1 January 2018, 31 December 2018, 1 January 2019 and 30 June 2019	**1,423,513,043**	**14,235**	**11,788**

15. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances disclosed elsewhere in this unaudited condensed consolidated financial statements, the Group had the following significant transactions with related parties during the period:

Related party relationship	Type of transaction	Six months ended 30 June	
		2019	2018
		RMB'000	*RMB'000*
		(Unaudited)	(Unaudited)
Shareholder A	Salaries	**38**	38
Shareholder B	Salaries	**38**	38

(b) The amounts due from non-controlling interests are unsecured, interest-free and repayable on demand.

(c) The loans due to a shareholder is unsecured, interest-free and due on 30 June 2021.

(d) The loans due to a director is unsecured, interest-free and repayable on demand or due on 31 December 2019.

(e) The remuneration of the Directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Wages and salaries	**2,112**	2,020
Social insurance and housing fund	**61**	26
Mandatory provident fund	**23**	21
	2,196	2,067

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2019 amounted to approximately RMB45.7 million, representing an increase of approximately 491% as compared to that recorded for the six months ended 30 June 2018 of approximately RMB7.7 million. Since the financial year of 2018, the Group has actively explored the business opportunities in production, distribution and publishing of serial programmes and artist management of artists and athletes. During the six months ended 30 June 2019, the increase of the revenue was mainly due to the revenue from the licensing of first-round broadcasting rights of a serial programme and commercial events of our contracted badminton world champion athletes.

During the six months ended 30 June 2019, the revenue from programme production which licensed the first-round broadcasting rights of a serial programme to a PRC media company was approximately RMB35.7 million (including publishing and rights) for the six months ended 30 June 2019. There was no revenue from programme production segment for the corresponding period in last year.

The Group recorded revenue of approximately RMB2.4 million from concert and event organisation segment during the six months ended 30 June 2019. Since the financial year of 2018, the Group has actively explored the concerts and event organisation business. The business model of the Group has been integrated from providing services for concert and event organisers to directly hosting events and concerts. This integration could enhance and stabilise the profitability of this segment from its business channels. During the six months ended 30 June 2019, the revenue was mainly come from concerts being organised in the first quarter of 2019 and the services provided related to event organization. The Group recorded revenue of approximately RMB5.1 million for the corresponding period in last year. The main reason for the decrease was due to seasonal effects that most concerts will be held in the second half of 2019.

The Group did not record revenue from mobile live broadcasting and e-commerce segment during the six months ended 30 June 2019. This business segment recorded revenue of approximately RMB1.1 million during the corresponding period of last year. Since the six months ended 30 June 2019, the Group has actively adjusted the development plan and business model according to the trend of internet industry. We transform our APP which can effectively cooperate and enhance the development of our business of serial programme production, distribution and publishing, artist management and event organisation. The Group considers the downturn in revenue of this business segment is temporary.

For the entertainment contents on demand system segment, our revenue were derived from our investment in "Fengtingxun". During the six months ended 30 June 2019, "Fengtingxun" had recorded revenue of approximately RMB6.4 million.

Since 2019, the Group has been actively developing our management business of artists and athletes and this business segment has begun to generate positive results. The Group recorded revenue of approximately RMB1.2 million from artist management segment for the six months ended 30 June 2019. The revenue came from jobs being arranged for our contracted world champion athletes includes interviews, promotions and special program on TV station. This segment has not established for the corresponding period in last year. The Group believes the sustainable development of this business segment can generate considerable revenue to the Group.

Gross profit/(loss)

The gross profit for the six months ended 30 June 2019 amounted to approximately RMB16.4 million (gross profit margin was approximately to 35.8%), which had been increased significantly as compared to that of gross loss recorded for the six months ended 30 June 2018 of approximately RMB34.0 million. The gross profit is mainly due to licensing the first-round broadcasting rights of the serial programme purchased in 2018 to a PRC media company from programme production segment and profit sharing of our world champion athletes from artist management segment.

Expenses

Selling and distribution costs for the six months ended 30 June 2019 was approximately RMB4.6 million, representing a decrease of approximately 34.5% as compared to the corresponding period in 2018 of approximately RMB7.0 million. The selling and distribution costs incurred for the six months ended 30 June 2019 were mainly for the promotion for the mobile live broadcasting and e-commerce business and entertainment contents on demand system business. The decrease in selling and distribution costs was because the Group adjusted the promotion expenditure for these two business segments since "Great Star" and "Fengtingxun" have already developed certain reputation in the respective market by the Group's promotional efforts in previous years.

Administrative expenses for the six months ended 30 June 2019 amounted to approximately RMB 9.7 million (six months ended 30 June 2018: approximately RMB11.9 million), which was decreased by approximately 18.7% as compared to the corresponding period in 2018 which was mainly due to reduction of Beijing office rental expenses and the integration of administrative operation.

Income tax (expense)/credit

The Group had recorded income tax expense of approximately RMB3.4 million for the six months ended 30 June 2019. There were an income tax credit recorded for the Group of approximately RMB111,000 during the six months ended 30 June 2018, which was due to the deferred tax. The provision of income tax for the six months ended 30 June 2019 was related to the PRC enterprise income tax which was arisen from the taxable profit from our PRC subsidiaries. There are no provision of Hong Kong profits tax for the six months ended 30 June 2019 as no subsidiaries of the Company located in Hong Kong have recorded taxable profit. PRC enterprise income tax for the subsidiaries incorporated in the PRC and Hong Kong profits tax for the subsidiaries incorporated in Hong Kong is calculated at 25% and 16.5% respectively on taxable profit of relevant period in accordance with the relevant laws and regulations.

Profit/(loss) for the period

The Group recorded profit after income tax of approximately RMB131,000 for the six months ended 30 June 2019, as compared to that of loss after income tax recorded for the corresponding period in the last year of approximately RMB52.2 million. The reason of recording net profit for the period was due to the profit from the program production and serial programme publishing and the decreasing cost of the mobile live broadcasting and e-commerce business.

Financial resources, liquidity and capital structure

During the six months ended 30 June 2019, the Group finances its operations by internally generated cash flow, borrowings and shareholders' equity. As at 30 June 2019, the Group had net current assets of approximately RMB7.5 million (at 31 December 2018: approximately RMB3.1 million) including cash and cash equivalents of approximately RMB3.5 million (at 31 December 2018: approximately RMB8.9 million). The decrease in cash and cash equivalents was mainly because the Group has not yet collected all of the account receivables related to the licensing revenue of the first-round broadcasting rights of a serial programme recognised in June 2019 and certain pre-production fees have been paid for the concerts which will be organised by the Group in the second half of 2019. The current ratio, being the ratio of current assets to current liabilities, was approximately 1.08 times as at 30 June 2019 (at 31 December 2018: approximately 1.03 times). The capital of the Group comprises only ordinary shares. Total equity attributable to owners of the Company amounted to approximately RMB39.2 million as at 30 June 2019 (at 31 December 2018: approximately RMB36.6 million).

BUSINESS REVIEW AND PROSPECTS

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

Program production and related services

The Group has implemented various strategies to expand our revenue from online and television platforms, the provision of integrated marketing services and the application of our transferable skills in the exploration of business opportunities in order to improve our business performance and adapt to our recent business challenges. Strategies includes (1) expand our business of online drama video production, (2) cooperate with well-known Chinese film and television production companies to produce and introduce the re-edited top-rated overseas TV serial programs (such as Korea) to the PRC and Hong Kong markets; and (3) distribute high-quality films and television programs to television stations and online video platforms.

Our integrated program production segment has been extended to project planning, building of key creative team, production management, publishing and the distribution of works. The Group purchased a serial programme in 2018 and sold its license on the first-round broadcasting rights and second-round non-prime time broadcasting rights of contracted amount of approximately RMB54.0 million and RMB11 million respectively in first half of 2019. Subject to the accounting standards, the corresponding revenue of licensing of the second-round non-prime time broadcasting rights is expected to be recognised in 2020. We are actively in negotiation of transferring the online broadcast rights with major online video platforms in the PRC.

Apart from licensing the broadcasting rights of our serial programme purchased in 2018, the Group is in negotiation with different parties on various projects in production, publication and distribution. Among these the Group has entered into three agreements in relation to production, publication and distribution of serial programs: (1) An exclusive distribution agency agreement with a film and television production company for a serial program totaling 45 episodes. (2) A production contract with a film and television production company for an online drama with approximately 28 episodes which will be completed by end of 2019. (3) A joint development and production agreement with a PRC media company in Year 2020 to re-produce a top-rated TV serial programme adapted from South Korean TV station and our Group has controlling interest in this programme. Our Group expects these serial programs will bring more revenue to the Group in the coming future.

Concert and Event Organisation

Our Group started the concert organization segment in 2018 by cooperating with entertainment companies that had access to famous Korean artists in order to diversify our business reliance on the traditional event organization income and bring more potential revenue to the Group. We have successfully organized pop music concert events with artists such as Wilber Pan (潘瑋柏), BTOB (Born to Beat), SEVENTEEN, NU'EST W, APINK, Jessica Jung (鄭秀妍), and Li Joon Gi (李準基) in the PRC, Hong Kong, Malaysia, Thailand and Taiwan.

In response of the "Korean K-pop Wave" in recent years, we are pre-emptively preparing ahead and intend to bring back the Korean Wave to the PRC through our established relationships with various prominent Korean artists. We consider that our concert and event organization segment with Korean artists in the PRC market (including fan meetings, concerts and other commercial activities) will bring significant revenue streams to our Group such as ticketing sales, advertising sponsorships, Internet content promotion, and peripheral commodity sales.

Following the entering of relevant MOUs being mentioned in 2019 first quarterly report of the Company, we are in negotiation with relevant artists management companies and expect to enter into agreements to organize concerts of renowned top league PRC artists and more concerts of Korean artists.

We will continue to organise more concerts in Hong Kong, Taiwan etc in the second half of 2019.

Mobile Live Broadcasting and E-commerce

Our "Great Star" mobile phone application provides online tools and services for well-known artists, key opinion leaders (KOLs), online celebrities, and video content creators to participate in mobile live broadcasting, text and video interaction, video content distribution, integrated peripheral merchandise sales, and online settlement and payment.

In May 2019, "Great Star", our mobile live broadcasting and e-commerce APP, signed a custodial agreement with a Hong Kong developer of the mobile application "Aiwoo", for the exclusive operational rights of their application in the PRC.

"Aiwoo" provides online fans and stars with the tools necessary to fuel engagement and interaction. Through the application, fans can follow and keep up-to-date to the dynamics of their favorite stars in real-time, and interact with these stars by online application. It provides fan groups and their communities the ability to purchase the peripheral products of their stars and participate in social interactions and functions between fans, thus building a borderless online entertainment community. "Aiwoo" and our Group have been cooperating on our concert pipeline for the promotion, marketing, ticket sales, and peripheral commodity sales in our concerts and event organization segment, including Korean artists BTOB (Born to Beat), SEVENTEEN, NU'EST W, APINK, Jessica Jung (鄭秀妍), and Li Joon Gi (李準基) in Hong Kong, Malaysia, Thailand and Taiwan.

Although the revenue from mobile live broadcasting and e-commerce is still relative low, we are optimistic on the business prospects of "Great Star" and it could be accelerated as "Great Star" and "Aiwoo" have perfect the consumer experience under a parallel running environment, leveraging the existing proprietary technology developed by "Great Star" (such as live broadcasting tools, integrated commodity sales tools, etc.) and integrating these tools into the "Aiwoo" application. By sharing the customer flow and user-base of both applications, utilising the influence and appeal of celebrities, and tapping into the existing demand and habits of fans and the fan-economy, the Group aims to leverage the synergy between these two applications to increase overall application downloads and daily boot activity in order to build a comprehensive online community of fans and micro-communities. Our Group believes that with "Great Star" and "Aiwoo", our mobile live broadcasting and e-commerce segment holds great potential and promising synergy with our other businesses, namely in the Internet age as an online supplementary to our traditionally offline event and concert organization and our artist management segment.

During the second quarter of 2019, the Group disposed the investment in Instance App Inc. Pte. Ltd. ("Instance"). Instance is an operator of "Instance App", the e-commerce application which is based in Singapore. Details of Instance's business was also disclosed in the voluntary announcement of the Company dated 20 April 2018. Before the disposal, the Group had approximately 6% equity interest of Instance and the investment cost of this investment was US997,500. As Instance has lagged behind on certain representations and did not generate any revenue since the Company's subscription. After certain discussions with the major shareholder of Instance, the Company agreed to sell and major shareholder of Instance agreed to buy back the entire shareholdings of Instance held by the Company for US$997,500 (the "Buy-back"), which is same as the cost of investment of the Company. The Company and the major shareholder of Instance had entered into agreement in relation to the Buy-back and completed the transaction in May 2019.

Entertainment Contents on Demand System

"Fengtingxun" is a pay-on-demand entertainment content system which was acquired by our Group in 2016. It integrates large-scale of video contents provided by Tencent (騰訊), Mango TV (芒果TV) and etc, through its self-developed system and distribute across channels including commercial outlets, households, hotels and etc. Users of "Fengtingxun" can enjoy unlimited access to entertainment content during annual subscription period or access to particular entertainment content at the time on demand. The revenue is based on the sharing subscription fee and pay-on-demand fee with channels.

During the second quarter, "Fengtingxun" has signed an Internet TV business cooperation agreement with Tencent to collaborate with "Fengtingxun" intelligent terminal systems development for business channels of the pan-entertainment industry. "Fengtinxun" also invested RMB5.0 million into a national on-demand theater company. This national on-demand theater will act as a commercial service platform that consolidate copyrights, cinema, media and culture in one integrated platform. The investment will be recognised as the financial assets at fair value through other comprehensive income on the balance sheet. The Group expects the cooperation could help to boost the penetration of "Fengtingxun".

With the implementation, guidance and support of the department of the PRC government regulating the on-demand cinema, the on-demand cinema market is developing at a fast pace. The low revenue recognised from "Fengtingxun" since the acquisition is because of the required time for the market to adapt to the implementation of certain guidance, laws and regulations. Following to the announcement made by the National Radio and Television Administration ("NART"), formerly the State Administration of Radio, Film, and Television ("SARFT"), in March 2018, the China Film Administration further promulgated the Notice of the China Film Administration on the Pilot Work of On-Demand Cinema and On-Demand Cinema Franchises in May 2019. The promulgation of this policy provides guidance, regulatory regulations and protection for the on-demand cinema and on-demand cinema franchise industry. "Fengtingxun" is currently in its high demand capital expenditure for its national-wide development to prepare for the enforcement of the policy. "Fengtingxun" (風霆迅) continues to sell equipment and collect subscription fee under its current business model.

Artist Management

In early 2019, the Group entered into a global exclusive artist agency agreement with world champion athletes and obtained the agency rights to represent the China Badminton Association on its advertising sponsorship projects. Our management is actively looking for potential business opportunities. The revenue for the six months ended 30 June 2019 was approximately RMB1.2 million. With the advent of the 2020 Tokyo Olympics, the commercial value of world champion athletes will be considerably increased. The Group believes that it will bring considerable benefits to the Group.

Our Group will continue to seek for opportunities between our artists and customers or brands, as well as managing and promoting our artists and/or athletic artists in order to bring more value to the Group.

The Group expects to continue to face various challenges and opportunities. Based on our experienced teams and the new strong teams formed by several professionals in program production, concert organisation and artist agency, we believe that the Group can overcome the challenges and create more business value. Our management will continue to spend efforts to enhance our business performance and carefully considers reallocation of our financial resources by disposal of low return business in order to enhance our cash position. However, the Group has not concluded of any proposal as at the date of this announcement.

Principal risks and uncertainties

A number of factors may affect the results and business operations of the Group, major risks are summarised below.

Reliance on limited number of customers

The Group derived a significant portion of our revenue from a limited number of customers. For the six months ended 30 June 2019, the largest customer and the five largest customers of the Group contributed approximately 77.9% and 90.4% of total revenue to the Group respectively. There is a risk that these significant customers to cancel or early terminate the contract and no assurance that these significant customers will continue their business relationship with the Group or that the revenue generated from the customers will increase or be maintained in the future. The Group will continue to expand the customer base to mitigate the risk.

Intense competition

The television broadcasting content production market is highly fragmented. New players are entering into the market, while existing big players are growing. The Group is facing pricing pressure from the television station customers which have the sole decision making to which program to be played. The Group also faces threat of substitution by films, television series and competition programs which take up higher proportions of audience rating compared to television broadcasting contents such as variety shows.

The robust sector in the event organisation is very competitive. Apart from competition with other event organisers, television stations, online video networks and film distributors with high backward integration ability, many corporations setup their own in-house public relations, which have the ability to organise their own events such as annual parties. Further, companies that are well-established in other related fields such as public relations agencies, also are the potential competitors of the event organisation segment of the Group.

Uncertainties of market demand of recently developed businesses

The Group had made material investment in the mobile live broadcasting and e-commerce and entertainment contents on demand system businesses. The Group believes these businesses have huge potential under the fast growing internet platform and the huge demand in the pan-entertainment sector. However, the instability in determining reliable estimates on the fast changing users' behaviors make no assurance that our optimistic expectation on these businesses can be realized. Further, its regulatory control are not fully sophisticated. The Group's operations of "entertainment contents + social media + e-commerce" of mobile live broadcasting and e-commerce business require quick reaction to the rapid market changes, therefore the Group has not yet been affirmed that the value of this business model will be realized in the short term. Although the PRC government has started to strengthen the supervision of the entertainment outlets (such as mini-cinemas) which can benefit the Group in long-term under the consolidation of the sector, the relevant regulations have just been implemented for a short period of time and the market may require a certain period of time to reflect the effect of the new regulations.

Mobile live broadcasting and e-commerce and entertainment contents on demand system are not necessities, the demand of these businesses may fall significantly if the economy in the PRC faces material downturn with the decrease in purchasing power of potential consumers. In addition, the consumption trend and demand of the internet and pan-entertainment can be changed quickly, the Group may require to deploy resources continuously to attract and retain the customers' loyalty. The management of the Group will closely monitor the operation and the market changes of these segments.

Employees and remuneration policies

As at 30 June 2019, the Group had a total of 68 employees. 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

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

Capital expenditure

The Group paid approximately RMB1.6 million for the addition of property, plant and equipment during the six months ended 30 June 2019 (for the six months ended 30 June 2018: approximately RMB250,000).

Capital commitments

As at 30 June 2019, the Group did not have any capital commitments.

Contingent liabilities

As at 30 June 2019, there were no significant contingent liabilities for the Group.

Significant investment, material acquisitions or disposals of subsidiaries and affiliated companies

There were neither significant investments held as at 30 June 2019 (as at 31 December 2018: nil) nor material acquisitions and disposals of subsidiaries or affiliated companies made by the Group during the six months ended 30 June 2019 (for the six months ended 30 June 2018: nil).

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 six months ended 30 June 2019.

SHARE OPTION SCHEME

The Company has adopted the share option scheme on 3 November 2015 (the "Share Option Scheme") and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of its adoption and enables the Company to grant share options to the eligible persons (including any executive director, non-executive director and independent non-executive director, advisor and consultant of the Group) (the "Eligible Person(s)") as incentives or rewards for their contributions to the Group. No share option was granted, exercised, expired or lapsed since its adoption by the Company and there is no outstanding share option under the Share Option Scheme.

COMPETING INTERESTS

During the six months ended 30 June 2019, none of the Directors, the controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) as at 30 June 2019 had any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group or any other conflicts of interest with the Group.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the Group's goals. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders' value.

The Board has adopted the Corporate Governance Code (the "CG Code") as set out in Appendix 15 to the GEM Listing Rules.

The Board is pleased to report compliance with the code provisions of the CG Code for the six months ended 30 June 2019, except the following deviations (Code Provisions A.2.1, A.4.1 and C.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 the operation of the Company.

Non-executive directors

The non-executive directors of the Company were not appointed for a specific term but their respective terms of office are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The rotation clause sets up a mechanism to ensure that all Directors shall retire at least once every three years and be eligible for re-election.

Internal audit function

The Group 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. This situation will be reviewed from time to time.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the directors (the "Required Standard of Dealings"). The Company has confirmed, having made specific enquiry of the directors, all the directors have complied with the Required Standard of Dealings throughout the six months ended 30 June 2019.

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. 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 unaudited condensed consolidated results of the Company for the six months ended 30 June 2019 have been reviewed by the audit committee. The audit committee is of the opinion that such unaudited condensed consolidated results comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosure have been made.

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

Hong Kong, 30 July 2019

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Philip Jian Yang and Ms. Yang Jianping as executive directors; 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 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.