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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)

ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

INTRODUCTION

The Board is pleased to announce that on 22 May 2023 (after trading hours of the Stock Exchange), the Company and the Subscriber entered into the CB Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue the Convertible Bonds in the principal amount of RMB17,500,000 (equivalent to HK\$19,775,000).

Based on the Conversion Price of HK\$0.54 per Conversion Share, a total of 36,620,370 Conversion Shares will be allotted and issued upon exercise of the Conversion Rights attaching to the Convertible Bonds in full, which represent approximately 9.82% of the existing issued share capital of the Company and approximately 8.94% of the issued share capital of the Company as enlarged by the allotment and issue of all Conversion Shares, assuming that there will be no changes in the issued share capital of the Company between the date of this announcement and the date of issue of the Conversion Shares upon full conversion of the Convertible Bonds.

The aggregate net proceeds from the issue of the Convertible Bonds are estimated to be HK\$17,630,260 (equivalent to RMB15,602,000) (having deducted the professional fees and other expenses in connection with the issue of the Convertible Bond). The net price per Conversion Share is estimated to be approximately HK\$0.481. The Company intends to apply the net proceeds of the issue of the Convertible Bonds in the manner set out in the paragraph headed “Reasons for the issue of the Convertible Bonds and use of proceeds” of this announcement.

The Conversion Shares will be issued and allotted by the Company pursuant to the General Mandate upon conversion of the Convertible Bonds. The CB Subscription Agreement and the transactions contemplated therein including the issuance and allotment of Conversion Shares under the General Mandate are not subject to Shareholders' approval.

No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock exchange. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

As the CB Subscription Agreement is subject to fulfillment or waiver (as the case may be) of the Conditions Precedent, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 22 May 2023 (after trading hours of the Stock Exchange), the Company and the Subscriber entered into the CB Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue the Convertible Bonds in the principal amount of RMB17,500,000 (equivalent to HK\$19,775,000).

THE CB SUBSCRIPTION AGREEMENT

Principal terms of the CB Subscription Agreement are summarised as follows:

Date: 22 May 2023 (after trading hours of the Stock Exchange)

Parties: (a) Creative China Holdings Limited (中國創意控股有限公司) as the issuer; and
(b) Ms. Li Wen (李雯) as the subscriber, an Independent Third Party.

Conditions Precedent

Completion is conditional upon the following Conditions Precedent being fulfilled or waived by the Subscriber in writing (as the case may be):

- (1) the Stock Exchange having granted (either unconditionally or subject only to conditions reasonable acceptable to both the Company and the Subscriber) the listing of, and permission to deal in, the Conversion Shares, and such approval not having been revoked prior to Completion;

- (2) all necessary consents, confirmations, permits, approvals and authorisations under the GEM Listing Rules and other regulatory regime having been granted to and/or obtained by the Company (collectively, the “**Necessary Approvals**”), and the Necessary Approvals having remained valid and effective, and not being threatened with any revocation, withdrawal, cancellation or suspension at any time before Completion;
- (3) the warranties made by the Company under the CB Subscription Agreement having remained true and accurate and not misleading in all material respects as at Completion; and
- (4) no Material Adverse Effect having been occurred.

Other than Conditions Precedent referred to in paragraph (1) above which cannot be waived, the Subscriber may at any time before Completion waive any of other Conditions Precedent above by prior written notice to the Company. As at the date of this announcement, none of the Conditions Precedent have been fulfilled or waived.

In the event that any of the Conditions Precedent above are not fulfilled or waived on or before the Long Stop Date, the CB Subscription Agreement and everything contained thereof shall terminate and be null and void and of no further effect and neither of the Parties shall have any liability to any other Party, save for any antecedent breach(es) of any obligation under the CB Subscription Agreement. Upon termination of the CB Subscription Agreement, the Company shall immediately procure the PRC Subsidiary (as defined below) to return the full amount of the Deposit (as defined below) to the Subscriber within three (3) Business Days following such termination.

Completion

Subject to the Subscriber’s full payment of the Deposit and the fulfilment or waiver (as the case may be) of all the Conditions Precedent, the Completion shall take place on the Completion Date. The Company shall issue the Convertible Bonds in their respective principal amounts to the Subscriber (or her nominee(s)) as the Bondholder(s) on the Completion Date.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The principal terms of the Convertible Bonds are summarized below:

| | |
|--------------------|-----------------|
| Issuer: | The Company |
| Subscriber: | Ms. Li Wen (李雯) |

Principal amount: RMB17,500,000 (equivalent to HK\$19,775,000)

Payment: The Subscriber agrees to pay a deposit of RMB17,500,000 (the “**Deposit**”) to the subsidiary of the Group in the PRC designated by the Company (the “**PRC Subsidiary**”) by way of bank transfer to the bank account of the PRC Subsidiary within three (3) Business Days following the date of the CB Subscription Agreement, so as to guarantee the Subscriber’s obligation to pay to the Company an amount of HK\$19,775,000 equivalent to the Issue Price as the settlement of the Issue Price on or before 31 July 2024 (the “**Settlement**”). Subject to the compliance of the PRC law, the Company shall have the right to apply the full amount of the Deposit towards the payment of the Issue Price on or before 31 July 2024, by serving a prior written notice of not less than three (3) Business Days to the Subscriber, in which event the Subscriber is deemed having duly made the Settlement and discharged of her payment obligation thereunder.

Subject to the Subscriber’s full payment of the Deposit and satisfaction of the Conditions Precedent (or waiver, as the case may be), the Company shall issue certificates (the “**Certificates**”) in the name of the Subscriber (or her nominee(s)) as the Bondholder(s) representing the full amount of the Convertible Bonds, which shall be delivered to the escrow agent appointed by the Company (the “**Escrow Agent**”) within three (3) Business Days from the Completion Date and under the escrow of the Escrow Agent. The Certificates shall be released to the Bondholder(s) upon completion of the Settlement.

Interest rate: 2% per annum, which shall accrue on a daily basis from the date of Settlement calculated on the basis of a 365-day year on the principal sum of the Convertible Bond for the time being outstanding and shall be paid on the Maturity Date.

Conversion Price:

The Conversion Price of HK\$0.54 per Conversion Share represents:

- (i) a premium of approximately 125.00% over the closing price of HK\$0.2400 per Share as quoted on the Stock Exchange on the date of the CB Subscription Agreement;
- (ii) a premium of approximately 133.77% over the average closing price of HK\$0.2310 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days of the Shares immediately prior to the date of the CB Subscription Agreement; and
- (iii) a premium of approximately 145.90% over the average closing price of HK\$0.2196 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days of the Shares immediately prior to the date of the CB Subscription Agreement.

The Conversion Price was determined after arm's length negotiations between the Company and the Subscriber, taking into account the business development and future prospect of the Group and the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.54 per Share as at 31 December 2022. The Directors (including the independent non-executive Directors) consider that the Conversion Price and the terms and conditions of the CB Subscription Agreement and the Convertible Bonds are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Conversion Price shall from time to time be subject to adjustment upon occurrence of consolidation or sub-division of Shares in accordance with the provisions of the Convertible Bonds.

Conversion Shares: Based on the Conversion Price of HK\$0.54 per Conversion Share, a total of 36,620,370 Conversion Shares will be allotted and issued upon exercise of the Conversion Rights attaching to the Convertible Bonds in full, which represent approximately 9.82% of the existing issued share capital of the Company and approximately 8.94% of the issued share capital of the Company as enlarged by the allotment and issue of all Conversion Shares, assuming that there will be no changes in the issued share capital of the Company between the date of this announcement and the date of issue of the Conversion Shares upon full conversion of the Convertible Bonds. The aggregate nominal value of the 36,620,370 Conversion Shares is HK\$1,831,018.50.

Maturity Date: The date falling on the second (2nd) anniversary of the Issue Date.

Conversion rights (the “Conversion Rights”): Subject to and upon compliance with the Conditions, each Bondholder shall have the right, at the sole option of such Bondholder, at any time during the Conversion Period to convert (in whole or in part (in multiples of RMB1,750,000)) the outstanding principal amount of the Convertible Bonds held by such Bondholder into fully-paid Shares, calculated for each conversion to be the greatest number of Shares, disregarding fractions, obtainable by dividing the aggregate principal amount of the Convertible Bonds to be converted, by the applicable Conversion Price in effect on the relevant date of the conversion.

The Bondholder shall not have the right to convert (in whole or in part) the outstanding principal amount of the Bonds held by such Bondholder into fully-paid Shares if the issue of the Conversion Shares following the exercise by the Bondholder of the Conversion Rights would result in (i) the Company not meeting the requirement under the GEM Listing Rules that not less than 25% (or such other percentage as may from time to time be specified in the GEM Listing Rules) of the Shares shall be held by the public immediately after the conversion; or (ii) the Bondholder and parties acting in concert with it (within the meaning of the Takeovers Code), taken together, directly or indirectly controlling or being interested in 30% or more of the entire issued voting share capital of the Company (or such other percentage as may from time to time be specified in the Takeovers Code as being the level of triggering a mandatory general offer) as at the date of conversion and a mandatory general offer obligation will be triggered under the Takeovers Code.

Voting rights: Bondholders shall not have any right to attend or vote in any general meeting of the Company.

Transferability: Subject to and upon completion of the Settlement, the Convertible Bonds shall be freely transferable.

Events of default: Without prejudice to the other provisions of the Conditions, following the occurrence of any of the following events (each, an **Event of Default**) and the giving of written notice by the Majority Bondholder, the principal moneys outstanding on any Convertible Bonds together with all interest accrued thereon up to and including the date of payment shall on the occurrence of any Event of Default (immediately upon such notice being given) become due and redeemable:

- (a) if the Company fails to make a payment (whether of principal, premium or otherwise) in accordance with the Conditions, and such default continues for a period of 20 (twenty) Business Days after the due date for such payment;
- (b) if there is a default in the performance or observance by the Company of any covenant, undertaking, condition, obligation or provision set out in the Bond Instrument and on its part to be performed or observed (other than a payment obligation referred to in paragraph (a) above) and (except where such failure is not capable of remedy) such default continues for 20 (twenty) Business Days after written notice of such default has been given to the Company by a Bondholder (or, if earlier, the Company becoming aware of the failure to comply);
- (c) any failure by the Company to deliver any Shares as and when the Shares are required to be delivered following conversion of the Convertible Bonds and such failure continues for more than twenty (20) Business Days, except such failure is not resulted from wilful default on the part of the Company or it is caused by temporary restriction imposed by the Stock Exchange;

- (d) the Convertible Bonds or any Condition cease for any reason to be in full force and effect or are terminated or become invalid or unenforceable, or if there is any dispute by the Company regarding the validity or enforceability of the same, or if there is any purported termination or repudiation by the Company of the same, or if it becomes impossible or unlawful for the Company to perform any of its obligations under the Bond Instrument or (so far as is within the control or influence of the Company) for any Bondholder to exercise all or any of its rights, power and remedies under the Bond Instrument; or
- (e) if the listing of, and permission to deal in, the Conversion Shares is revoked for any reason, except such failure is not resulted from wilful default on the part of the Company or it is caused by temporary restriction imposed by the Stock Exchange.

Application for listing: No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock or securities exchange. Application will be made by the Company for the listing of, and permission to deal in, the Conversion Shares.

Ranking: The Conversion Shares upon issue shall rank *pari passu* with all other Shares.

INFORMATION OF THE PARTIES

The Subscriber

The Subscriber is an individual investor who is a PRC resident. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber is an Independent Third Party.

THE COMPANY AND THE GROUP

The Company is an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on GEM. The Group is principally engaged in (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.

REASONS FOR THE ISSUE OF THE CONVERTIBLE BONDS AND USE OF PROCEEDS

The aggregate gross proceeds from the issue of the Convertible Bonds will be HK\$19,775,000 and the aggregate net proceeds from the issue of the Convertible Bonds, having deducted the professional fees and other expenses in connection with the issue of the Convertible Bond, are estimated to be approximately HK\$17,630,260 (equivalent to RMB15,602,000). The net price per Conversion Share is estimated to be approximately HK\$0.481. The Company intends to apply the net proceeds from the issue of the Convertible Bonds in the following manner:

- (i) approximately 38.45% of the net proceeds, or approximately HK\$6,780,000 (equivalent to RMB6,000,000), will be used for serial program/film production and related services and film rights investment;
- (ii) approximately 31.55% of the net proceeds, or approximately HK\$5,561,860 (equivalent to RMB4,922,000), will be used for mobile application development and operation; and
- (iii) approximately 30.00% of the net proceeds, or approximately HK\$5,288,400 (equivalent to RMB4,680,000), will be used for the general working capital of the Group.

The Directors consider that (i) the issuance of the Convertible Bonds provides an opportunity for the Company to raise additional funds for its operations and broaden the Company's capital base for business development, and (ii) the issue of the Convertible Bonds is an appropriate mean of raising additional capital of the Company since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

In light of the foregoing, the Board (including the independent non-executive Directors) is of the view that and the terms and conditions of the CB Subscription Agreement and the Convertible Bonds (including the Conversion Price) are on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

None of the Directors have any material interest in the CB Subscription Agreement and the transaction contemplated thereunder including the issuance and allotment of the Conversion Shares and none of them abstained from voting on the relevant Board resolutions.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) for illustration purpose only, immediately after the allotment and issue of the Conversion Shares in full upon exercise of the Conversion Rights under the Convertible Bonds (on the assumptions that the Conversion Price being HK\$0.54 and there is no further allotment of Shares from the date of this announcement other than the Conversion Shares) are as follows:

| Name of shareholders | As at the date of this announcement | | Immediately upon full conversion of the Convertible Bonds | |
|---|--|---------------------------|---|---------------------------|
| | Number of Shares | Approximate percentage | Number of Shares | Approximate percentage |
| Non-public shareholders: | | | | |
| Youth Success Holdings Limited ("Youth Success") (Notes 1 and 3) | 81,378,000 | 21.82% | 81,378,000 | 19.87% |
| Guang Rui Investments Limited ("Guang Rui") (Note 1) | 2,594,400 | 0.70% | 2,594,400 | 0.63% |
| Goldbless International Limited ("Goldbless") (Notes 1 and 2) | 76,500,000 | 20.51% | 76,500,000 | 18.68% |
| Alpha Master Global Limited ("Alpha Master") (Note 1) | 10,077,600 | 2.70% | 10,077,600 | 2.46% |
| Qiao Tian Limited ("Qiao Tian") (Note 1) | 5,418,000 | 1.45% | 5,418,000 | 1.32% |
| Mr. Liang Longfei ("Mr. Liang") (Note 3) | 36,000,000 | 9.65% | 36,000,000 | 8.79% |
| The Bondholder (Note 4) | – | – | 36,620,370 | 8.94% |
| Sub-total | <u>211,968,000</u> | <u>56.83%</u> | <u>248,588,370</u> | <u>60.69%</u> |
| Public Shareholders: | | | | |
| Other public Shareholders | <u>161,018,978</u> | <u>43.17%</u> | <u>161,018,978</u> | <u>39.31%</u> |
| Sub-total | <u>161,018,978</u> | <u>43.17%</u> | <u>161,018,978</u> | <u>39.31%</u> |
| Total | <u><u>372,986,978</u></u> | <u><u>100%</u></u> | <u><u>409,607,348</u></u> | <u><u>100%</u></u> |

Notes:

- As at the date of this announcement, Youth Success and Guang Rui owns 81,378,000 Shares and 2,594,400 Shares respectively, representing 21.82% and 0.70% of the issued share capital of the Company. The issued share capital of Youth Success is legally and beneficially owned as to 83.54% by Guang Rui. Under the SFO, Guang Rui is deemed to be interested in all the Shares registered in the name of Youth Success. The entire issued share capital of Guang Rui is legally and beneficially owned as to 60% by Mr. Yang Shaoqian ("Mr. Yang") and 40% by Ms. Mou Sufang ("Ms. Mou"). Ms. Mou is the spouse of Mr. Yang,

therefore under the SFO she is deemed to be interested in all the Shares in which Mr. Yang is deemed to be interested, and vice versa. By virtue of the shareholders voting agreement entered into by Mr. Yang, Ms. Mou, Youth Success, Mr. Li Lin, Alpha Master, Ms. Yang Qi, Qiao Tian, Mr. Wang Yong and Goldbles, Youth Success is deemed to be interested in the Shares held by Alpha Master, Qiao Tian and Goldbles in aggregate by virtue of the SFO.

2. As at the date of this announcement, the entire issued share capital of Goldbles is owned by Mr. Wang Yong, the non-executive Director. Under the SFO, Mr. Wang Yong is deemed to be interested in all the Shares registered in the name of Goldbles.
3. By virtue of the shareholders voting agreement entered into by and among Mr. Yang, Ms. Mou, Youth Success and Mr. Liang, Mr. Liang irrevocably agrees to delegate and authorize Youth Success to exercise voting rights attached to all of the Shares held by him, and Youth Success is deemed to be interested in the Shares held by Mr. Liang in aggregate by virtue of the SFO.
4. Pursuant to the CB Subscription Agreement, each Bondholder shall, prior to the conversion of the Convertible Bonds, execute and deliver to the Company a shareholders voting agreement, whereby Youth Success shall be entitled to exercise voting rights attached to all of the Shares held by the Bondholder (either indirectly through his/her/its respective holding company(ies) (the “**Holdco**”) or directly held by himself/herself/itself). As such, Youth Success is deemed to be interested in the Shares held by the Holdco or the Bondholder by virtue of the SFO.

GENERAL MANDATE

Pursuant to the General Mandate granted by the Shareholders at the annual general meeting of the Company held on 27 May 2022, the Directors may exercise all powers of the Company to allot, issue and otherwise deal with Shares not exceeding 67,397,395 Shares, representing 20% of the number of the issued Shares of the Company as at the date of the annual general meeting. As at the date of this announcement, the General Mandate has yet been utilized. Accordingly, the CB Subscription Agreement and the transaction contemplated thereunder including the issuance and allotment of Conversion Shares under the General Mandate are not subject to the Shareholders’ approval.

EQUITY FUND-RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

The Company has not conducted any other equity fund-raising activities during the twelve months immediately preceding the date of this announcement.

PUBLIC FLOAT

The Company will monitor closely and will ensure that it maintains the minimum public float percentage as prescribed under the GEM Listing Rules from time to time. The Company’s public float will not fall below the minimum prescribed percentage under the GEM Listing Rules upon the conversion of the Convertible Bonds.

As the CB Subscription Agreement is subject to the fulfillment or waiver (as the case may be) of the Conditions Precedent, holders of securities of the Company and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

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| “associate” | has the meaning ascribed thereto in the GEM Listing Rules |
| “Board” | the board of Directors |
| “Bond Instrument” | the deed to be executed by the Company constituting the Convertible Bonds |
| “Bondholder(s)” | holder(s) of the Convertible Bonds |
| “Business Day” | a day on which banks are generally open for business in Hong Kong (other than a Saturday, Sunday or public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) |
| “CB Subscription Agreement” | the Convertible Bonds subscription agreement entered into by and between the Company and the Subscriber in relation to the issue of the Convertible Bonds dated 22 May 2023 |
| “Company” | Creative China Holdings Limited (中國創意控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM (Stock Code: 8368) |
| “Completion” | completion of the Subscription in accordance with the terms and condition of the CB Subscription Agreement |
| “Completion Date” | a date which is within five (5) Business Days after fulfillment or wavier (as the case may be) of the Conditions Precedent (or such other date as the Company and the Subscriber may agree in writing before Completion) and the date on which Completion takes place |
| “Conditions” | the terms and conditions of the Bonds as set out in the Bond Instrument |

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| “Conditions Precedent” | the conditions precedent to the Completion as set out in the paragraph headed “Conditions Precedent” under the section headed “The CB Subscription Agreement” in this announcement |
| “Contracts” | the CB Subscription Agreement, the Bond Instrument and all other agreements and documents contemplated by the CB Subscription Agreement |
| “Conversion Period” | the period commencing on the Issue Date and ending on the close of business on the Business Day prior to the Maturity Date, both dates inclusive, or such other date as the Company and the Subscriber shall agree in writing |
| “Conversion Price” | the initial conversion price of HK\$0.54 per Conversion Share, subject to adjustments |
| “Conversion Share(s)” | the Share(s) to be issued by the Company upon exercise by the Bondholder(s) of the Conversion Rights attached to the Convertible Bonds |
| “Convertible Bonds” | means the convertible bonds due 2025 in the aggregate principal amount of RMB17,500,000 to be issued by the Company subject to, and with the benefit of, the Bond Instrument and the Conditions |
| “Director(s)” | director(s) of the Company |
| “GEM” | the GEM of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on the GEM, as amended from time to time |
| “General Mandate” | the general mandate granted to the Directors to allot and issue up to 20% of the total number of the issued shares of the Company on the date of passing such resolutions on 27 May 2022 |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong Dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |

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| “Independent Third Party(ies)” | an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the GEM Listing Rules) any of the directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates |
| “Issue Date” | the day on which the Convertible Bonds are issued under the Bond Instrument, being the date of the Bond Instrument |
| “Issue Price” | RMB17,500,000 (equivalent to HK\$19,775,000), a price equal to 100% of the principal amount of the Convertible Bonds |
| “Long Stop Date” | 31 July 2023 or such later date as the Parties may agree in writing |
| “Majority Bondholder” | the holder(s) of the Convertible Bonds representing a majority in principal amount of the Convertible Bonds outstanding for the time being |
| “Material Adverse Effect” | <p>(a) any outbreak or escalation of hostilities, act of terrorism, the declaration by Hong Kong or the PRC of a national emergency or war or other calamity or crisis;</p> <p>(b) any material adverse change or development involving a prospective material adverse change in or affecting the financial markets in Hong Kong or the PRC, or in international financial, political or economic conditions, currency exchange rates, exchange controls or taxation; or</p> <p>(c) any change, event, occurrence, state of facts or effect, the consequence of which is to, or could reasonably be expected to materially and adversely affect the financial position, management, business or property, results of operations, legal or financing structure, business prospects or assets or liabilities of the Group,</p> <p>that would make the enforcement of the Contracts impracticable</p> |
| “Maturity Date” | the date falling on the second (2nd) anniversary of the Issue Date |
| “Parties” | the parties to the CB Subscription Agreement, and “Party” means any one of them |

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| “PRC” | the People’s Republic of China which, and for the sole purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance |
| “Share(s)” | ordinary share(s) of HK\$0.05 each in the share capital of the Company |
| “Shareholders” | shareholders of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Subscriber” | Ms. Li Wen (李雯), an Independent Third Party |
| “subsidiary(ies)” | has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) |
| “Takeovers Code” | means the Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time |
| “%” | per cent. |

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

Hong Kong, 22 May 2023

For the purpose of this announcement, unless otherwise indicated, conversion of RMB into HK\$ is calculated at the exchange rate of RMB1.00 to HK\$1.13.

As at the date of this announcement, the Board 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, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at www.ntmediabj.com.