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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8368)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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

This announcement, for which the directors (the "Directors") of Creative China Holdings Limited (the "Company") collectively and individually accept full responsibility, include particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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 six months ended 30 June 2024, together with the comparative figures for the corresponding period in 2023, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

		Six months ended 30 June			
		2024	2023		
	Notes	RMB'000	RMB'000		
		(Unaudited)	(Unaudited)		
Revenue	3(a)	25,695	23,867		
Direct costs	-	(16,230)	(18,234)		
Gross profit		9,465	5,633		
Other income	4	16	10		
Other gains and losses	5	309	(2,770)		
Reversal of impairment losses (impairment					
losses) under expected credit loss model, net		1,393	(34)		
Selling and distribution costs		(1,222)	(1,940)		
Administrative expenses		(8,160)	(7,773)		
Finance costs	7 _	(444)	(403)		
Profit (loss) before taxation	6	1,357	(7,277)		
Taxation	8	(344)	(955)		
Profit (loss) for the period	_	1,013	(8,232)		

Six months en	aea	3 U ,	June
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			ca co gane
		2024	2023
	Note	RMB'000	RMB'000
	1,000		
		(Unaudited)	(Unaudited)
Other comprehensive income that may be reclassified subsequently to profit:			
Exchange differences of translating foreign			
		42	264
operations		43	364
Total comprehensive income (expense) for the			
1		1.055	(7.0(0)
period	!	1,055	(7,868)
Profit (loss) for the period attributable to:			
Owners of the Company		1,059	(8,132)
Non-controlling interests		(46)	(100)
S			
		1,013	(8,232)
	!		
Total comprehensive income (expense) for			
the period attributable to:			
Owners of the Company		1,101	(7,754)
Non-controlling interests		(45)	(114)
			(/
		1,056	(7,868)
	!		
Profit (loss) per share:			
- Basic and diluted (RMB cents)	10	0.19	(2.18)
(/	-		(,)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	As at 30 June 2024 <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Non-current assets	11	220	279
Property, plant and equipment Right-of-use assets	11	230 1,888	278 636
Intangible asset	12	3,303	4,144
Deferred tax assets	12	623	866
Deterror talk assets			
Total non-current assets		6,044	5,924
Current assets			
Serial program rights		4,465	8,851
Trade and other receivables	13	371,198	322,941
Amounts due from non-controlling interests	17(b)	126	126
Bank balances and cash		22,573	25,660
Total current assets		398,362	357,578
Total assets		404,406	363,502
Current liabilities			
Trade payables	14	2,018	4,006
Other payables and accruals		50,308	42,098
Contract liabilities		11,844	16,201
Tax payables		15,660	15,568
Lease liabilities		1,115	659
Amount due to a director	17(c)	6,049	5,995
Amount due to a related party	17(d)	6,407	17.710
Bank borrowings	15	26,710	17,710
Total current liabilities		120,111	102,237
Net current assets		278,251	255,341
Total assets less current liabilities		284,295	261,265

	V.	As at 30 June 2024	As at 31 December 2023
	Note	RMB'000 (Unaudited)	RMB'000 (Audited)
		(Onaudited)	(Audited)
Non-current liabilities			
Lease liabilities		788	
		700	
Total non-current liabilities		788	
Total liabilities		120,899	102,237
NET ASSETS		283,507	261,265
Capital and reserves			
Share capital	16	24,847	22,605
Reserves		259,213	239,168
Equity attributable to owners			
of the Company		284,060	261,773
Non-controlling interests		(553)	(508)
TOTAL EQUITY		283,507	261,265

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

				Reserves			Equity attributable to the		
	Share capital RMB'000	Share premium RMB'000	Other reserve RMB'000	Merger reserve RMB'000	Foreign exchange reserve RMB'000	Accumulated losses RMB'000	owners of the Company RMB'000	Non- controlling interests RMB'000	Total RMB'000
Balance at 1 January 2024 (audited)	22,605	234,771	3,784	9,300	1,022	(9,709)	261,773	(508)	261,265
Profit (loss) for the period Other comprehensive income	-	-	-	-	- 42	1,059 -	1,059 42	(46) 1	1,013 43
Total comprehensive income (expense) for the period	-	-	-	-	42	1,059	1,101	(45)	1,056
Issue of shares, net of issuing expenses	2,242	18,944					21,186		21,186
Balance at 30 June 2024 (unaudited)	24,847	253,715	3,784	9,300	1,064	(8,650)	284,060	(553)	283,507
Balance at 1 January 2023 (audited)	15,505	200,299	3,784	9,300	894	(53,563)	176,219	1,498	177,717
Loss for the period Other comprehensive income (expense)	-	- -	-	-	378	(8,132)	(8,132) 378	(100) (14)	(8,232) 364
Total comprehensive income (expense) for the period					378	(8,132)	(7,754)	(114)	(7,868)
Balance at 30 June 2023 (unaudited)	15,505	200,299	3,784	9,300	1,272	(61,695)	168,465	1,384	169,849

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

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

2. BASIS OF PRESENTATION

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("HKAS 34") "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants as well as the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2023.

The unaudited condensed consolidated financial statements 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.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related

amendments to Hong Kong Interpretation 5 (2020)

Amendments to HKAS 1 Non-current Liabilities with Covenants

Amendments to HKAS 7 and Supplier Finance Arrangements

HKFRS 7

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements 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 ("CODM") that are used to make strategic decisions.

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

Serial Program/Film Production and Film Rights Investment

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

Concert and Event Organisation

Concert and Event Organisation segment provides organisation services, such as music concerts and other performance events.

Mobile Application Development and Operation

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

Artist Management

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

(a) Revenue

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

	Six months ended 30 June		
	2024	2023	
	RMB'000	RMB'000	
	(Unaudited)	(Unaudited)	
Sale of script copyright and program	22,900	_	
Sale of film distribution and income rights	_	13,773	
Concert and event income	2,226	7,963	
Livestreaming e-commerce	185	1,783	
Provision of artist management services	384	348	
	25,695	23,867	

(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 2024 (unaudited)

	Serial Program/ Film Production and Film Distribution and Income Rights RMB'000	Concert and Event Organisation RMB'000	Mobile Application Development and Operation RMB'000	Artist Management <i>RMB</i> '000	Total <i>RMB'000</i>
Revenue from contracts with					
customers	22,900	2,226	185	384	25,695
Represented by: Recognised over time - Provision of artist management services	_	_	_	384	384
Recognised at a point in time				201	301
 Sale of script copyright and program 	22,900	_	_	_	22,900
- Concert and events income	-	2,226	105	-	2,226
 Livestreaming e-commerce 			185		185
Reportable segment revenue					
from external customers	22,900	2,226	185	384	25,695
Reportable segment profit/(loss)	9,003	(328)	(2,986)	(725)	4,964
Interest income	7	_	5	3	15
Interest expense	(336)	(2)	(1)	(2)	(341)
Depreciation of right-of-use assets	(2)	_	(60)	_	(62)
Depreciation of property, plant	(47.6)	(95)	(122)	(120)	(924)
and equipment Amortisation of intangible asset	(476)	(85)	(133) (841)	(130)	(824) (841)
Reportable segment assets	356,205	13,583	25,490	7,723	403,001
Additions to non-current assets (note)	2,160	_	5	_	2,165
Reportable segment liabilities	66,875	(8,342)	(11,338)	(14,598)	(101,153)

For the six months ended 30 June 2023 (unaudited)

	Serial Program/ Film Production and Film Distribution and Income Rights RMB'000	Concert and Event Organisation RMB'000	Mobile Application Development and Operation RMB'000	Artist Management RMB'000	Total RMB'000
Revenue from contracts with customers	13,773	7,963	1,783	348	23,867
Represented by: Recognised over time - Provision of artist management services Recognised at a point in time	-	-	-	348	348
 Sale of film distribution and income rights Concert and events income Livestreaming e-commerce 	13,773	7,963	1,783	_ 	13,773 7,963 1,783
Reportable segment revenue from external customers	13,773	7,963	1,783	348	23,867
Reportable segment profit/(loss)	1,909	(1,074)	(4,507)	(515)	(4,187)
Interest income Interest expense Depreciation of right-of-use	4 (297)	- (6)	1 (23)	5 (6)	10 (332)
assets	(496)	(84)	(331)	(84)	(995)
Depreciation of property, plant and equipment Amortisation of intangible asset Reportable segment assets Additions to non current assets	(2) - 256,941	- - 15,163	(154) (836) 26,586	- - 29,996	(156) (836) 328,686
Additions to non-current assets (note) Reportable segment liabilities	(86,183)	(8,511)	426 (4,374)	(12,426)	426 (111,494)

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

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

	Six months end	led 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Revenue		
Reportable segment revenue from external customers	25,695	23,867
	Six months end	led 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Loss before taxation		
Reportable segment profit (loss) Unallocated other gains and losses:	4,964	(4,187)
- Exchange gain	284	133
Unallocated corporate expenses:		
 Auditor's remuneration 	(323)	(333)
- Directors' emoluments	(1,097)	(1,073)
 Legal and professional fee 	(858)	(642)
- Salaries and other benefits for key management and		
administration staff	(796)	(448)
 General operating expenses 	(817)	(727)
Consolidated profit (loss) before taxation	1,357	(7,277)
	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Assets		
Reportable segment assets Unallocated corporate assets:	403,001	361,713
Property, plant and equipment	55	31
Bank balances and cash	1,016	1,288
– Others	334	470
Consolidated total assets	404,406	363,502

	As at 30 June 2024 <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Liabilities		
Reportable segment liabilities	101,153	87,595
Unallocated corporate liabilities:	= a a a a	0.645
Accruals and other payableAmount due to a director	7,290	8,647
 Amount due to a director Amount due to a related company 	6,049 6,407	5,995
Consolidated total liabilities	120,899	102,237
Geographic information		
	Six months end	led 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Hong Kong		
– Sale of film distribution and income rights	_	13,773
PRC		
 Sale of script copyright and program 	22,900	_
 Provision of artist management services 	384	348
- Livestreaming e-commerce	185	1,783
Other countries in Southeast Asia and Taiwan		
 Concert and events income 	2,226	7,963

(d)

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

25,695

23,867

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 2024, revenues from two major customers (for the six months ended 30 June 2023: two major customers) with whom transactions have exceeded 10% of the Group's revenue for the period. Details were as follows:

	Six months ended 30 June		
	2024	2023	
	RMB'000	RMB'000	
	(Unaudited)	(Unaudited)	
Revenue from the major customer:			
Customer I:			
- Serial Program/Film Production and Film Distribution and			
Income Rights	18,900	13,773	
Customer II:			
- Serial Program/Film Production and Film Distribution and			
Income Rights	4,000	N/A*	
Customer III:			
- Serial Program/Film Production and Film Distribution and			
Income Rights	<u>N/A</u>	N/A*	
	22,900	13,773	
=	22,700	13,773	

^{*} The corresponding revenue for the major customer did not contribute over 10% of the total revenue of the Group during the period.

4. OTHER INCOME

5.

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest income from bank deposits	16	10
OTHER GAINS AND LOSSES		
	Six months end	ed 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Exchange gain/(loss), net	309	(2,839)
Gain on early termination of lease arrangement	<u> </u>	69
	309	(2,770)

6. LOSS BEFORE TAXATION

7.

8.

Taxation for the period

	Six months end 2024 <i>RMB'000</i> (Unaudited)	ed 30 June 2023 <i>RMB</i> '000 (Unaudited)
	(Chauditeu)	(Onaudited)
Loss before taxation is arrived at after charging:		
Auditor's remuneration	323	333
Directors' remuneration (including retirement benefit scheme		
contributions)	1,097	1,073
Other staff costs	2,763	3,003
Retirement benefit schemes contributions for other staffs	362	573
Staff costs	4,545	4,649
Depreciation of property, plant and equipment	64	160
Depreciation of right-of-use assets	909	1,075
Amortisation of intangible asset	841	836
FINANCE COSTS		
	Six months end	ed 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Interest on bank borrowings	289	264
Interest on lease liabilities	42	73
Interest on amount due to a related party	113	66
	444	403
TAXATION		
	Six months end	ed 30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Current tax – HK		
– provision for the period	-	(932
Current tax – the PRC		
– provision for the period	(101)	(29
Deferred taxation	(243)	6

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

(955)

(344)

As stipulated in Cai Shui [2011] No. [112] and Cai Shui [2021] No. [27], enterprises newly established in Khorgas special economic areas and engaged in the encouraged industries as defined under the 《新疆困難地區重點鼓勵發展產業企業所得稅優惠目錄》(Catalogue of Key Encouraged Developing Industries for Enterprise Income Tax Benefits in Difficult Areas of Xinjiang (for identification purpose only)) could enjoy EIT exemption for five years starting from its first operation income-generating year during the period from 2011 to 2020, and from 2021 to 2030 respectively. Horgos Zongheng Infinite Cultural Media Co. Ltd. ("Horgos Zongheng"), a subsidiary of the Group is eligible for entitlement of EIT exemption from 1 January 2021 to 31 December 2025.

9. DIVIDEND

The directors do not recommend the payment of any dividend for the six months ended 30 June 2024 (for the six months ended 30 June 2023: nil).

10. PROFIT (LOSS) PER SHARE

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

	Six months ended 30 June	
	2024 2023	
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit (loss) for the purposes of basic profit (loss) per share	1,059	(8,132)
	Six months end	ed 30 June
	2024	2023
	'000	'000
Weighted average number of ordinary shares	559,337	372,987

Note: No diluted loss per share is presented as there were no potential ordinary shares in issue for the six months ended 30 June 2023 and 2022.

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, the Group acquired property, plant and equipment amounting to approximately RMB2,177,000 (for the six months ended 30 June 2023: RMB25,000).

During the six months ended 30 June 2024, the Group disposed of certain plant and machinery for cash proceeds of RMBnil (for the six months ended 30 June 2023: RMB512,000), resulting in a gain on disposal of RMB512,000 (for the six months ended 30 June 2023: nil).

During the six months ended 30 June 2024, the Group entered into lease agreements and with lease terms ranged from 12 months to 24 months (for the six months ended 30 June 2023: ranged from 12 months to 24 months).

The Group recognised a gain of RMBnil relating to the early termination of the lease for the six months ended 30 June 2024 (six months ended 30 June 2023: RMB69,000).

On date of lease modification or lease commencement, the Group recognised right-of-use assets of RMB2,160,000 (six months ended 30 June 2023: RMB401,000) and lease liabilities of RMB2,160,000 (six months ended 30 June 2023: RMB401,000).

12. INTANGIBLE ASSET

During the six months ended 30 June 2024, the Group has not acquired any intangible asset (for the six months ended 30 June 2023: nil).

13. TRADE AND OTHER RECEIVABLES

	As at 30 June 2024 <i>RMB'000</i> (Unaudited)	As at 31 December 2023 <i>RMB'000</i> (Audited)
Trade receivables, gross Less: impairment allowance	128,224 (3,235)	161,738 (4,552)
Trade receivables, net	124,989	157,186
Prepayments and deposits (note (a)) Other receivables	244,911 1,298	162,361 3,394
	371,198	322,941

Notes:

- (a) At the end of the reporting period, the balances of prepayments and deposits are mainly represented by the following:
 - (i) The balance included prepayment to event organisers of approximately RMB12,942,000 (31 December 2023: RMB12,893,000) under Concert and Event Organisation segment for the purpose of concert to be held in the coming years.
 - (ii) The balance included prepaid service fees of approximately RMB27,165,000 (31 December 2023: RMB26,879,000) in relation to program production and livestreaming services.
 - (iii) The balance included prepayment for acquisition of serial program rights and film distribution and income rights amounting to approximately RMB203,854,000 (31 December 2023: RMB121,665,000) under Serial Program/Film Production and Film Rights Investment segment.

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

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

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Within 30 days	79,176	56,986
31 to 90 days	41,893	80,382
91 to 180 days	3,906	3,216
Over 180 days	14	16,602
	124,989	157,186

The normal credit period granted to trade debtors is generally within one year. Trade receivables that were not past due relate to customers for whom there was no recent history of default.

14. TRADE PAYABLES

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

		As at	As at
		30 June	31 December
		2024	2023
		RMB'000	RMB'000
		(Unaudited)	(Audited)
	91 to 365 days	_	2,000
	Over 365 days	2,018	2,006
		2,018	4,006
15.	BANK BORROWINGS		
		As at	As at
		30 June	31 December
		2024	2023
		RMB'000	RMB'000
		(Unaudited)	(Audited)
	The carrying amount of bank borrowings which are repayable		
	within one year	26,710	17,710

The Group's bank borrowings are unsecured, and carry interest rate ranging from 2.8% to 3.45% (2023: 2.8% to 3.7%) per annum.

16. SHARE CAPITAL

Authorised and issued share capital

	Number	HK\$'000	Equivalent to RMB'000
Authorised Ordinary shares of HK\$0.05 at each at 1 January 2023, 30 June 2023, 1 January 2024 and 30 June 2024	1,600,000,000	80,000	67,024
30 June 2023, 1 January 2024 and 30 June 2024	1,000,000,000	80,000	07,024
Issued and fully paid			
Ordinary shares			
At 1 January 2023	372,986,978	18,650	15,505
Issue of shares (note (a))	155,400,741	7,769	7,100
At 31 December 2023 and 1 January 2024	528,387,719	26,419	22,605
Placing under General Mandate (note (b))	49,410,000	2,471	2,242
At 30 June 2024	577,797,719	28,890	24,847

Notes:

(a) On 22 May 2023, the Company entered into a share subscription agreement with an independent third party for subscription of 30,362,150 shares of the Company at the subscription price of HK\$0.214 per share. The share subscription was completed on 28 August 2023. The net proceed from the share subscription amounted to approximately RMB5,013,000, net of the transaction costs of issuing the shares.

On 19 June 2023, the Company entered into a share subscription agreement with an independent third party for subscription of 44,671,963 shares of the Company at the subscription price of HK\$0.214 per share. The share subscription was completed on 18 September 2023. The net proceed from the share subscription amounted to approximately RMB7,887,000, net of the transaction costs of issuing the shares.

On 19 June 2023, the Company entered into a share subscription agreement with an independent third party for subscription of 25,187,383 shares of the Company at the subscription price of HK\$0.214 per share. The share subscription was completed on 28 August 2023. The net proceeds from the share subscription amounted to approximately RMB4,457,000, net of the transaction costs of issuing the shares.

On 10 November 2023, the Company entered into a share subscription agreement with an independent third party for subscription of 35,990,566 shares of the Company at the subscription price of HK\$0.53 per share. The share subscription was completed on 27 December 2023. The net proceed from the share subscriptions amounted to approximately RMB15,856,000, net of the transaction costs of issuing the shares.

On 10 November 2023, the Company entered into a share subscription agreement with an independent third party for subscription of 19,188,679 shares of the Company at the subscription price of HK\$0.53 per share. The share subscription was completed on 27 December 2023. The net proceed from the share subscriptions amounted to approximately RMB8,359,000, net of the transaction costs of issuing the shares.

(b) On 19 February 2024, the Company entered into a placing agreement with a placing agent, for the placing of 49,410,000 ordinary shares ("Placing Shares") to not less than six placees at the placing price of HK\$0.50 per Placing Shares (the "Placing"), which was a discount of approximately 18.03% to the closing price of HK\$0.61 per share on the date of the placing agreement. On 8 March 2024, a total of 49,410,000 Placing Shares (with a nominal value of HK\$2,470,500) have been successfully placed by the placing agent to not less than six placees, which are independent third parties of the Company, at placing price of HK\$0.50 per Placing Shares. The net issue price was approximately HK\$0.472 per Placing Share.

17. 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:

		Six months end	ed 30 June	
Related party relationship	Type of transaction	2024	2023	
		RMB'000	RMB'000	
		(Unaudited)	(Unaudited)	
Shareholder A (note (i))	Salaries	38	38	
Shareholder B (note (i))	Salaries	38	38	
Director A	Lease payment	550	530	
Related company	Proceeds from loan	6,407	1,294	
	Interest expenses on loan	113	66	
Shareholder C (note (ii))	Purchase of film			
	distribution and income			
	rights		12,885	

Notes:

- (i) The shareholders are the controlling shareholders of the Group.
- (ii) The shareholder is not a controlling shareholder of the Group.
- (b) The amounts due from non-controlling interests of subsidiaries are unsecured, interest-free and repayable on demand or due within one year.
- (c) The amount due to a director is unsecured, interest-free and repayable on demand.
- (d) The amount due to a related company, an entity wholly-owned by the controlling shareholders, is unsecured, carries interests of 6.125% (2023: 2.75%) per annum and due within one year.
- (e) The remuneration of the Directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2024	
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Salaries	1,539	1,505
Contributions to retirement benefit schemes	30	16
	1,569	1,521

18. CAPITAL MANAGEMENT

The Group's objective of managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising share capital and reserves.

The capital structure of the Group consists of debts, which includes the amounts due to shareholders, a director and a related party, banks borrowings, cash and cash equivalents and equity attributable to owners of the Company, comprising share capital and reserves. The Group's risk management reviews the capital structure actively and regularly. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

The Group monitors capital on the basis of gearing ratio. The ratio is calculated as net debt divided by total equity. Net debt is calculated as total debt less cash and cash equivalents.

The Group was in a net debt position as at 30 June 2024 and 31 December 2023. The Group's gearing ratio, as calculated by dividing the Group's net debt by the Group's total equity, as at 30 June 2024 is approximately 5.85% (2023: negative).

The gearing ratio at the end of reporting period was as follows:

	As at	As at
	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Debt	39,166	23,705
Less: Cash and cash equivalents	(22,573)	(25,660)
Net debt	16,593	(1,955)
Equity	283,507	261,265
Net debt to equity ratio	5.85%	N/A

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue of the Group for the six months ended 30 June 2024 amounted to approximately RMB25.7 million, representing an increase of approximately 7.1% as compared to that recorded for the six months ended 30 June 2023 of approximately RMB24.0 million. The increase in revenue mainly comes from script copyright and program business.

Gross profit

The gross profit for the six months ended 30 June 2024 amounted to approximately RMB9.5 million, representing an increase of approximately 69.6% as comparing to that recorded in the corresponding period in 2023 of approximately RMB5.6 million. The increase in gross profit was mainly attributable to the increase in the gross profit of script copyright and program and related services.

Other gain and loss

The other gain for the six months ended 30 June 2024 amounted to approximately RMB0.3 million, representing a decrease of approximately 111% as comparing to an other loss that recorded in the corresponding period in 2023 of approximately RMB2.8 million. The increase in other gain was mainly due to exchange gain being incurred.

Expenses

Selling and distribution costs for the six months ended 30 June 2024 was approximately RMB1.2 million, which represented a decrease by approximately 36.8% as compared to the corresponding period in last year. The selling and distribution costs incurred for the six months ended 30 June 2024 were mainly for livestreaming e-commerce businesses.

Administrative expenses for the six months ended 30 June 2024 amounted to approximately RMB8.2 million (six months ended 30 June 2023: approximately RMB7.8 million). It is mainly due to the increase of legal and professional expenses and staff costs.

Income tax expenses

The Group's income tax expenses amounted to approximately RMB0.3 million for the six months ended 30 June 2024, and approximately RMB1.0 million for same period of last year. Income tax expenses for the six months ended 30 June 2024 were due to profits arising from the sale of several script copyrights and artists' events. The provision of profit tax made for Hong Kong profits tax and PRC enterprise income tax for the six months ended 30 June 2024 were Nil and RMB0.3 million respectively. PRC enterprise income tax for subsidiaries

incorporated in the PRC is calculated at 25% on assessable profits during the year. As stipulated in Cai Shui [2011] No. [112] and Cai Shui [2021] No. [27], enterprises newly established in Khorgas special economic areas and engaged in the encouraged industries as defined under the 《新疆困難地區重點鼓勵發展產業企業所得稅優惠目錄》(Catalogue of Key Encouraged Developing Industries for Enterprise Income Tax Benefits in Difficult Areas of Xinjiang (for identification purpose only)) could enjoy EIT exemption for five years starting from its first operation income generating year during the period from 2011 to 2020, and from 2021 to 2030 respectively. Horgos Zongheng Infinite Cultural Media Co. Ltd. ("Horgos Zongheng"), a subsidiary of the Group is eligible for entitlement of EIT exemption from 1 January 2021 to 31 December 2025. Hong Kong profit tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profit and 16.5% on the estimated assessable profit above HK\$2 million during the year. The income tax expenses recognised in the relevant periods are in accordance with the relevant laws and regulations.

Profit (loss) attributable to owners of the Company

Profit attributable to owners of the Company for the six months ended 30 June 2024 was approximately RMB1.1 million, while loss of approximately RMB8.1 million was recorded for the corresponding period in 2023. The profit was mainly due to increase in gross profit under the segment of serial program or film production and related services and film rights investment and decrease of exchange loss as compared to the corresponding period in 2023.

Financial resources, liquidity and capital structure

For the six months ended 30 June 2024, the Group continued to finance its working capital through cash flows generated from operating activities, financing activities, loans and shareholders' equity. As at 30 June 2024, the Group had net current assets of approximately RMB278.0 million (as at 31 December 2023: approximately RMB255.3 million) including cash and cash equivalents of approximately RMB22.6 million (as at 31 December 2023: approximately RMB25.7 million). The increased in net current assets was mainly due to increase of the prepayments in relation to projects. The current ratio, calculated as the ratio of current assets to current liabilities, was approximately 3.31 times as at 30 June 2024 (as at 31 December 2023: approximately 3.50 times). The capital of the Group comprises solely of ordinary shares. Total equity attributable to owners of the Company amounted to approximately RMB283.9 million as at 30 June 2024 (as at 31 December 2023: approximately RMB261.8 million). The gearing ratio as at 30 June 2024 was 5.85%, increased from negative in year 2023. It was mainly due to the increase in net debt.

Placing under General Mandate

On 19 February 2024, the Company entered into a placing agreement with a placing agent, for the placing of 49,410,000 ordinary shares ("Placing Shares") to not less than six places at the placing price of HK\$0.50 per Placing Shares (the "Placing"), which was a discount of approximately 18.03% to the closing price of HK\$0.61 per share on the date of the placing agreement. On 8 March 2024, a total of 49,410,000 Placing Shares (with a nominal value of HK\$2,470,500) have been successfully placed by the placing agent to not less than six places, who and whose ultimate beneficial owners are independent third parties of the Company, at placing price of HK\$0.50 per Placing Shares. The net issue price was approximately HK\$0.472 per Placing Share.

As per the 2023 Annual Report published on 18 April 2024, the net proceeds (after deducting the placing fee and other related expenses incurred in the placing) from the placing are approximately HK\$23,310,000 which has been fully utilized for serial program/film production and related services and film rights investment.

The Directors consider that the Placing represents an opportunity to raise additional capital for the production of serial programs and films, provision of related services and film rights investment.

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, bank balances and amounts due from non-controlling interests. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor and significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

Individual credit evaluation are assessed for impairment assessment based on the Group's internal credit rating, historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. In this regard, the directors of the Company considered that the credit risk for trade receivables is significantly reduced at the end of the reporting period.

BUSINESS REVIEW AND PROSPECTS

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

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

The Group has recorded revenue of approximately RMB22.9 million in program production and related services for the six months ended 30 June 2024, while there was recorded revenue of approximately RMB13.8 million for the corresponding period last year. The revenue mainly comes from the sales of copyrights of serial program and film.

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

Concert and event organisation

The Group has recorded revenue of approximately RMB2.2 million from concert and event organisation segment in the six months ended 30 June 2024, as compared to RMB8.0 million revenue being recognised for the same period in 2023. The decrease in revenue was mainly due to the decrease in the number of events organised during the period as compared to the corresponding period last year.

In the future, the Group will explore business opportunities to organise more concerts and events in different regions.

Mobile application development and operation

The Group has recorded revenue of approximately RMB0.2 million from the mobile application development and operation segment for the six months ended 30 June 2024, comparing to RMB1.8 million for the corresponding period of last year. The decrease in revenue was mainly due to the work schedule and time arrangement of celebrity artists, hence, no celebrity livestreaming being broadcasted during the period.

The Group will continue to plan for in-depth cooperation with well-known celebrities and artists, actively train broadcast assistants, and introduce virtual human anchors, to launch live broadcasts on Taobao and Douyin, and deeply cultivate the huge market of livestreaming e-commerce.

Artist management

The Group as an agent recorded net revenue for the six months ended 30 June 2024 was approximately RMB0.4 million as compared to approximately RMB0.4 million in the same period of last year. Revenue are mainly from jobs being organised for our artists for the period.

In the future, the Group intends to develop a more comprehensive artist list to bring greater value to the Group.

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

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 2024, the largest customer of the Group contributed approximately 73.6% 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. However, the management of the Group will closely monitor the operation and the market changes of these segments.

Uncertainties of market demand of recently developed businesses

The Group had made material investment in the mobile application development and operation 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, due to the instability in judgements on the fast changing users' behaviors make no assurance that our optimistic expectation on these businesses can be realised. Further, its regulatory control are not fully sophisticated. The Group's operations of mobile application development and operation 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 realised in the short term.

Livestreaming e-commerce 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 2024, the Group had a total of 29 employees (30 June 2023: 28). The Group remunerates its employees based on their performance, experience and the prevailing market situation. Their remuneration packages are normally renewed on an annual basis, based on performance appraisals and other relevant factors. The Group may pay discretionary bonuses to its employees based on individual performance.

Foreign exchange risks

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

Capital expenditure

The Group paid approximately RMB2,177,000 for the addition of property, plant and equipment during the six months ended 30 June 2024 (for the six months ended 30 June 2023: approximately RMB25,000).

Capital commitments

As at 30 June 2024, the Group had capital commitments of RMB83.0 million (as at 31 December 2023: RMB47.0 million).

Contingent liabilities

On 2 June 2020, New Talent Media, an indirect wholly-owned subsidiary of the Company, Mr. Wu Tingfei ("Mr. Wu"), being the largest shareholder of Beijing Summer Star Media Co., Ltd. ("Summer Star"), invited certain investors (the "Other Investors") entered into investment agreements (the "Investment Agreements") with the goal of preparing Summer Star for a listing in Hong Kong. Pursuant to the Investment Agreements, if Summer Star failed to list its shares in Hong Kong before 30 June 2021, or if Other Investors failed to realise their investment by placing their shares of Summer Star to third parties before 30 June 2021, Mr. Wu should purchase their shares of Summer Star at the consideration equivalent to aggregate investment amount of RMB10 million (the "Investment Amount") and interest accrued from June 2015 up to the date of actual payment at the annual interest rate of 4.35%. If Mr. Wu was unable to assume responsibility towards the Investment Amount and interest accrued, New Talent Media together with other guarantors shall assume joint and several liability for the due performance and payment obligations of Mr. Wu in the Investment Agreements (the "Corporate Guarantee").

Prior to the date of entering into the Investment Agreements in which New Talent Media agreed to provide the Corporate Guarantee, on 1 June 2020, Mr. Wu and Summer Star, as counter guarantors (collectively the "Counter Guarantors"), entered into the counter-guarantee agreement with New Talent Media (the "Counter-Guarantee Agreement"), pursuant to which the Counter Guarantors agreed to provide counter-guarantee by in respect of the Corporate Guarantee in favour of New Talent Media ("Counter-Guarantee"). The Counter-Guarantee Agreement aimed to provide a back-to-back guarantee to protect the interests of New Talent Media, including but not limited to the aggregate Investment Amount of RMB10 million and its interest accrued, liquidated damages, ancillary costs and expenses.

To secure the performance of Mr. Wu and its obligations as a Counter-Guarantor, Summer Star would assume the guarantee responsibility towards New Talent Media by using its entitlement to the income to be derived from its interest in a project under the Group. Any amount paid by New Talent Media due to the performance of its obligations as a guarantor under the Investment Agreements would be deducted from the Summer Star's entitlement on a priority basis. Subsequent to entering into the Counter Guarantee Agreement, Summer Star's entitlement to the income from the Project amounted to approximately RMB37.1 million has been held by the Group (the "Withheld Payables") and included in "other payables" line item.

As the listing of the shares of Summer Star did not take place before 30 June 2021 and Mr. Wu did not purchase Other Investors' Summer Star Shares, Other Investors initiated a claim against Mr. Wu, New Talent Media and other guarantors. The amount jointly and severally guaranteed by New Talent Media and other guarantors was approximately RMB13.7 million, consisting of (i) aggregate Investment Amount of RMB10 million; and (ii) the total interest accrued in the amount of approximately RMB3.7 million. Pursuant to the judgments of the People's Court of Futian, Shenzhen dated 30 March 2023, 26 May 2023 and 5 June 2023, on three cases of claims initiated by the Other Investors, it was held that Mr. Wu, New Talent

Media and other guarantors, should pay the aggregate Investment Amount of RMB10 million and the total interest accrued in the amount of approximately RMB3.7 million according to the terms of the Investment Agreements. Appeals have been filed on 22 May 2023, 18 June 2023 and 18 June 2023, respectively, for the three cases with the Shenzhen Intermediate People's Court and judgments of the appeals are pending as of the date of this announcement.

The Group will enforce the Counter-Guarantee to recover all the amounts which the Group is liable to pay under the Corporate Guarantee by offsetting the corresponding amounts against the Withheld Payables. The Counter-Guarantee would be able to mitigate any risk associated with the provision of the Corporate Guarantee by the Group. Based on the information currently available up to the date of this announcement, the Withheld Payables to Summer Star held by the Group is sufficient to cover any claims due to the litigation. In the opinion of the directors of the Company, the fair value of the Corporate Guarantee is considered insignificant.

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

There were no significant investments held as at 30 June 2024 nor material acquisitions and disposals of subsidiaries or affiliated companies made by the Group during the six months ended 30 June 2024 (Year 2023: nil).

OTHER INFORMATION

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 2024.

The Company did not have any treasury shares (as defined under the Listing Rules) as at 30 June 2024.

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, cancelled or lapsed since its adoption by the Company and there is no outstanding share option under the Share Option Scheme. The number of options available for grant under the scheme mandate as at 1 January 2024 and 30 June 2024 is 24,000,000 shares.

COMPETING INTERESTS

During the six months ended 30 June 2024, 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 2024 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 C1 to the GEM Listing Rules.

The Board is pleased to report compliance with the code provisions set out in Part 2 of the CG Code for the six months ended 30 June 2024, except the following deviations (Code Provisions C.2.1 and D.2.5):

Chairman and Chief Executive Officer

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

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

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

Internal audit function

The Company does not have an internal audit function and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. It was decided that the Board would be directly responsible for internal control of the Group and for reviewing its effectiveness, the 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 2024, and up to the date of this announcement.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial control, internal control and risk management systems of the Group, and provide advice and comments on the Group's financial reporting matters to the Board. As at the date of this announcement, the Audit Committee comprises three independent non-executive directors, namely Mr. Yau Yan Yuen, Ms. Fu Yuehong and Mr. Wang Xinghua.

The unaudited condensed consolidated results of the Company for the six months ended 30 June 2024 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 August 2024

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

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" 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.