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## **BEIJING MEDIA CORPORATION LIMITED**

### **北青傳媒股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1000)**

## **CONTINUING CONNECTED TRANSACTIONS CLOSURE OF REGISTER OF MEMBERS**

### **I. INTRODUCTION**

References are made to the Prospectus and the Announcements in respect of the Advertising Business Agreement and the 2018 Advertising Agency Framework Agreement entered into between the Company and BYDA.

On 12 November 2021, the Board resolved: (i) to determine the annual caps for the transactions under the Advertising Business Agreement for the three years ending 31 December 2024; (ii) to enter into the Personnel Service Agreement with BYDA, including the determination of the 2022 annual cap for the transactions thereunder; and (iii) to enter into the 2021 Advertising Agency Framework Agreement with BYDA, and to propose the annual caps for the transactions thereunder for the three years ending 31 December 2024. The 2021 Advertising Agency Framework Agreement and the proposed annual caps for the transactions thereunder will be submitted to the EGM for consideration.

### **II. CONTINUING CONNECTED TRANSACTIONS EXEMPTED FROM INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENT**

#### **(1) Advertising Business Agreement**

References are made to the Prospectus and the Announcements of the Company dated 9 April 2010 and 12 November 2018, respectively.

***Date***

7 December 2004 and 9 April 2010

***Parties***

- (i) the Company
- (ii) BYDA

***Continuing transactions***

Pursuant to the Advertising Business Agreement:

- a) the Company has been granted by BYDA the exclusive right to sell all of the advertising space in the Beijing Youth Daily and is entitled to all revenue derived from such sales;
- b) the Company is responsible for the printing expenses, including printing costs and the supply of newsprint of the Beijing Youth Daily; and
- c) the Company is required to allocate up to 360 pages per year of advertising space in respect of the Beijing Youth Daily to BYDA for publicity announcements and notices (provided that the advertising space allocated will not exceed 9% of the total advertising space of each paper per issue), for which no fee will be payable.

***Term and termination***

The Advertising Business Agreement is for a term commencing from 1 October 2004 and ending on 30 September 2033. Upon expiry, the Advertising Business Agreement will be automatically renewed in accordance with the requirements of the Listing Rules.

***Price determination***

The consideration for the transactions contemplated under the Advertising Business Agreement is equal to 16.5% of the total advertising revenue generated from the Beijing Youth Daily or such figure or formula as the parties may agree in the future.

The percentage of the fees payable to BYDA was determined through arm's length negotiations between the Company and BYDA after taking into account factors including the costs of provision of the editorial content by BYDA for Beijing Youth Daily and a reasonable profit margin, which is determined after arm's length negotiations after taking into account of various factors including operation costs and historical transaction conditions. There is no same or

similar arrangement in the advertising industry, as such the percentage of the fees payable under the Advertising Business Agreement is not comparable to the market rate. Please also refer to the Prospectus for details.

### ***Payment***

The consideration under the Advertising Business Agreement is payable by cash on a monthly basis according to the Advertising Business Agreement and funded by the Company's internal resources.

### ***Annual caps***

#### *Actual transaction values*

The actual transaction values of the transactions under the Advertising Business Agreement for the two years ended 31 December 2020 and for the ten months ended 31 October 2021 are set out below:

	<b>Year ended 31 December 2019 (RMB)</b>	<b>Year ended 31 December 2020 (RMB)</b>	<b>Ten months ended 31 October 2021 (RMB)</b>
<b>Transactions</b>			
Fees payable by the Company to BYDA	<u>5,316,888.19</u>	<u>4,055,446.10</u>	<u>2,422,780.85</u>

#### *Historical annual caps*

The historical annual caps for the transactions under the Advertising Business Agreement for the three years ending 31 December 2021 are set out below:

	<b>Year ended 31 December 2019 (RMB)</b>	<b>Year ended 31 December 2020 (RMB)</b>	<b>Year ending 31 December 2021 (RMB)</b>
<b>Transactions</b>			
Fees payable by the Company to BYDA	<u>13,500,000</u>	<u>13,500,000</u>	<u>13,500,000</u>

The Directors have been monitoring the transaction amounts under the Advertising Business Agreement and the annual cap for each of the two years ended 31 December 2020 has not been exceeded. As at the date of this announcement, the annual cap for the transactions under the Advertising Business Agreement for the year ending 31 December 2021 has not been exceeded.

*Annual caps for the three years ending 31 December 2024*

The annual caps for the transactions contemplated under the Advertising Business Agreement for the three years ending 31 December 2024 are set out below:

<b>Transactions</b>	<b>Year ending 31 December 2022 (RMB)</b>	<b>Year ending 31 December 2023 (RMB)</b>	<b>Year ending 31 December 2024 (RMB)</b>
Fees payable by the Company to BYDA	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>

In arriving at the above annual caps, the Directors have taken into account the following factors:

- (i) the historical figures of the actual values of the transactions under the Advertising Business Agreement for the two years ended 31 December 2020 and for the ten months ended 31 October 2021;
- (ii) due to the macroeconomic downturn of the PRC in the recent years, the increasing impact on traditional media from emerging media and the year-on-year decrease in the total placement of the print media of Beijing metropolitan newspapers, coupled with the impact of the epidemic, the Company's total annual advertising revenue is expected to decrease; and
- (iii) the Company will adopt a series of measures to actively cope with the difficulties in the future, including adopting diversified and multi-level marketing strategies, comprehensively integrating Beijing Youth Daily and the media as well as relevant resources under the Group, developing diversified offline activities and selling the products formed by three-dimensional packaging, so as to facilitate the improvement in the advertising business of Beijing Youth Daily.

***Reasons for entering into the Advertising Business Agreement***

The Company is of the view that the Advertising Business Agreement will (i) secure a stable and exclusive platform for the advertising business, which is the core business of the Group; and (ii) reduce the risks which the Company might incur during the course of operation.

## **(2) Personnel Service Agreement**

### ***Date***

12 November 2021

### ***Parties***

- (i) the Company
- (ii) BYDA

### ***Continuing transactions***

Pursuant to the Personnel Service Agreement, BYDA will assign employees to the Company to provide services to the Company.

### ***Term and termination***

The Personnel Service Agreement is for a term commencing from 1 January 2022 and ending on 31 December 2022.

### ***Price determination***

The service fees paid by the Company to BYDA under the Personnel Service Agreement are determined based on the salary (or remuneration) of the assigned employee during the period of providing services to the Company and other taxes and fees. The relevant arrangements for service fees are fair and reasonable, and as far as the Company is concerned, shall be on terms that are no less favorable to the Company than those available to or from independent third party under the same conditions. The total service fees paid by the Company to BYDA Group during the validity period of the agreement shall not exceed RMB2,300,000, including the post salary and performance salary of the assigned employee, wherein the post salary is fixed and accounts for 40% of the total salary (or remuneration), including basic salary, qualification salary, five social insurances and housing provident fund and welfare subsidies; and performance salary is a floating salary which accounts for 60% of the total salary (or remuneration), and is implemented in accordance with the performance appraisal system of each department of the Company.

### ***Payment***

The Company will pay the service fees to BYDA Group's member in cash on which the assigned employee serves on a monthly basis. The relevant service fees will be funded by the internal resources of the Company.

### ***Annual cap***

The annual cap in 2022 for the transactions contemplated under the Personnel Service Agreement is RMB2,300,000. In reaching such annual cap, the Directors have taken into account the following factors:

- (i) it is expected that the Company will further cooperate with BYDA Group in various aspects such as traditional media, new media advertising business and advertising agency due to factors such as industry trends and business planning of the Company, which will result in the increasing demands for personnel services;
- (ii) demands for personnel services for media products, event products and related businesses arising from the development of systems for product center, competence center and marketing center; and
- (iii) reasonable fluctuations in labor costs in future.

### ***Reasons for entering into the Personnel Service Agreement***

The Company is of the view that the Personnel Service Agreement will be conducive to: (i) making full use of BYDA Group's talent advantages in advertising operations and leveraging BYDA Group's employees with rich media experience to achieve media resources integration; and (ii) obtaining ready and stable supply of personnel services, reducing the Company's labor costs and promoting the Company's daily operations.

## **III. NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS SUBJECT TO INDEPENDENT SHAREHOLDERS' APPROVAL UNDER THE LISTING RULES**

### **(1) 2021 Advertising Agency Framework Agreement**

On 12 November 2021, the Company and BYDA entered into the 2021 Advertising Agency Framework Agreement, pursuant to which, the Group will continue to provide BYDA Group with advertising agency services. The 2018 Advertising Agency Framework Agreement regulates the transactions in relation to the mutual provision of advertising agency services between the Group and BYDA Group, however, considering that the actual amount of advertising agency services provided by BYDA Group to the Group is nil since 2020 and it is expected that there will be no relevant business needs in the future, BYDA Group will cease to provide advertising agency services to the Group.

### ***Date***

12 November 2021

### ***Parties***

- (i) the Company
- (ii) BYDA

### ***Continuing Transactions***

Pursuant to the 2021 Advertising Agency Framework Agreement, BYDA authorizes the Group to act as an advertising agent of BYDA Group to sell advertising space in other publications or media (except Beijing Youth Daily) owned or represented by BYDA Group and its new media resources and provide relevant services.

### ***Term and termination***

The 2021 Advertising Agency Framework Agreement is for a term commencing from 1 January 2022 and ending on 31 December 2024.

### ***Price determination***

Pursuant to the 2021 Advertising Agency Framework Agreement, the advertising agency services between the Group and BYDA Group will be implemented in accordance with the following pricing policies:

- (1) For exclusive agency, the Group will pay BYDA Group the advertising space cost based on 70% of the advertising revenue from the sale of the advertising space;
- (2) For non-exclusive agency, the price given by BYDA Group to the Group shall be no less favorable than those available to independent third parties under the same conditions. The Group will pay the advertising space cost to BYDA Group based on certain discount of the unit price listed in the standard advertising price list of the relevant advertising space of BYDA Group (the discount is generally about 20% to 70% and is determined based on the nature of each industry, market conditions, space location, publication time, etc.), actual placement quantity, size and other factors upon arm's length negotiations with BYDA Group.

### ***Payment***

The consideration under the 2021 Advertising Agency Framework Agreement is paid in cash in one lump sum or in installments according to specific and individual execution agreements, and is funded by the internal resources of the relevant parties.

### *Annual caps*

#### *Actual transaction values*

For the two years ended 31 December 2020 and the ten months ended 31 October 2021, the actual transaction values of the transactions under the 2018 Advertising Agency Agreement in respect of the Group as the advertising agent of BYDA Group are set out as follows:

	<b>Year ended 31 December 2019 (RMB)</b>	<b>Year ended 31 December 2020 (RMB)</b>	<b>Ten months ended 31 October 2021 (RMB)</b>
Advertising space cost paid by the Group to BYDA Group	<u>12,624,453.35</u>	<u>13,049,846.04</u>	<u>7,994,522.01</u>

#### *Historical annual caps*

For the three years ending 31 December 2021, the historical annual caps of the transactions under the 2018 Advertising Agency Agreement in respect of the Group as the advertising agent of BYDA Group are set out as follows:

	<b>Year ended 31 December 2019 (RMB)</b>	<b>Year ended 31 December 2020 (RMB)</b>	<b>Year ending 31 December 2021 (RMB)</b>
Advertising space cost paid by the Group to BYDA Group	<u>16,000,000</u>	<u>16,000,000</u>	<u>16,000,000</u>

The Directors monitor the transaction amounts under the 2018 Advertising Agency Agreement on an ongoing basis, and none of the transaction amounts for the two years ended 31 December 2020 exceeds the respective annual cap. As at the date of this announcement, the transaction amounts under the 2018 Advertising Agency Agreement did not exceed the annual cap for the year ending 31 December 2021.



*Proposed annual caps*

For the three years ending 31 December 2024, the proposed annual caps for the transactions contemplated under the 2021 Advertising Agency Framework Agreement are as follows:

	<b>Year ending 31 December 2022 (RMB)</b>	<b>Year ending 31 December 2023 (RMB)</b>	<b>Year ending 31 December 2024 (RMB)</b>
Advertising space cost payable by the Group to BYDA Group	<u>16,000,000</u>	<u>16,000,000</u>	<u>16,000,000</u>

In arriving at foregoing proposed annual caps, the Directors have taken into account the following factors:

- (i) the actual values of the advertising space costs payable by the Group to BYDA Group for the two years ended 31 December 2020 and the ten months ended 31 October 2021;
- (ii) the Group will continue to rely on the resource advantages of BYDA and Capital Group and base itself upon the development of convergence media:
  - 1) further comprehensively integrate relevant resources from new media such as Beijing Headlines application, YNET, microblog and Wechat, join in video platforms such as short video and livestreaming, actively adjust product structure and build a multimedia marketing platform;
  - 2) develop diversified offline activities and activities planning, to provide a wider advertising platform and richer services for customers;
  - 3) actively expand new resources of advertising, develop competitive product system in the market, enhance the core comprehensiveness in many aspects such as short video production, cultural and creative IP operations and new media operation and maintenance, and explore new customer resources and new needs of regular customers. The above initiatives are beneficial for the Company to achieve the gradual shift of the Group's business focus from traditional media to new media and mobile internet business, effectively enhance the overall market competitiveness of the Group, and drive the improvement of the Group's advertising performance as a whole;
- (iii) The Company will continue to adapt to market needs. Following the business model of modern media entities, it will improve business management level: 1) by building a product center, a competence center and a marketing center to be responsible for resource acquisition and product system establishment, internal and external customer service and project execution, new customer development and market exploration,

respectively; 2) implementing management model of business department in four key industries including real estate, finance, automobile and education, and integrating cross-industrial resources based on the expansion of dominant business; 3) adjusting some functions of the advertising center and setting up a business service department to optimize staff allocation; and

- (iv) The Company's subsidiary Beiqing Community Media will give play to advantages of channel sinking and media content to further develop government propaganda operation and maintenance market through online promotion and offline activities so as to achieve more revenue from advertising.

### ***Implementation agreements***

The Group and the members of BYDA Group have entered into and will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the 2021 Advertising Agency Framework Agreement during its term. Each implementation agreement will set out the detailed services, specifications, quantities, prices, payment methods, dates and other relevant terms.

As the implementation agreements provide for the supply of services as contemplated under the 2021 Advertising Agency Framework Agreement, they do not constitute new categories of connected transactions. Any of such implementation agreements will be within the ambit of the 2021 Advertising Agency Framework Agreement and the relevant annual caps, and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

### ***Reasons for entering into the 2021 Advertising Agency Framework Agreement***

The Company is of the view that entering into the 2021 Advertising Agency Framework Agreement will (i) provide a wider advertising platform and offer richer services to the clients of the Company; (ii) facilitate the development of more clients by the Company; (iii) bring higher return from the Company's advertising agent and related services business; (iv) establish a one-stop procurement platform, and optimize the resources purchasing process available to the clients; (v) integrate the resources of the Group, enhance the Group's overall market competitiveness by the systematic development of all areas of the Group's internal resources and products packaging; and (vi) realize the gradual shift of business focus from traditional media to new media and mobile internet media by following the demand of market development and the rapid growth of new media resources platform.

#### IV. INTERNAL CONTROL MEASURES

- (a) The president of the Company is responsible for the final approval of the execution of the framework agreement for continuing connected transactions. For the Advertising Business Agreement, the Company's finance department is responsible for verifying the total monthly advertising revenue generated by Beijing Youth Daily and the amount of fees payable to BYDA and reporting to the president of the Company for final approval before payment can be made to BYDA; for the Personnel Service Agreement, the relevant departments of the Company are responsible for confirming the monthly salary and total performance salary of their respective personnel they receive service from and reporting to the Company's human resources department for review, and payment shall be made to BYDA Group only after the Company's human resources department reports to the Board office for final approval; for the 2021 Advertising Agency Framework Agreement, when the specific implementation agreement is concluded, the Company's advertising department is responsible for proposing transaction content and price recommendations, and such implementation agreement may only be signed with BYDA after it is reviewed by the Company's finance department and approved by the president of the Company when the president of the Company has confirmed all terms of relevant implementation agreement;
- (b) The finance department and the Board office of the Company continuously inspect, monitor, collect and evaluate the detailed information of the Group's continuing connected transactions, including but not limited to the implementation agreement, actual transaction amount and payment arrangement under the framework agreement of each continuing connected transaction, to ensure that the scope of the framework agreement of each continuing connected transaction and respective annual cap are not exceeded;
- (c) The Company continues to improve the relevant internal control system of the Group and proposes to improve the relevant internal control mechanism and regulations based on the latest regulatory requirements and the problems encountered in the process of managing and monitoring the continuing connected transactions, to ensure the compliance of the Group's continuing connected transactions;
- (d) The independent non-executive Directors have reviewed and will continue to review the continuing connected transactions to ensure that such transactions are on normal commercial terms and in the usual and ordinary course of business of the Group, and the terms of the related agreements are fair, reasonable and in the interests of the Company and its Shareholders as a whole; and

- (e) The auditors of the Company will also conduct an annual review on the pricing and annual caps of such continuing connected transactions to ensure that they are within the scope of the annual caps under these framework agreements.

## **V. LISTING RULES IMPLICATIONS**

As at the date of the announcement, BYDA holds 124,839,974 shares of the Company, representing approximately 63.27% of the issued share capital of the Company, therefore BYDA and its subsidiaries are connected persons of the Company under the Listing Rules. Therefore, the transactions under the Advertising Business Agreement, the Personnel Service Agreement and the 2021 Advertising Agency Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.06 of the Listing Rules) of the annual caps for the transactions under the Advertising Business Agreement for the three years ending 31 December 2024 exceed 5% but are below 25% and such annual caps are lower than HKD10,000,000, the transactions contemplated thereunder are subject to the annual review, reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.06 of the Listing Rules) of the annual cap for the transactions under the Personnel Service Agreement for 2022 after consolidating Historical Transaction exceed 0.1% but are below 5%, the transactions contemplated thereunder are subject to the annual review, reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14A.06 of the Listing Rules) of the proposed annual caps for the transactions under the 2021 Advertising Agency Framework Agreement for the three years ending 31 December 2024 exceed 5%, the transactions contemplated thereunder are subject to the annual review, reporting, announcement and the Company's Independent Shareholders' approval requirements.

## **VI. DIRECTORS' CONFIRMATION**

The Directors (including the independent non-executive Directors) are of the view that the terms of the transactions under the Advertising Business Agreement and the Personnel Service Agreement (i) have been negotiated on an arm's length basis; (ii) will be conducted on normal commercial terms, or on terms no less favorable than those available to or from independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; and (iv) are fair and reasonable and in the interests of the Company and its

Shareholders as a whole, and the annual caps of the transactions contemplated under the Advertising Business Agreement for the three years ending 31 December 2024 and the annual caps of the transactions contemplated under the Personnel Service Agreement for 2022 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors (excluding the independent non-executive Directors who will express their views after receiving advice from the independent financial adviser) are of the view that the terms of 2021 Advertising Agency Framework Agreement (i) have been negotiated on an arm's length basis; (ii) will be conducted on normal commercial terms, or on terms no less favorable than those available to or from independent third parties under prevailing local market conditions; (iii) are entered into in the ordinary and usual course of business of the Group; and (iv) are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and the annual caps under the 2021 Advertising Agency Framework Agreement for the three years ending 31 December 2024 are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

No Directors is deemed as interested in the transactions contemplated under the Advertising Business Agreement, the Personnel Service Agreement and the 2021 Advertising Agency Framework Agreement and shall abstain from voting for relevant Board resolutions.

## **VII. GENERAL INFORMATION**

The second EGM in 2021 will be held to seek the Independent Shareholders' approval on the 2021 Advertising Agency Framework Agreement and the annual caps for the three years ending 31 December 2024 for the transactions thereunder.

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the 2021 Advertising Agency Framework Agreement and the annual caps for the three years ending 31 December 2024 for the transactions thereunder. Gram Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, further particulars of the 2021 Advertising Agency Framework Agreement and the proposed annual caps for the transactions thereunder, together with, the recommendations of the Independent Board Committee, a letter from Gram Capital to the Independent Board Committee and the Independent Shareholders, and a notice convening the EGM is to be despatched to the Shareholders under the Listing Rules in due course.

## **VIII. GENERAL INFORMATION OF THE PARTIES**

### **The Company**

The Company is a leading media company in the PRC and is principally engaged in production of newspapers and magazines, printing and trading of print-related materials.

### **BYDA**

BYDA mainly owns convergence media platforms such as Beijing Youth Daily, “Beijing Headlines” Client, YNET and other new media matrix and conducts relevant business. The ultimate controller of BYDA is Beijing Municipal Government.

## **IX. CLOSURE OF REGISTER OF MEMBERS**

The Company intends to hold the second EGM in 2021 at 2 p.m. on Friday, 31 December 2021 at the Conference Room 704, the 7th Floor, Beijing Youth Daily Agency Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the People’s Republic of China, for the purpose of (among others) approving the above 2021 Advertising Agency Framework Agreement and the annual caps for the three years ending 31 December 2024 for the transactions thereunder. The Register of Members will be closed from Wednesday, 1 December 2021 to Friday, 31 December 2021 (both days inclusive), during which period no transfer of shares will be registered. In order to be qualified for attending and voting at the EGM, all transfer documents of the holders of H shares together with the relevant share certificates must be lodged with Hong Kong Registrars Limited, the Company’s H share registrar and transfer office in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 30 November 2021. The record date for determining the eligibility to attend the EGM will be on Wednesday, 1 December 2021.

## **X. DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Advertising Business Agreement”	the advertising business agreement dated 7 December 2004 and the supplemental agreement dated 9 April 2010 entered into between the Company and BYDA
“the Announcements”	the announcements of the Company dated 9 April 2010, 12 November 2018 and 27 February 2019, respectively
“Beijing Youth Daily”	the newspaper named Beijing Youth Daily (北京青年報)



“Board”	the board of directors of the Company
“BYDA”	Beijing Youth Daily Agency, a state-owned enterprise incorporated under the laws of the PRC
“BYDA Group”	BYDA and its subsidiaries (excluding the Group)
“Capital Group”	Beijing Capital Group Co., Ltd (北京首都創業集團有限公司)
“Company”	Beijing Media Corporation Limited (北青傳媒股份有限公司), a joint stock limited company incorporated under the laws of the PRC and whose H shares are listed and traded on the Stock Exchange
“Director(s)”	the directors of the Company
“EGM”	the second EGM in 2021 to be held on Friday, 31 December 2021 by the Company to approve the 2021 Advertising Agency Framework Agreement and the annual caps of the three years ending 31 December 2024 for the transactions thereunder
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee of the Board comprising all the independent non-executive Directors, who have no material interest in the transactions under the 2021 Advertising Agency Framework Agreement, namely Mr. Cui Enqing, Mr. Chen Ji, Mr. Wu Changqi, Ms Shi Hongying and Mr. Chan Yee Ping, Michael, aiming to provide advice to Independent Shareholders on the 2021 Advertising Agency Framework Agreement and the annual caps for the three years ending 31 December 2024 for the transactions thereunder

“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a corporation licensed to carry on Type 6 (advising on corporate finance) regulated activity under the SFO, and the independent financial adviser of the Independent Board Committee and Independent Shareholders on the 2021 Advertising Agency Framework Agreement and the annual caps for the three years ending 31 December 2024 for the transactions thereunder
“Independent Shareholders”	shareholders of the Company who are not required to abstain from voting on the resolution in relation to the transactions of 2021 Advertising Agency Framework Agreement and proposed annual caps at the EGM under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on Hong Kong Stock Exchange
“Historical Transaction”	provision of personnel services for the year of 2022 by BYDA Group to BYD Logistics Company Limited, a subsidiary of the Company, with relevant service fees amount not exceeding RMB2,200,000
“Prospectus”	the prospectus of the Company dated 13 December 2004
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	the shareholders of the Company
“2018 Advertising Agency Framework Agreement”	the advertising agency framework agreement entered into between the Company and BYDA on 12 November 2018
“2021 Advertising Agency Framework Agreement”	the advertising agency framework agreement entered into between the Company and BYDA on 12 November 2021

By Order of the Board  
**Beijing Media Corporation Limited**  
**Su Zhaohui**  
*Chairman*

Beijing, the PRC  
12 November 2021



*As at the date of this announcement, the Board comprises: the executive directors of the Company, Shang Da and Liu Jia; the non-executive directors of the Company, Su Zhaohui, Sun Fang and Yang Qing; and the independent non-executive directors of the Company, Cui Enqing, Chen Ji, Wu Changqi, Shi Hongying and Chan Yee Ping, Michael.*

*Please also refer to the published version of this announcement on the Company's website at [www.bjmedia.com.cn](http://www.bjmedia.com.cn).*