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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)

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

FINANCIAL SUMMARY:

1. Total operating revenue increased by 13.72% to RMB91,732 thousand (total operating revenue for the corresponding period of 2023: RMB80,666 thousand).
2. Net loss attributable to shareholders of the Company was RMB8,227 thousand (net loss attributable to shareholders of the Company for the corresponding period of 2023: RMB4,155 thousand).
3. Loss per share was RMB0.04 (loss per share for the corresponding period of 2023: RMB0.02).

The board (the “Board”) of directors (“Directors”) of Beijing Media Corporation Limited (the “Company” or “Beijing Media”, and together with its subsidiaries, the “Group”) hereby announces the unaudited consolidated results of the Group for the six months ended 30 June 2024 (the “First Half of 2024”) and the comparative results of the Group for the corresponding period of 2023.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

Unit: RMB'000

Items	Notes	For the six months ended	
		30 June	2023
		2024	2023
Total operating revenue	1	91,732	80,666
Total operating costs		110,270	92,703
Less: Operating costs	1	86,885	68,649
Tax and surcharges	2	999	1,117
Selling expenses		6,908	7,320
Administrative expenses		16,186	15,845
Financial expenses	3	(708)	(228)
Including: Interest expenses		39	—
Interest income		783	268
Add: Other income		37	47
Investment income	4	11,103	8,057
Including: Gain from investments in associates		(1,377)	—
Gain on the changes in fair value	5	(5,563)	3,764
Impairment loss of credit	6	2,893	(3,922)
Impairment loss of assets		—	(194)
Gain on disposal of assets		1	3
Operating profit		(10,067)	(4,282)
Add: Non-operating income	7	13	4
Less: Non-operating expenses	8	38	93
Total profit		(10,092)	(4,371)
Less: Income tax expenses	9	15	(31)
Net profit		(10,107)	(4,340)
Net profit attributable to:			
Net profit from continuing operations		(10,107)	(4,340)
Net profit from discontinued operations		—	—
Shareholders of the Company		(8,227)	(4,155)
Non-controlling shareholders		(1,880)	(185)

CONSOLIDATED INCOME STATEMENT (UNAUDITED) (CONTINUED)

Unit: RMB'000

Items	<i>Notes</i>	For the six months ended 30 June	
		2024	2023
Other net comprehensive income after tax		138	206
Other comprehensive income attributable to shareholders of the Company, net after tax	<i>10</i>	83	124
Including: Other comprehensive income that will be subsequently reclassified into profit or loss		83	124
Including: Exchange differences from translation of financial statements		83	124
		<hr/>	<hr/>
Other comprehensive income attributable to non-controlling shareholders, net after tax		55	82
		<hr/>	<hr/>
Total comprehensive income		(9,969)	(4,134)
		<hr/>	<hr/>
Total comprehensive income attributable to shareholders of the Company		(8,144)	(4,031)
Total comprehensive income attributable to non-controlling shareholders		(1,825)	(103)
		<hr/>	<hr/>
Earnings per share:			
Basic earnings per share (<i>RMB</i>)	<i>11</i>	(0.04)	(0.02)
Diluted earnings per share (<i>RMB</i>)	<i>11</i>	(0.04)	(0.02)
		<hr/> <hr/>	<hr/> <hr/>
Dividends	<i>12</i>	—	—
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CONSOLIDATED BALANCE SHEET (UNAUDITED)

Unit: RMB'000

Items	Notes	As at 30 June 2024	As at 31 December 2023
Current assets:			
Bank balances and cash		63,740	76,285
Financial assets held for trading	13/26	134,148	156,523
Notes receivable		—	151
Accounts receivable	14	30,855	21,379
Prepayments	15	8,001	3,854
Other receivables	16	24,442	15,871
Inventories		6,469	4,002
Other current assets	17	26,629	27,179
Total current assets		294,284	305,244
Non-current assets:			
Long-term equity investment	18	1,664	3,041
Investment in other equity instruments	19/26	303,414	303,414
Other non-current financial assets		—	253
Investment properties	20	77,602	77,602
Fixed assets	21	1,207	699
Right-of-use assets		2,084	2,748
Intangible assets	22	16,900	17,248
Long-term deferred expenses		893	1,362
Other non-current assets	23	—	—
Total non-current assets		403,764	406,367
Total assets		698,048	711,611

CONSOLIDATED BALANCE SHEET (UNAUDITED) (CONTINUED)

Unit: RMB'000

Items	Notes	As at 30 June 2024	As at 31 December 2023
Current liabilities:			
Notes payable		20,131	15,593
Accounts payable	24	14,392	17,661
Receipts in advance		47	—
Contract liabilities		7,914	13,673
Employee benefits payable		7,942	7,118
Taxes payable		286	453
Other payables	25	13,678	15,765
Non-current liabilities due within one year		1,443	1,004
Other current liabilities		3,674	740
Total current liabilities		<u>69,507</u>	<u>72,007</u>
Non-current liabilities:			
Leased liabilities		373	1,467
Deferred income tax liabilities		3,163	3,163
Total non-current liabilities		<u>3,536</u>	<u>4,630</u>
Total liabilities		<u>73,043</u>	<u>76,637</u>
Shareholders' equity:			
Share capital		197,310	197,310
Capital reserves		934,606	934,606
Other comprehensive income	10	193,409	193,326
Surplus reserves		130,931	130,931
Undistributed profits		(841,193)	(832,966)
Total equity attributable to shareholders of the Company		<u>615,063</u>	<u>623,207</u>
Non-controlling interest		9,942	11,767
Total shareholders' equity		<u>625,005</u>	<u>634,974</u>
Total liabilities and shareholders' equity		<u>698,048</u>	<u>711,611</u>
Net current assets		<u>224,777</u>	<u>233,237</u>
Total assets less current liabilities		<u>628,541</u>	<u>639,604</u>

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The Group's financial statements for the six months ended 30 June 2024 have been prepared on a going concern basis and based on the actual transactions and matters incurred, in accordance with requirements such as Accounting Standards for Business Enterprises — Basic Standard and specific accounting standards (“PRC Accounting Standard”) issued by the Ministry of Finance of the People's Republic of China (the “Ministry of Finance”), as well as applicable disclosure requirements under the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and the Hong Kong Companies Ordinance; and the accounting policies and estimates as stated in Note V “Significant accounting policies and accounting estimates” of the Group's Interim Report for the year 2024.

2. Going concern

The Company is able to continue as a going concern for at least the next 12 months from the end of the reporting period, and there is no existence of a material uncertainty affecting the ability of on-going operation.

CHANGES IN ACCOUNTING POLICIES AND THEIR EFFECT

The Group has no changes in accounting policies during the period.

STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Group's financial statements have been prepared in conformity with the "PRC Accounting Standards", and present truly, accurately and completely the relevant information in the consolidated financial position as at 30 June 2024 and the consolidated operating results and consolidated cash flows for the six months ended 30 June 2024.

NOTES TO THE FINANCIAL STATEMENTS

1. TOTAL OPERATING INCOME, OPERATING COSTS

Item	For the six months ended 30 June	
	2024	2023
Principal operating income	87,002	70,680
Other operating income	4,730	9,986
Total operating income	91,732	80,666
Principal operating costs	86,744	64,360
Other operating costs	141	4,289
Total operating costs	86,885	68,649
Gross profit	4,847	12,017

Total operating income (which is the turnover of the Group) represents the net amounts received and receivable from sales of advertising layout and goods and rendering of services by the Group to outside customers, less trade discounts during the period.

(1) Principal operations — by business segment

Item	For the six months ended 30 June			
	2024		2023	
	Operating income	Operating costs	Operating income	Operating costs
Advertising	45,367	45,840	37,091	32,679
Printing	2	1	613	545
Trading of printing-related materials	29,905	28,711	30,564	28,882
Others	11,728	12,192	2,412	2,254
Total	87,002	86,744	70,680	64,360

(2) The sum of operating income from the top five customers is RMB32,307 thousand representing 35.22% of operating income for the six months ended 30 June 2024.

(3) Other operating income includes revenue from property rental income of RMB3,398 thousand.

2. TAX AND SURCHARGES

Item	For the six months ended 30 June	
	2024	2023
Property tax	633	664
Expenses for cultural undertakings development	245	227
Urban maintenance and construction tax	40	84
Education surcharge	17	36
Local education surcharge	12	24
Others	52	82
Total	999	1,117

3. FINANCIAL EXPENSES

Item	For the six months ended 30 June	
	2024	2023
Interest expenses	39	—
Less: Interest income	783	268
Exchange gain and loss	—	10
Add: Commissions and other expenses	36	30
Total	(708)	(228)

4. GAIN ON INVESTMENT

Item	For the six months ended 30 June	
	2024	2023
Share of profit of associates	(1,377)	—
Investment income received from the disposal of financial assets at fair value through profit or loss	12,441	(14)
Investment income received from holding investments in other equity instruments	39	7,545
Other investment income	—	526
Total	11,103	8,057

5. GAIN ON THE CHANGES IN FAIR VALUE

Item	For the six months ended	
	30 June	
	2024	2023
Changes in fair value of transactional financial assets	(5,563)	4,594
Changes in fair value of investment properties	—	(830)
Total	<u>(5,563)</u>	<u>3,764</u>

6. IMPAIRMENT LOSS OF CREDIT

Item	For the six months ended	
	30 June	
	2024	2023
Loss from bad debts	2,893	(3,922)
Total	<u>2,893</u>	<u>(3,922)</u>

7. NON-OPERATING INCOME

Item	For the six months ended	
	30 June	
	2024	2023
Gain on disposal of fixed assets	5	—
Others	8	4
Total	<u>13</u>	<u>4</u>

8. NON-OPERATING EXPENSES

Item	For the six months ended 30 June	
	2024	2023
Loss on retirement of non-current assets	—	3
Others	<u>38</u>	<u>90</u>
Total	<u>38</u>	<u>93</u>

9. INCOME TAX EXPENSES

(1) Income tax expenses

Item	For the six months ended 30 June	
	2024	2023
Current income tax expenses	<u>15</u>	<u>(31)</u>
Total	<u>15</u>	<u>(31)</u>

(2) Current income tax expenses

Item	For the six months ended 30 June	
	2024	2023
Current income tax — PRC	15	21
Under-provision in prior years — PRC	<u>—</u>	<u>(52)</u>
Total	<u>15</u>	<u>(31)</u>

No provision is required to be made for Hong Kong profits tax of the Group during the period, as there was no profit generated from Hong Kong.

10. OTHER COMPREHENSIVE INCOME

Item	As at 1 January 2024	Amount before income tax for the year	Less: other comprehensive income subsequently reclassified into profit or loss in current period	Less: income tax expenses	Amount after tax attributable to the parent company	Amount after tax attributable to non-controlling shareholders	As at
							30 June 2024
1. Other comprehensive income subsequently unable to be reclassified into profit or loss	192,648	—	—	—	—	—	192,648
Including: Change in fair value of other investments of equity instruments	192,648	—	—	—	—	—	192,648
2. Other comprehensive income subsequently able to be reclassified into profit or loss	678	138	—	—	83	55	761
Including: Items attributable to investees under equity method subsequently reclassified to profit or loss	550	—	—	—	—	—	550
Including: Exchange differences from re-translation of financial statement	128	138	—	—	83	55	211
Total other comprehensive income	193,326	138	—	—	83	55	193,409

11. EARNINGS PER SHARE

Item	For the six months ended 30 June	
	2024	2023
Net profit for the half-year attributable to shareholders of the Company	(8,227)	(4,155)
Weighted average number of issued ordinary shares (thousand shares)	197,310	197,310
Basic earnings per share (RMB)	(0.04)	(0.02)

The basic earnings and diluted earnings per share for the six months ended 30 June 2023 and 2024 are the same as there was no dilution incurred during the periods.

12. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2024 (2023: nil).

13. FINANCIAL ASSETS HELD FOR TRADING

Item	As at 30 June 2024	As at 31 December 2023
Wealth management product	134,148	156,523
Including: Securities companies' asset management products	<u>134,148</u>	<u>156,523</u>
Total	<u>134,148</u>	<u>156,523</u>

14. ACCOUNTS RECEIVABLE

Item	As at 30 June 2024	As at 31 December 2023
Accounts receivable	404,171	397,729
Less: Provision for bad debts	<u>373,316</u>	<u>376,350</u>
Net accounts receivable	<u>30,855</u>	<u>21,379</u>

The following is an aging analysis of accounts receivable presented based on the invoice date (net of provision for bad debts):

Item	As at 30 June 2024	As at 31 December 2023
0–90 days	19,435	11,722
91–180 days	2,206	3,108
181–365 days	3,358	2,277
1–2 years	2,239	1,378
Over 2 years	<u>3,617</u>	<u>2,894</u>
Total	<u>30,855</u>	<u>21,379</u>

The top five accounts receivable as at 30 June 2024 represented 46.49% of the total accounts receivable.

15. PREPAYMENTS

Item	As at 30 June 2024	As at 31 December 2023
Prepayments	8,001	3,854
Less: Provision for bad debts	—	—
Net prepayments	<u>8,001</u>	<u>3,854</u>

The following is an aging analysis of prepayments:

Item	As at 30 June 2024	As at 31 December 2023
Within 1 year	7,937	3,806
Over 1 year	64	48
Total	<u>8,001</u>	<u>3,854</u>

The top five prepayments as at 30 June 2024 represented 94.11% of the total prepayments.

16. OTHER RECEIVABLES

Item	As at 30 June 2024	As at 31 December 2023
Dividends receivable	1,096	9,416
Other receivables	224,996	207,965
Less: Provision for bad debts	201,650	201,510
Net other receivables	<u>24,442</u>	<u>15,871</u>

16. OTHER RECEIVABLES (CONTINUED)

(1) Dividend receivables

Dividend receivables by nature

Item	As at 30 June 2024	As at 31 December 2023
Investment dividend	1,096	9,416
Less: Provision for bad debts	<u>77</u>	<u>1,145</u>
Total	<u>1,019</u>	<u>8,271</u>

(2) Other receivables

1) The following is an aging analysis of other receivables (net of provision for bad debts):

Item	As at 30 June 2024	As at 31 December 2023
Within 1 year	21,613	6,296
1-2 years	595	314
2-3 years	267	974
3-4 years	923	14
Over 4 years	<u>25</u>	<u>1</u>
Total	<u>23,423</u>	<u>7,599</u>

2) Other receivables classified by nature

Nature	As at 30 June 2024	As at 31 December 2023
Related-party current account	11,228	2,117
External unit current account	209,163	203,639
Deposit and margin	2,608	337
Reserve funds	1,984	1,867
Others	<u>13</u>	<u>5</u>
Total	<u>224,996</u>	<u>207,965</u>

17. OTHER CURRENT ASSETS

Item	As at 30 June 2024	As at 31 December 2023
VAT to be deducted	26,629	27,144
Prepaid income tax	—	35
Total	26,629	27,179

18. LONG-TERM EQUITY INVESTMENTS

(1) Types of long-term equity investments

Type	As at 30 June 2024	As at 31 December 2023
Investments in associates — under equity method	2,612	3,989
Less: Provision for impairment for investments in associates	948	948
Total	1,664	3,041

As at 30 June 2024, for details of the associates of the Group, please refer to “26. Equity in Other Entities” of this note.

(2) Types of long-term equity investments

Investees	Changes in the period									Balance as at 30 June 2024	Balance of impairment provision as at 30 June 2024
	Balance as at 1 January 2024	Additional investment	Decrease in investment	Investment gain or loss recognised under equity method	Other comprehensive income adjustment	Changes in other equity	Declaration of cash dividend or profit	Provision for impairment	Others		
Chongqing Soyang Internet Technology Co., Ltd.	—	—	—	—	—	—	—	—	—	—	948
Beijing Shangyou Network Technology Co., Ltd.	1,278	—	—	(1,278)	—	—	—	—	—	—	—
Beijing Leisure Trend Advertising Company Limited	—	—	—	—	—	—	—	—	—	—	—
Beijing Beisheng United Insurance Agency Co., Ltd.	1,763	—	—	(99)	—	—	—	—	—	1,664	—
Beijing Shengyi Automobile Technology Co., Ltd.	—	—	—	—	—	—	—	—	—	—	—
BY Times Consulting Co., Ltd.	—	—	—	—	—	—	—	—	—	—	—
Beijing Beijing Top Advertising Limited	—	—	—	—	—	—	—	—	—	—	—
Total	3,041	—	—	(1,377)	—	—	—	—	—	1,664	948

18. LONG-TERM EQUITY INVESTMENTS (CONTINUED)

(2) Types of long-term equity investments (Continued)

Investments in associates including Beijing Leisure Trend Advertising Company Limited, Beijing Shengyi Automobile Technology Co., Ltd., BY Times Consulting Co., Ltd., Beijing Beiqing Top Advertising Limited, Chongqing Soyang Internet Technology Co., Ltd., Beijing Shangyou Network Technology Co., Ltd. have been written down to nil under the equity method.

(3) Investments in associates

Item	As at 30 June 2024	As at 31 December 2023
Unlisted investments, at cost	33,906	33,906
Share of post-acquisition profit	(31,294)	(29,917)
Provision for impairment	948	948
Total	1,664	3,041

As at 30 June 2024, for details of the associates of the Group, please refer to “26. Equity in Other Entities” of this note.

19. INVESTMENT IN OTHER EQUITY INSTRUMENTS

(1) Investment in other equity instruments

Item	Investment cost	As at 30 June 2024	As at 31 December 2023	Dividend income recognised for the period
Beijing Youth Daily Newspaper Internet Communication Technology Co., Ltd.	500	3,323	3,323	—
Beijing International Advertising & Communication Group Co., Ltd.	33,119	20,602	20,602	—
Beiyang Publishing & Media Co., Ltd.	103,000	242,369	242,369	—
Beijing Keyin Media Culture Co., Ltd.	6,560	37,120	37,120	39
Total	143,179	303,414	303,414	39

19. INVESTMENT IN OTHER EQUITY INSTRUMENTS (CONTINUED)

(2) Investment in other equity instruments is analyzed as follows:

Type	As at 30 June 2024	As at 31 December 2023
Unlisted equity investments, PRC	<u>303,414</u>	<u>303,414</u>
Total	<u>303,414</u>	<u>303,414</u>

20. INVESTMENT PROPERTIES

Investment properties measured at fair value

Type	As at 30 June 2024	As at 31 December 2023
Buildings	<u>77,602</u>	<u>77,602</u>
Total	<u>77,602</u>	<u>77,602</u>

The fair value of the Group's investment properties as at 30 June 2024 have been arrived at by reference to recent market prices for similar properties in the same locations and conditions.

As at 30 June 2024, the carrying values of the investment properties for which the Group had not been granted formal title amounted to approximately RMB4,279 thousand. In the opinion of the directors of the Company, the absence of formal title to these properties does not impair the value of the relevant properties to the Group. The directors of the Company also believe that formal title to these properties will be granted to the Group in due course.

21. FIXED ASSETS

For the six months ended 30 June 2024, the fixed assets of the Group increased by RMB740 thousand (corresponding period of 2023: increased by RMB479 thousand).

For the six months ended 30 June 2024, the disposal of fixed assets with original carrying amount of the Group is RMB567 thousand (corresponding period of 2023: RMB399 thousand).

For the six months ended 30 June 2024, the depreciation of fixed assets recognised in the income statement is RMB232 thousand (corresponding period of 2023: RMB285 thousand).

22. INTANGIBLE ASSETS

For the six months ended 30 June 2024, the intangible assets of the Group increased by RMB99 thousand (corresponding period of 2023: increased by RMB0 thousand).

For the six months ended 30 June 2024, the amortization of intangible assets recognised in the income statement is RMB447 thousand (corresponding period of 2023: RMB452 thousand).

23. OTHER NON-CURRENT ASSETS

Item	As at 30 June 2024	As at 31 December 2023
Prepayments for film project (<i>Note</i>)	24,000	24,000
Less: Provision for impairment	24,000	24,000
Total	—	—

Note: Prepayments for film project are relevant to the Company's participation in film and television production of "Oriental King of Soccer" (《東方球王》). The project settlement period exceeds one year. The Company entered into agreements with Daqianmen (Beijing) Media Co. Ltd., pursuant to which the Company participated in the production of TV series "Oriental King of Soccer". As at 30 June 2024, the balance of prepayments related to the television project "Oriental King of Soccer" was RMB24,000 thousand. "Oriental King of Soccer" has not been released.

24. ACCOUNTS PAYABLE

Item	As at 30 June 2024	As at 31 December 2023
Accounts payable	<u>14,392</u>	<u>17,661</u>
Total	<u>14,392</u>	<u>17,661</u>

The following is an aging analysis of accounts payable as at 30 June 2024 presented based on the invoice date:

Item	As at 30 June 2024	As at 31 December 2023
0–90 days	11,661	16,285
91–180 days	1,446	70
181–365 days	37	58
Over one year	<u>1,248</u>	<u>1,248</u>
Total	<u>14,392</u>	<u>17,661</u>

25. OTHER PAYABLES

Nature	As at 30 June 2024	As at 31 December 2023
Current account	8,632	9,239
Deposit and margin	2,484	5,065
Collection and payment for other persons	2,085	980
Others	<u>477</u>	<u>481</u>
Total	<u>13,678</u>	<u>15,765</u>

26. EQUITY IN OTHER ENTITIES

A. Equity in investment in other equity instruments

(1) Basic information of relevant investee companies in relation to investment in other equity instruments:

Company name	Place of registration	Principal place of business	Business nature	Shareholding percentage (%)	Fair value as	Proportion of total assets (%)
					at 30 June 2024	
Beiyang Publishing & Media Co., Ltd.	Shijiazhuang	Shijiazhuang	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	242,369	34.72
Beijing Keyin Media and Culture Co., Ltd.	Beijing	Beijing	Organizing exchange activities on culture and art, and design, production and provision of agency service of advertisements	16.00	37,120	5.32
Beijing Youth Daily Newspaper Internet Communication Technology Co., Ltd.	Beijing	Beijing	Internet Information Service	5.00	3,323	0.48
Beijing International Advertising & Communication Group Co., Ltd.	Beijing	Beijing	Design, production and provision of agency service of advertisements	11.44	20,602	2.95

(2) The investment strategies of major investments in respect of investment in other equity instruments:

Beiyang Publishing & Media Co., Ltd. (hereinafter referred to as “Beiyang Media”) is mainly engaged in the production, printing, publishing and distribution of books, newspapers and magazines. It is the main platform for Hebei Publishing & Media Group Co., Ltd. to perform transformation into corporate and capitalized operations. Currently, the Company holds 43,706,423 shares of Beiyang Media, representing 2.43% of the aggregate share capital of Beiyang Media. The Company’s investment in Beiyang Media is mainly based on: 1) Beiyang Media’s good operating condition; and 2) its capital operation plan, such as its share reform and listing, in order to obtain a better investment return. Upon the Company’s investment, Beiyang Media has been operating well in recent years and has been profitable, and has achieved steady growth in assets and revenue. The Group is optimistic about the future operation of Beiyang Media and is prepared to continue to hold it for a long term.

Beijing Keyin Media and Culture Co., Ltd. (hereinafter referred to as “Keyin Media”) is mainly engaged in organizing exchange activities on culture and art, and design, production and provision of agency service of advertisements, etc. Currently, the Company holds 4,000,000 shares of Keyin Media, representing 16% of the aggregate share capital of Keyin Media. The Company’s investment in Keyin Media is mainly based on its good operating conditions and listing plans. Upon the Company’s investment, Keyin Media has been operating well in recent years and has been profitable. The Group is optimistic about the future operation of Keyin Media and is prepared to continue to hold it for a long term.

26. EQUITY IN OTHER ENTITIES (CONTINUED)

B. Equity in financial assets held for trading

(1) Basic information of financial assets held for trading

Name of counterparty	Types of products	Investment	Unrealised	Changes in	Fair value	Proportion
		cost	gains and	fair value for	as at	
		as at	losses	the six months	ended	to total
		30 June	for the six	ended	30 June	assets (%)
		2024	months ended	30 June	2024	
			30 June	2024		
Capital Securities	Fixed-income wealth management products	128,141	6,007	6,007	134,148	19.22

(2) Investment strategies for financial assets held for trading

The Company has achieved good returns through a single asset management contract, and the Company has established a good cooperative relationship with Capital Securities in this process, and the Company will continue to entrust Capital Securities to manage the Company's idle funds for the Company without affecting the daily operating liquidity and under authorization of the shareholders' meeting.

BUSINESS REVIEW OF THE GROUP

The Group is principally engaged in three core businesses: (1) advertising business, which comprises the sales of convergence media advertising, event planning, and provision of comprehensive services; (2) printing, whose revenue is generated from printing publications undertaken by BYD Logistics Company Limited (“BYD Logistics”); and (3) trading of printing-related materials, which involves the supply and trading of, among other things, newsprint, ink, lubricants, films, presensitized plate and rubber sheets to customers including commercial printers.

In the First Half of 2024, the total operating revenue of the Group was RMB91,732 thousand, representing an increase of 13.72% as compared with that for the corresponding period of 2023 (first half of 2023: RMB80,666 thousand).

The Group achieved growth in total operating revenue, mainly thanks to: (1) the Company’s proactive expansion of its outdoor advertising channels, with new outdoor advertising revenue of RMB11,978 thousand in the First Half of 2024; (2) Beijing Beiqing Innovation Cultural Industry Development Co., Ltd., (“Beiqing Innovation Cultural”), a subsidiary of the Company, seizing the opportunity of market recovery to steadily promote the youth student travel business, and achieving an operating revenue of RMB11,602 thousand in the First Half of 2024, representing an increase of 678.66% as compared with the corresponding period in 2023 (first half of 2023: RMB1,490 thousand).

In the First Half of 2024, the Group also proactively enhanced its operational and management efficiency, increased investment income and effectively reduced sales and finance expense. Among which, the Company realised a gain of RMB5,744 thousand from the changes in fair value through the asset management business of the single asset management scheme.

In the First Half of 2024, the Group’s operating cost was RMB86,885 thousand, representing an increase of 26.56% as compared with the corresponding period of 2023 (first half of 2023: RMB68,649 thousand). In the First Half of 2024, net loss attributable to shareholders of the Company was RMB8,227 thousand, representing an increase of 98% as compared with the corresponding period of 2023 (net loss attributable to shareholders of the Company for the first half of 2023: RMB4,155 thousand). The increase in net loss was mainly due to the increase in operating costs by RMB18,236 thousand, which was attributable to the increase in costs for the newly developed outdoor advertising resources of the Company on the metros and the expansion of the student travel business of our subsidiary, Beiqing Innovation Cultural. The traditional weak season for sales of outdoor advertisements on the metros in the first half of the year and the delay in the commencement of the operation of Wangjing West Station of the northern section of Beijing Metro Line 17 resulted in the loss of overall patronage and core business value of the line, which had certain impact on the overall advertising sales of the line. The Company is actively negotiating with Beijing MTR Corporation

Limited* to arrive at a general solution such as reduction on guaranteed operating rights fee, metro media remodeling and resource replacement, with a view to reducing costs or increasing revenue.

In the First Half of 2024, the Group adhered to the strategy of “seeking progress amidst stability, promoting stability through progress, and building the new before discarding the old”, focused on business innovation and capacity enhancement, and comprehensively promoted the transformation and upgrading of its operations through resource integration and industry synergy:

Accelerating innovation breakthroughs to build core competitiveness

Firstly, the Group accelerated the transformation and innovation of its advertising business, promoted the implementation of the projects of the outdoor advertising on the metros, developed new models of IP creative advertising, promoted IP space construction in the metros, and customized creative advertisements for major brands, which gained good market response. The Group enhanced the expansion of quality advertisers, and empowered customers’ promotional needs with distinctive activities to increase brand influence; constructed its own media matrix and added new accounts in the vertical categories of elderly care service, car experience, housing guide, and metro life to promote commercial realisation. Leveraging its strength in resource integration, the Group developed the Beijing City Culture Annual Pass (北京城市文化年票) project, which includes rights to more than 40 scenic spots and several student travel courses, effectively promoting business integration and development.

Secondly, through its subsidiary, Beiqing Innovation Cultural, the Company put in efforts on youth well-rounded education, provided diversified science popularization student travel, camp education practice and other characteristic services for teenagers. In the First Half of 2024, we received 29 study group camps and successfully won the bidding for 6 youth activity programs, thereby expanding new customer channels; strengthened content innovation and R&D, and developed 28 new domestic product routes and 7 new international product routes. The Group has built its own brand publicity system with “Yikou (One Buckle) (一扣(一粒扣))” as the main brand and “Qingxing (青行)”, “Qingxue (青學)”, “Qingshi (青識)”, and “Qingying (青營)” as its sub-brands to enhance the competitiveness of the student travel business.

Thirdly, the Group expanded its cultural and sports events business in depth, and actively promoted existing IPs through event planning to facilitate commercial realisation, including the in-depth development of cycling IP brand activities, and the successful organisation of the 2024 Beijing Tongzhou Federation of Trade Unions Large-scale Cycling Event for Thousands of Persons (2024年北京市通州區總工會千人大型騎游活動). The Group planned and executed the launching ceremony of “Sports Events in Scenic Spots, Neighborhoods and Commercial Districts” organised by the General Administration of Sports of China, etc., and the launching ceremony and stage activities of “Night Moves in Beijing-Tide to You (夜動京城·潮你而來)” Sports Carnival, signed

a strategic cooperation agreement with the Beijing Sports Industry Association, and successfully promoted the strategic cooperation of Street Dance Competition of KOD 20th Anniversary, etc. Also, the Group developed and launched our own outdoor-themed WeChat mini program “Qingzong (青蹤)”, which is used to support offline activities and competitions promotion, and has 1,513 registered members.

Fourthly, through its subsidiary, Beiqing Community Media, the Group focused on new media operation and maintenance and government activities business, providing comprehensive services to government and corporate clients. It actively integrated internal and external high-quality resources, developed customer channels, and established government-affiliated new media cooperation with enterprises subordinate to Beijing Television Station to jointly create newspaper and TV columns such as legal services, famous doctors, famous teachers, and the most beautiful police officer. Also, it rooted itself in the community, and gave full play to the strengths of grass-roots media in order to push forward the operation of community cultural space.

Strengthening corporate governance to improve efficiency and control risks

On one hand, the Group continued to enhance the state-owned assets management system, and formulated and revised 15 policies in the First Half of 2024; optimized the organizational structure and talent structure in accordance with the Company’s strategy and business needs, and enhanced the matching of personnel and positions; enhanced information construction, initiated the development and upgrading of the Company’s official website, and developed and launched the customer relationship management (CRM) for the outdoor advertising business, realising the digital management of customer resources and information, and effectively enhancing operational efficiency. On the other hand, the Group strengthened internal control and risk management, adopted enterprise-specific measures to accelerate the clearance of disadvantaged enterprises, sorted out and collected historical accounts receivable through legal channels, and proactively pushed forward the enforcement of successful cases.

Revitalizing the idle assets, continuously increasing investment income

In the First Half of 2024, according to the Asset Management Contract for the Single Asset Management Scheme, Capital Securities Co., Ltd. was entrusted to manage idle funds for the Company, achieving a gain on the changes in fair value of RMB5,744 thousand, in order to continuously and effectively utilize idle funds to realize preservation and appreciation of capital under controllable risks. The Company also obtained rental income of RMB3,398 thousand by leasing out the Company’s idle office buildings and barter properties.

Advertising Business

In the First Half of 2024, the advertising market as a whole exhibited a mild rebound, but volatility and uncertainty coexisted. Traditional media continued to be impacted by new media, for examples, the outdoor advertising market was divided, the video delivery of street facilities, metro and cinemas has decreased year-on-year and the application of new technologies, especially the artificial intelligence generated content (AIGC) technology became the new driver to promote the development of the industry. The competition in the advertising industry is becoming increasingly fierce. Advertisers' needs are more diversified, and all advertising strategies show great concern for advertising efficiency and effectiveness.

Faced with severe market challenges, aiming at developing integrated media, the Group gave full play to the advantages of media content production, deeply explored the personalized needs of customers, accelerated the upgrading of advertising products and capabilities, actively explored outdoor advertising business for metro, and accelerated technological and content innovation in conjunction with the digital transformation of media. In the First Half of 2024, revenue from advertising business of the Group was RMB45,367 thousand, representing an increase of 22.31% as compared with that for the corresponding period of 2023 (first half of 2023: RMB37,091 thousand), mainly due to the additional revenue of RMB11,978 thousand from the outdoor advertising business of the Company. Revenue from the finance, automobile and real estate industries of the Company's advertising center increased as compared with the corresponding period of 2023. In addition, revenue from advertising business of Beiqing Community Media, a subsidiary of the Company, decreased compared with the corresponding period of 2023 due to intensified market competition and reduced customer budget.

In the First Half of 2024, the Company has put in place the following three measures in advertising operation:

1. *Building a metro outdoor advertising system, and exploring a new model of creative advertising*

In light of the new business requirements in metro advertising, at the management level, we have improved outdoor sales and operation team and built customer relationship management (CRM) system for metro advertising sales to ensure stable operation of the new business. At the marketing level, we proactively developed creative advertising products to enhance our market competitiveness, including cooperating in IP resources with Tencent, Huace Media, Teddy Bear and POP MART, and advancing the construction of metro IP space, and cooperating with brand customers to launch customised creative advertisements to strengthen the interactivity and interaction of the advertisements, satisfy the personalised needs of customers and effectively enhance the brand effect of both parties. On 9 April 2024, the "Redmi&Harry Potter" theme advertisement was launched on Beijing Metro Line 4, which attracted the public and became a photogenic spot, and quickly triggered a

hot discussion on social media, with related topics being pushed to the top of the local trending topic in Beijing on the same day on the TikTok (抖音). At the same time, we actively improved the construction of outdoor advertising products, deepened the cooperation with industry associations, engaged with various types of advertising resources, and participated in the development of advertising resources in high-speed rail, business areas and other fields, in order to plan and create a multifarious outdoor advertising product portfolio and promote business performance of advertising.

2. Constructing self-owned new media matrix to accelerate the strategic upgrade of its products

Considering the characteristics of the industry, we have built our own new media product matrix, optimised the layout of our new media accounts, implemented refined management of advertisements, added new accounts in the vertical categories of elderly care services, car experience, housing guide and metro life, launched several video columns tailored to the characteristics of the industry, and proactively promoted the commercial realisation of the new accounts. At present, the Company has a total of 34 new media accounts on various platforms, among which, the finance business division has opened the WeChat video account of “New Line of Elderly Care (養老新一線)” for customers in the elderly care industry, and completed the filming projects of Taikang Home (泰康之家), Lecheng Pension (樂成養老), and Daai Academy (大愛書院), which have been recognized by customers. The real estate business division adjusted the positioning of the “Yujie Jianfang (郁姐鑒房)” TikTok account, to focus on the new and second-hand housing market in Beijing from an easy and practical perspective around the two main lines of living styles and living cultures, so as to create its own IP in the field of media real estate. The automobile business division focused on the “青Auto Talk (青車談)” video account and TikTok account, planning and outputting high-quality short videos for customers, of which the video playback amount of FAW Toyota Carrera Elite reached 98,000, and the video playback amount of FAW Pentium reached 109,000. The metro outdoor advertising team changed the name of the TikTok account “青Time” to “地鐵Lab”, focusing on Beijing’s local life in the form of street interviews at metro stations, creating a brand-new outdoor new media account for the metro, and enhancing the brand communication power of outdoor advertisements.

3. Empowerment of special activities and innovating brand services

We achieved precise positioning and empowered advertisers with special brand activities, including the 16th Beijing Fortune Star List (第十六屆北青財星榜), the First Beijing Elderly Service Brand List Award Ceremony (首屆北青養老服務品牌總榜頒獎典禮), the “New Circuit and New Opportunities” Elderly Service and Investment Forum for the Silver Age (“新賽道新機遇”銀髮時代養老服務和投資論壇), and the “Youth Doing Their Best to Win the Future” Beijing Real Estate Old Friends Meeting (“青盡全力，共贏未來”北青地產老友見面會), the 2023 Beijing

Youth Car Selection (2023北青年度車評選), the 2023 Beiqing Youth Real Estate Selection Ceremony (2023北青年度房產評選盛典) and other brand activities. We jointly established the Beiqing Elderly Service Brand Alliance (北青養老服務品牌聯盟) with 14 benchmark enterprises in the capital's elderly care industry, and formulated the media integration series of activities for the first “Qingxiaoyou (青小郵)” Journalist Competition for the Postal Savings Bank of China (Beijing Branch). Through the creation of a diversified service platform, the Company has enhanced customers' sense of identity and loyalty to the Company's brand and promoted advertising.

Results of major subsidiaries of the Group

Beiqing Community Media is a 57.952%-owned subsidiary of the Company. Beiqing Community Media has transformed from original traditional media newspaper business model to a government-affiliated convergence media service business model, digging deeper into the needs of government and enterprises customers and improving its activity planning and execution capabilities to build information dissemination platform and service platform for customers through the organic combination of online operation and maintenance with offline activities. Beiqing Community Media's intensive cultivation of community media business has been highly recognized by community residents, government agencies at all levels and cooperative partners, which has greatly increased its influence. Up to now, Beiqing Community Media has 10 regional branches, including Shunyi, Sub-city Centre, Chaoyang, Daxing, Changping, Dongcheng and Xicheng, etc. and has published newspapers of “Beiqing Community Newspaper”. In addition to paper media, the branches and headquarter editorial department of Beiqing Community Media operate a total of nearly 70 new media accounts on various media platforms such as WeChat, Weibo, TikTok, Kuaishou (快手), Today Headlines (今日頭條) and NetEase, and is stationed on news media such as People's Daily, Beijing Daily, Beijing Time, etc., so that it can synchronously distribute regional news, video columns and thematic plans on various media platforms, forming a strong media publicity matrix, and presenting good performance in the coverage and spread of convergence media publicity.

In the First Half of 2024, Beiqing Community Media continued to optimise its business structure, promoted the integration of technology and business, and strengthened resource integration and business synergies. First, focusing on business innovation, it actively explored new customer acquisition channels for government and enterprises, including cooperation mechanism with subsidiaries of Beijing TV Station in respect of government-affiliated new media, the joint creation of newspapers and TV columns such as legal services, famous doctors and famous teachers, and the most beautiful police officer. In addition, it expanded new government-affiliated service projects such as external publicity services, advertising agencies, and immediate handling of complaint, provided planning and publicity services for the marketing activities of Beijing Agriculture Guaranty Co., Ltd.* (北京市農業融資擔保有限公司), and entered into a marketing new media account operation service project with Beijing Capital Grand Limited, as well as a short video service project for Beijing City Green District Facilities

Development Company Limited. Second, it deeply developed the types of offline activities, explored the operation and branding of community cultural space around community services, unveiled and put into operation the first “Beiqing Community HUI (北青社區HUI)” project in the Yangguang Beili Community in Haidian District, hosting the activities of the Beijing Association for Science and Technology for popularising science in the community (北京科學技術協會科普進社區活動), the people’s propaganda activities in Xicheng District (西城區街道百姓宣講活動), the National Reading Season Activities in Haidian District (海淀區全民閱讀季活動), the Publicity and Education Activities for Socialized Retirees in Daxing District (大興區社會化管理退休人員宣傳教育活動), etc., and has made a breakthrough in hosting the 2024 Wenyuhe Tennis Invitational Tournament in Shunyi District, Beijing. In addition, it actively explored AIGC technology to empower media business, using online intelligent text review, text creation, AI drawing and other functions in the project to promote the digital transformation of our business and technology based on its own business advantages.

Beiqing Innovation Cultural, a wholly-owned subsidiary of the Company established in April 2022, principally engages in youth cultural activities and camping education. In the First Half of 2024, Beiqing Innovation Cultural achieved an operating income of RMB11,602 thousand, representing an increase of 678.66% as compared with that for the corresponding period of 2023. Beiqing Innovation Cultural continued to build product competitiveness, channel power and brand power, and actively expanded the youth student travel business. First, it has tapped into the high-quality downstream supplier resources and continuously optimised the reception and delivery services of the group camps. In the First Half of 2024, a total of 29 group camp reception projects were completed, including long-term student travel (domestic and foreign), one-day social practice, and individual services, with a total of 2,770 participants. Second, it actively maintained and developed customer channels, deeply developed high-quality major customer resources, developed new customers by participating in the bidding of student travel projects and successfully won 6 bids. Third, it has strengthened content innovation and research and development, continuously improved the quality of student travel products, customised 28 domestic product routes including Beijing, Xi’an, Qingdao and Weihai according to customer’s needs, added 7 international product routes including United States, Singapore and United Kingdom, and created the Hong Kong-Zhuhai-Macao student travel program, which was selected into the “2024 New Student Travel Tourism Routes (Courses) Manual” (2024新品研學旅遊線路(課程)手冊) of China Travel Agency Association* (中國旅行社協會) and promoted nationwide. Fourth, it has built its own brand publicity system with “Yikou (One Buckle)” as the main brand and “Qingxing”, “Qingxue”, “Qingshi”, and “Qingying” as its sub-brands, registered a series of brand trademarks such as “Yikou Student Travel” (一扣研學), and launched a new media publicity matrix with Douyin account “Yikou Student Travel” and “Student Travel by Mr. Mu Sen” (木森老師講研學) as the core, so as to promote brand communication and user growth with high-quality content output, and tried to realise monetisation. Meanwhile, Beiqing Innovation Cultural strengthened the publicity and promotion of its own camp “Stream Camp” (雲夢星空) through online and offline channels, effectively

enhancing its brand influence and customer acquisition ability, and continued to explore replicable projects in the camp business in an asset-light manner to expand cooperative camp resources.

BYD Logistics is a 92.84%-owned subsidiary of the Company and is principally engaged in the businesses of printing and trading of printing-related materials. In the First Half of 2024, in the face of the paper market situation of sluggish demand and overcapacity, BYD Logistics has made efforts inward to improve management and stabilise operations. On one hand, it has strictly controlled trade risks and strengthened cash collection by strengthening customer credit management; on the other hand, it has actively improved the level of refined business management by determining the type of paper used in accordance with the paper market situation and supply, and strictly controlled the cost of paper. In the First Half of 2024, the net profit of BYD Logistics was RMB560 thousand.

PROSPECTS AND FUTURE PLANS

In the second half of 2024, the Group will adhere to the strategic positioning of “maintaining stability”, “trying amid stability” and “seeking retreat amid stability”, enhance quality and efficiency, consolidate its operating foundation, accelerate the restructuring and adjustment of the business structure, and build up the core competitiveness of the enterprise.

In the second half of 2024, the Group will actively explore the integration of technology and business innovation, enrich the construction of outdoor advertising products, strengthen the innovation of outdoor advertising model in the metro, promote the transformation of the metro media and the application of AIGC technology in combination with the trend of digital transformation to seek new business growth points, cultivate its own new media products and continue to promote the commercialization process, and accelerate the implementation of the Beijing City Culture Annual Pass project, in order to satisfy the diversified needs of customers and increase the Company’s operating revenue.

In the second half of 2024, the Group will deepen the expansion of the resources of integration of sports, culture and tourism, explore new models of integration of sports industry and business development, continue to build cycling brand IP activities, promote the implementation of various sports carnivals and continuously enhance its brand promotion and event planning capabilities.

In the second half of 2024, the Group will continuously play the role of a market-oriented expansion platform for the cultural and sports industry of the Capital Group and the integration and cultivation platform for the quality business of BYDA, strengthen the operation of community cultural spaces and the development of activities,

and build a special brand for of youth student travel to accelerate the development of business integration and to increase the market share through the synergy of resources and the distribution.

In the second half of 2024, the Group will continuously improve management, optimise systems, organisations and talents, strengthen internal risk control and information construction, accelerate the disposal of inefficient assets and resolve previous issues, so as to lay a solid foundation for the sustainable and high-quality development of the enterprise.

FINANCIAL POSITION AND OPERATIONAL RESULTS

1. Total Operating Revenue

For the six months ended 30 June 2024, total operating revenue of the Group was RMB91,732 thousand (corresponding period of 2023: RMB80,666 thousand), representing an increase of 13.72%% as compared with that for the corresponding period of 2023, of which, revenue from advertising was RMB45,367 thousand (corresponding period of 2023: RMB37,091 thousand), representing an increase of 22.31% as compared with that for the corresponding period of 2023; revenue from printing was RMB2 thousand (corresponding period of 2023: RMB613 thousand), representing a decrease of 99.67% as compared with that for the corresponding period of 2023; and revenue from the trading of printing-related materials was RMB29,905 thousand (corresponding period of 2023: RMB30,564 thousand), representing a decrease of 2.16% as compared with that for the corresponding period of 2023.

2. Operating Costs and Tax and Surcharges

For the six months ended 30 June 2024, operating costs of the Group were RMB86,885 thousand (corresponding period of 2023: RMB68,649 thousand), representing an increase of 26.56% as compared with those for the corresponding period of 2023, of which, costs of advertising were RMB45,840 thousand (corresponding period of 2023: RMB32,679 thousand), representing an increase of 40.27% compared with those for the corresponding period of 2023; costs of printing were RMB1 thousand (corresponding period of 2023: RMB545 thousand), representing a decrease of 99.82% as compared with those for the corresponding period of 2023; costs of the trading of printing-related materials were RMB28,711 thousand (corresponding period of 2023: RMB28,882 thousand), representing a decrease of 0.59% as compared with those for the corresponding period of 2023. Tax and surcharges were RMB999 thousand (corresponding period of 2023: RMB1,117 thousand), representing a decrease of 10.56% as compared with those for the corresponding period of 2023.

3. Selling Expenses

For the six months ended 30 June 2024, selling expenses of the Group were RMB6,908 thousand (corresponding period of 2023: RMB7,320 thousand), representing a decrease of 5.63% as compared with those for the corresponding period of 2023.

4. Administrative Expenses

For the six months ended 30 June 2024, administrative expenses of the Group were RMB16,186 thousand (corresponding period of 2023: RMB15,845 thousand), representing an increase of 2.15% as compared with those for the corresponding period of 2023.

5. Financial Expenses

For the six months ended 30 June 2024, financial expenses of the Group were RMB-708 thousand (corresponding period of 2023: RMB-228 thousand), representing an increase of 210.53% in absolute value as compared with those for the corresponding period of 2023, of which, interest income was RMB783 thousand (corresponding period of 2023: RMB268 thousand), representing an increase of 192.16% as compared with that for the corresponding period of 2023.

6. Share of Gains of Associates

For the six months ended 30 June 2024, share of gains of associates of the Group was RMB-1,377 thousand (corresponding period of 2023: gain of RMB0 thousand), representing a decrease of RMB1,377 thousand as compared with that for the corresponding period of 2023.

7. Operating Profit

For the six months ended 30 June 2024, operating profit of the Group was RMB-10,067 thousand (corresponding period of 2023: RMB-4,282 thousand), representing an increase in loss of 135.10% as compared with that for the corresponding period of 2023.

8. Income Tax Expenses

For the six months ended 30 June 2024, income tax expenses of the Group were RMB15 thousand (corresponding period of 2023: RMB-31 thousand), representing an increase of RMB46 thousand or 148.39% as compared with those for the corresponding period of 2023.

9. Net Profit/Loss Attributable to Shareholders of the Company

For the six months ended 30 June 2024, net loss attributable to shareholders of the Company was RMB8,227 thousand (corresponding period of 2023: net loss attributable to shareholders of the Company of RMB4,155 thousand), representing an increase in net loss of 98.00% as compared with that for the corresponding period of 2023.

10. Financial Resources and Liquidity

For the six months ended 30 June 2024, the Group's funds were mainly derived from the fund generated from operating business and deposits balance. The Group's funds were mainly used as the working capital and general recurrent expenses of the Group.

As at 30 June 2024, current assets of the Group were RMB294,284 thousand (31 December 2023: RMB305,244 thousand), including bank balances and cash of RMB63,740 thousand (31 December 2023: RMB76,285 thousand). Non-current assets of the Group were RMB403,764 thousand (31 December 2023: RMB406,367 thousand).

As at 30 June 2024, current liabilities of the Group were RMB69,507 thousand (31 December 2023: RMB72,007 thousand) and non-current liabilities were RMB3,536 thousand (31 December 2023: RMB4,630 thousand).

As at 30 June 2024, shareholders' equity of the Group was RMB625,005 thousand (31 December 2023: RMB634,974 thousand).

11. Bank Borrowings, Overdrafts and Other Borrowings

As at 30 June 2024, bank loans, overdrafts and other borrowings of the Group were Nil (31 December 2023: Nil). Most of cash and cash equivalent held by the Group was denominated in Renminbi.

12. Gearing Ratio

As at 30 June 2024, gearing ratio of the Group was 11.69% (31 December 2023: 12.07%) (the gearing ratio is derived from dividing the Group's total liabilities by its total equity).

SHARE STRUCTURE (AS AT 30 JUNE 2024)

	Number of shares	Proportion to total share capital (%)
Holder of domestic shares		
— Beijing Youth Daily Agency	124,839,974	63.27
— Beijing Chengshang Cultural Communication Co., Ltd.	7,367,000	3.73
— China Telecommunication Broadcast Satellite Co., Ltd.	4,263,117	2.16
— Beijing Development Area Ltd.	2,986,109	1.52
— Sino Television Co., Ltd.	<u>2,952,800</u>	<u>1.50</u>
Domestic shares (subtotal)	142,409,000	72.18
H shares ^{Note}	<u>54,901,000</u>	<u>27.82</u>
Total share capital	<u><u>197,310,000</u></u>	<u><u>100.00</u></u>

Note:

Including 19,533,000 outstanding H shares of the Company held by Leshi Internet Information & Technology Corp., Beijing, representing 9.90% of the total share capital of the Company.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 30 June 2024, so far as the Directors, supervisors (“Supervisors”) and chief executive of the Company are aware, according to the register of interests and/or short positions in shares required to be kept pursuant to Section 336 of Part XV of the Securities and Futures Ordinance (“SFO”), the persons in the following table had an interest and/or short position in the shares or underlying shares of the Company:

Name of shareholders	Class of shares	Nature of shares	Nature of interest	Number of shares interested in	Percentage in total issued shares of the same class (%)	Percentage in total share capital of the Company (%)
BYDA	Beneficial owner	Domestic Shares	N/A	124,839,974	87.66	63.27
Capital Group ^{Note 1}	Other	Domestic Shares	N/A	124,839,974	87.66	63.27
Beijing Chengshang Cultural Communication Co., Ltd. ^{Note 2}	Beneficial owner	Domestic Shares	N/A	7,367,000	5.17	3.73
Guofu Shangtong Information and Technology Development Co., Ltd. ^{Note 2}	Interest of controlled corporation	Domestic Shares	N/A	7,367,000	5.17	3.73
Leshi Internet Information & Technology Corp., Beijing ^{Note 3}	Beneficial owner	H Shares	Long position	19,533,000	35.58	9.90
Founder Investment (HK) Ltd. ^{Note 4 & Note 5}	Beneficial owner	H Shares	Long position	4,939,000	8.99	2.50
Beijing University Founder Investment Co., Ltd. ^{Note 4}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
Beijing University New Technology Corporation ^{Note 4}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
Beijing University ^{Note 4}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
CITI CITI Ltd. ^{Note 5}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
Xia Jie ^{Note 5}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
Yue Shan International Limited ^{Note 6}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50
Cao Yawen ^{Note 6}	Interest of controlled corporation	H Shares	Long position	4,939,000	8.99	2.50

Notes:

1. Entrusted by the China Communist Youth League Beijing Committee, Capital Group has taken over the subsidiaries of BYDA (excluding the Company) since 18 June 2020 with a term of five years. The Company has been included in such entrustment scope since 20 May 2021, pursuant to which, Capital Group will exercise the powers of investors/shareholders stipulated in the Company's articles of association during the term of the entrustment, including but not limited to obtaining the Company's control, voting, operating and profit rights. Therefore, Capital Group has an interest in the 124,839,974 domestic shares held by BYDA.
2. Beijing Chengshang Cultural Communication Co., Ltd. owns 7,367,000 domestic shares of the Company, approximately amounting to 3.73% of the total issued share capital (5.17% of the total issued domestic shares) of the Company. Guofu Shangtong Information and Technology Development Co., Ltd. directly owns 42.86% of Beijing Chengshang Cultural Communication Co., Ltd. and is therefore deemed to have an interest in the 7,367,000 domestic shares registered in the name of Beijing Chengshang Cultural Communication Co., Ltd. under the SFO. On 22 March 2021, the interests of such shares were provided to persons other than qualified lenders as guarantees, which led to the change in the nature of the equity interests held by Beijing Chengshang Cultural Communication Co., Ltd. and Guofu Shangtong Information and Technology Development Co., Ltd. in such shares.
3. Leshi Internet Information & Technology Corp., Beijing owns 19,533,000 H shares of the Company, representing approximately 9.9% of the total issued share capital (35.58% of the total issued H shares) of the Company.
4. Founder Investment (HK) Ltd. owns 4,939,000 H shares of the Company, representing approximately 2.5% of the total issued share capital (8.99% of the total issued H shares) of the Company. Beijing University directly owns 100% equity interest in Beijing University New Technology Corporation, which directly owns 80% equity interest in Beijing Beida Founder Group, which in turn owns 51% equity interest in Founder Investment (HK) Ltd. Therefore, Beijing University, Beijing University New Technology Corporation, Beijing Beida Founder Group and Beijing University Founder Investment Co., Ltd. are deemed under the SFO to have an interest in the 4,939,000 H shares registered in the name of Founder Investment (HK) Ltd.
5. Founder Investment (HK) Ltd. owns 4,939,000 H shares of the Company, representing approximately 2.5% of the total issued share capital (8.99% of the total issued H shares) of the Company. Xia Jie indirectly owns 49% equity interest in Founder Investment (HK) Ltd. through CITI CITI Ltd., which is directly 100% owned by Xia Jie. Therefore, Xia Jie is deemed under the SFO to have an interest in the 4,939,000 H shares registered in the name of Founder Investment (HK) Ltd.
6. Yue Shan International Limited, as a trust beneficiary, owns 4,939,000 H shares of the Company, representing approximately 2.5% of the total issued share capital (8.99% of the total issued H shares) of the Company. Cao Yawen directly owns 100% equity interest in Yue Shan International Limited and is therefore deemed under the SFO to have an interest in the 4,939,000 H Shares registered in the name of Founder Investment (HK) Ltd.

The information disclosed above is based on the data published on the Hong Kong Stock Exchange's HKEXnews website (www.hkexnews.hk).

Save as disclosed above, to the knowledge of the Directors, Supervisors and chief executive of the Company, as at 30 June 2024, there was no other person (other than Directors, Supervisors or chief executive of the Company) with interests or short positions in shares or underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

CAPITAL EXPENDITURE

Capital expenditure of the Group for the First Half of 2024 was RMB602 thousand (corresponding period of 2023: RMB1,166 thousand). The Group expects that its capital expenditure for the second half of 2024 will be mainly comprised of office equipment and intangible assets expenditures, which are consistent with business strategies.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 30 June 2024, the Group did not have any contingent liabilities or any pledge of assets.

FOREIGN EXCHANGE RISKS

Renminbi is the functional currency of the Group. The Group's operations conducted in the PRC are mainly settled in Renminbi. However, certain payables are settled in foreign currency (mainly United States dollars and Hong Kong dollars). Therefore, the Group is exposed to fluctuations in foreign exchange rate to a certain extent. Operating cash flow or liquidity of the Group is subject to very limited effect from exchange rate fluctuations.

EMPLOYEES

As at 30 June 2024, the Group had a total of 310 employees (as at 30 June 2023: a total of 329 employees), and the decrease in the number of employees as compared with the corresponding period of last year was mainly due to the reasonable decrease of the normal business adjustments of some subsidiaries of the Company. During the six months ended 30 June 2024, the total employees remuneration paid by the Group was approximately RMB36,590 thousand. The remuneration and benefits of the employees of the Group are determined in accordance with market rates, state policies and individual performance. The Group actively encouraged the self-development of the employees and carried out abundant staff training activities. In the First Half of 2024, the Group carried out staff trainings in respect of the responsibility of Directors, Supervisors and senior management, corporate governance, financial management, connected transactions and compliance management, outdoor advertising business and operation, information technology and office applications and new employee orientation, etc.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 June 2024, none of the Directors, Supervisors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded into the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), to be notified to the Company and the Hong Kong Stock Exchange.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares within the meaning of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”). As at 30 June 2024, the Company did not hold any such treasury shares.

MATERIAL INVESTMENTS

The Company entered into the single asset management contract with Capital Securities and the Beijing Branch of Bank of Communications Co., Ltd. on 19 April 2022, pursuant to which, the Company entrusted Capital Securities to provide asset management and investment services, with a term of one year from the date of approval by the Independent Shareholders at the AGM (i.e. 17 June 2022). The above single asset management scheme has been approved by the shareholders of the Company to make certain optimization adjustments and extend the term for another three years to 16 June 2026. As at 30 June 2024, the Company’s investments in the above asset management accounted for more than 5% of the Group’s total assets. Please refer to note 13. “Financial assets held for trading” and note 26.B. “Equity in financial assets held for trading” to the financial statements of this announcement for details. For details of the above transaction, please refer to the announcements of the Company dated 19 April 2022 and 25 April 2023 and the circulars of the Company dated 26 May 2022 and 25 May 2023.

As at 30 June 2024, the Company's investments in Beiyang Publishing & Media Co., Ltd. and Beijing Keyin Media Culture Co., Ltd. accounted for over 5% of the Group's total assets in value. For details of such significant investments, please refer to note 19. headed "Investment in other equity instruments" and note 26.A. headed "Equity in investment in other equity instruments" to the financial statements of this announcement.

Save as disclosed in this announcement, as of 30 June 2024, the Group had no material investment, or any plan related to material investment or acquisition of assets.

MATERIAL ACQUISITION AND DISPOSAL OF ASSETS

During the six months ended 30 June 2024, the Group had no material acquisition or disposal of subsidiaries, associates or joint ventures.

CHANGES RELATED TO THE PERFORMANCE OF THE GROUP SINCE 31 DECEMBER 2023

Save as disclosed in this announcement, there is no significant change between the current information of the Company on the matters listed in paragraph 32 of Appendix D2 to the Listing Rules and the information disclosed in the most recent published annual report of the Company.

COMPLIANCE WITH LAWS, REGULATIONS AND CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2024, the Company has been in compliance with the laws and regulations which would have a material impact on the Group and the code provisions set out in the Corporate Governance Code under Appendix C1 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules and its amendments from time to time as its own code of conduct regarding securities transactions by Directors and Supervisors. Having made sufficient enquiries of Directors and Supervisors of the Company, all Directors and Supervisors confirmed that they had fully complied with the standards under the Model Code during the Reporting Period.

AUDIT COMMITTEE

Pursuant to the requirements of the Listing Rules, the Company has set up an Audit Committee which is responsible for the review, supervision and adjustment of the financial reporting process and internal control of the Group. Members of the Audit Committee comprise one non-executive Director and two independent non-executive Directors.

The Audit Committee and the management of the Company have reviewed the accounting principles and practices adopted by the Group. In addition, the Audit Committee has also discussed with the Directors on matters concerning the internal control and financial reporting of the Company, including the review of the unaudited interim results of the Group for the six months ended 30 June 2024, and has no objection thereto.

DISTRIBUTABLE RESERVE

As at 30 June 2024, the Company's accumulated loss amounted to RMB675,675 thousand and the Company's surplus reserve amounted to RMB130,931 thousand.

According to the articles of association of the Company, the Company's surplus reserve can be used to recover its losses after being approved at the general meeting of the Company.

INTERIM DIVIDEND

The Board does not recommend the distribution of any interim dividend for the six months ended 30 June 2024.

DISCLOSURE OF INFORMATION ON THE HONG KONG STOCK EXCHANGE'S AND THE COMPANY'S WEBSITES

The Company's interim report for the six months ended 30 June 2024 will be published on the Hong Kong Stock Exchange's HKEXnews website (<http://www.hkexnews.hk>) and the Company's website (<http://www.bjmedia.com.cn>).

By Order of the Board
Sun Baojie
Chairman

Beijing, the PRC, 23 August 2024

As at the date of this announcement, the Board comprises: the executive directors of the Company, Jing Enji and Wu Min; the non-executive directors of the Company, Sun Baojie, Cui Ping, Wang Hao, Wang Zechen and Zhang Lei; and the independent non-executive directors of the Company, Shi Hongying, Chan Yee Ping, Michael, Du Guoqing and Kong Weiping.

This announcement is also published on the Company's website at www.bjmedia.com.cn.