北青传媒
BEIJING MEDIA

HK Stock Code: 1000

2025 ANNUAL REPORT

Beijing Media Corporation Limited

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

Contents

COMPANY PROFILE

Beijing Media Corporation Limited (the "Company" or "Beijing Media", together with its subsidiaries, collectively referred to as the "Group") is one of the leading media companies in the People's Republic of China (the "PRC"), and is principally engaged in multi-interface convergence media advertising. Other core businesses of the Group include culture annual pass sales, the operation of cultural and sports events, the youth student travel, new media operation and maintenance business. The Company was listed on the Main Board of Hong Kong Stock Exchange on 22 December 2004.

COMPANY STRUCTURE (AS AT 31 DECEMBER 2025)

Beijing Media Corporation Limited

Beijing Beiqing Innovation Cultural Industry Development Co., Ltd.	Beiqing Community Media Technology (Beijing) Co., Ltd.	Jingjian (Beijing) Culture Media Co., Ltd.	Beijing Beiqing Outdoor Advertisement Co., Ltd.	Beiqing Network Culture Communication Co., Ltd.	BYD Logistics Company Limited	Chongqing Youth Media Company Limited	Beiqing Long Teng Investment Management (Beijing) Co., Limited[note]
100%	75.82%	100%	100%	100%	92.84%	60%	80.84%

Note: Beiqing Long Teng is in the process of compulsory liquidation. By the end of the Reporting Period, after the Order on the Designation of Bankruptcy Administrator was made by the First Intermediate People's Court of Beijing, on 7 March 2025, the handover between Beiqing Long Teng and the Administrator was completed.

COMPANY WEBSITE

www.bjmedia.com.cn

STOCK INFORMATION

Stock Code: 1000
Board Lot: 500 shares
Number of Shares Issued (as at 31 December 2025): 197,310,000 shares
Market Capitalisation (as at 31 December 2025): HKD100.63 million
Financial Year End: 31 December
Bloomberg's Stock Machine Search Code: 1000HKEquity
Reuters Stock Machine Search Code: 1000.HK

AS AT 31 DECEMBER 2025

EXECUTIVE DIRECTORS
Jing Enji *(President)*
Wu Min *(Vice President)*

NON-EXECUTIVE DIRECTORS
Nie Sen *(Chairman)*[Note 1]
Wang Hao
Li Zhen[Note 2]
Li Xiaowei[Note 3]
Wang Zechen

INDEPENDENT NON-EXECUTIVE DIRECTORS
Shi Hongying
Chan Yee Ping, Michael
Du Guoqing
Kong Weiping

JOINT COMPANY SECRETARIES
Yu Leung Fai
Liu Jia

AUDIT COMMITTEE
Chan Yee Ping, Michael *(Chairman)*
Li Zhen[Note 2]
Kong Weiping

REMUNERATION COMMITTEE
Shi Hongying *(Chairman)*
Wang Hao
Du Guoqing

NOMINATION COMMITTEE
Nie Sen *(Chairman)*[Note 1]
Shi Hongying
Du Guoqing

AUTHORISED REPRESENTATIVES
Nie Sen[Note 1]
Jing Enji

ALTERNATIVE AUTHORISED REPRESENTATIVE
Yu Leung Fai

REGISTERED OFFICE
Building A, No. 23 Baijiazhuang Dongli,
Chaoyang District, Beijing, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
10/F, Guangdong Investment Tower,
148 Connaught Road Central, Hong Kong

LEGAL ADVISER
as to Hong Kong Law
DLA Piper Hong Kong
25/F, Three Exchange Square,
8 Connaught Place,
Central, Hong Kong

AUDITOR
ShineWing Certified Public Accountants
(Special General Partnership)
8/F, Block A, Fuhua Mansion,
8 Chaoyangmen Beidajie,
Dongcheng District, Beijing, the PRC

HONG KONG SHARE REGISTRAR
Computershare Hong Kong Investor Services Limited
Rooms 1712–1716, 17/F, Hopewell Centre,
183 Queen's Road East,
Wan Chai, Hong Kong

Note:

1. Upon approval at the 2025 First EGM of the Company held on 30 December 2025, Mr. Nie Sen was appointed as a non-executive Director of the ninth session of the Board of the Company. Upon approval at the sixth meeting of the ninth session of the Board of the Company held on the same date, Mr. Nie Sen was appointed as the chairman of the ninth session of the Board, chairman of the Nomination Committee under the Board and authorised representative of the Company. On the same day, Ms. Sun Baojie resigned as the chairman of the Board of the Company, non-executive Director, chairman of the Nomination Committee under the Board and authorised representative. Please refer to the announcement of the Company dated 30 December 2025 for details;

2. Upon approval at the 2025 First EGM of the Company held on 30 December 2025, Mr. Li Zhen was appointed as a non-executive Director of the ninth session of the Board of the Company. Upon approval at the sixth meeting of the ninth session of the Board of the Company held on the same date, Mr. Li Zhen was appointed as a member of the Audit Committee of the ninth session of the Board of the Company. On the same day, Ms. Cui Ping resigned as a non-executive Director of the Company and a member of the Audit Committee under the Board. Please refer to the announcement of the Company dated 30 December 2025 for details; and

3. Upon approval at the 2024 AGM of the Company held on 13 June 2025, Mr. Li Xiaowei was appointed as a non-executive Director of the ninth session of the Board of the Company. On the same day, Mr. Zhang Lei resigned as a non-executive Director of the Company. Please refer to the announcement of the Company dated 13 June 2025 for details.

On behalf of the Group, I hereby present the report on the results of the Group for the year of 2025. The Group is principally engaged in sales of multi-interface convergence advertising, sales of cultural annual pass, youth student travel, cultural and sports event operations, and new media operations and maintenance.

In 2025, the overall macroeconomic operation remained stable. Affected by shrinking market demand and weaker-than-expected consumption recovery, the business environment for enterprises became complex and volatile. The Group actively responded to challenges, deeply explored market opportunities, and effectively promoted business transformation. Under the leadership of the board of directors and management, all employees united and forged ahead. On the one hand, we broke with the past and embraced the new, steadily exited low-efficiency businesses, and quickly completed the adjustment and optimization of the Company's organizational structure; on the other hand, we collaborated to empower, explored cultural integration and innovation, and continuously built foundational core businesses and nurturing emerging businesses. The Company's reform and transformation have achieved phased results.

In 2025, the Group optimized its governance system and focused on management improvement. On the one hand, it strengthened top-level design, advanced the "15th Five-Year" strategic plan, completed the re-election of the board of directors, implemented reforms of the board of supervisors, and reinforced the operation of the audit committee of the Board; on the other hand, it built a comprehensive system of risk management, strengthened the management system for state-owned assets, fully promoted digital upgrades in information management, and effectively established a solid barrier for operational risk control.

In 2025, the Group optimized its business layout and accelerated the transformation and innovation of its advertising business. We strengthened the outdoor advertising product system, created differentiated competitiveness through creative advertising models; deeply cultivated comprehensive marketing business, integrated internal and external advantage resources, and built a diversified revenue structure.

In 2025, the Group deepened cooperation between government and enterprise resources, and discovered new profit growth points; focused on cultural and tourism consumption in the capital, expanded the "Beijing City Culture Annual Pass" business, and enhanced the comprehensive cultural service capabilities of the trade union through business collaboration and service quality upgrades, thereby building a sustainable competitive advantage.

In 2025, the Group focused deeply on brand building and explored the operation of cultural and sports event IPs. It successfully hosted the 2025 KOD (Keep On Dancing) Global Street Dance Competition, promoting the deep integration of events and business, injecting new momentum into business expansion.

As the saying goes, "In a boat race, those who row the hardest will win". The above optimization initiatives of the Group will have a significant and profound impact on its long-term stable and sound development in future. The Group's performance in 2025 was heavily dependent on the concerted efforts of the management and staff of each business unit. Their acute insights into market opportunities and excellent quality are the key to our success. On behalf of the Shareholders of the Company and other members of the Board, I would like to take this opportunity to express my heartfelt and sincere gratitude to the management and staff of all business units.

Nie Sen
Chairman

20 March 2026
Beijing, the PRC

GROUP BUSINESS REVIEW

The Group is principally engaged in two core businesses: (1) advertising business, which comprises the sales of multi-interface convergence media advertising and event planning; (2) innovation business, which comprises cultural annual pass sales, youth student travel, cultural and sports events operations and new media operation and maintenance and other integrated services.

Throughout 2025, the global economy continued to face significant headwinds due to multiple factors, including geopolitical conflicts, trade frictions, and inflationary pressures. While the domestic economy maintained overall stability, market demand and the consumption recovery fell short of expectations. Consequently, corporate profitability generally narrowed, presenting enterprises with severe transformation challenges. Influenced by the macroeconomic environment, growth in the advertising market slowed. Traditional advertising businesses encountered dual pressures from contracting demand and industry transformation, highlighting the urgent need for digital transformation and integrated innovation. As a result, operational challenges intensified further.

The Group's total operating income for 2025 was RMB137,606 thousand, representing a decrease of 34.22% as compared with the corresponding period in 2024 (2024: RMB209,192 thousand). Operating costs of the Group for 2025 were RMB152,992 thousand, representing a decrease of 17.35% as compared with those for the corresponding period of 2024 (2024: RMB185,108 thousand). Net loss attributable to shareholders of the Company for 2025 was RMB72,825 thousand (2024: net loss attributable to shareholders of the Company of RMB2,042 thousand).

Excluding a property disposed of in 2024 and the one-off gain on the accounts receivable for the collected portion of which bad debt provision has been made of RMB21,831 thousand, the increase in the net loss was mainly due to (1) loss from principal business increased by RMB20,469 thousand as compared to that of last year. In particular, due to tightened budget of customers, change in regulatory policies of the industry and intensified market competition, the operating revenue of subsidiaries Beiqing Community Media and Beiqing Innovation Cultural declined. Concurrently, as the Group is endeavoring all efforts to accelerate business transition, the subsidiary BYD Logistics Company Limited has orderly exited printing-related material trading business as scheduled. Although the withdrawal from this business is conducive to long-term resource optimization, it led to an increase in operating losses from principal activities during the Reporting Period; (2) administrative expenses increased by RMB14,201 thousand compared to the corresponding period last year. In 2025, in order to enhance long-term operational efficiency and market competitiveness, the Group implemented organizational structural changes, which resulted in the increase in administrative expenses during the Reporting Period; (3) gains from changes in fair value decreased by approximately RMB10,044 thousand compared to the corresponding period last year. This was primarily due to a decline in the fair value of the Company's investment properties, affected by periodic adjustments in the real estate industry and changes in regional market demand. Concurrently, returns from the Company's idle fund management were somewhat reduced due to market fluctuations.

Despite facing market challenges and transformation pressures, in 2025 the Group focused on business integration innovation and capability upgrading, strengthened resource integration and industrial synergy, and made every effort to enhance operational quality and development resilience through multiple measures:

I. Empowering through Management: Comprehensively Advancing Transformation and Reform

The first is optimizing top-level design and systematic construction. We advanced the "15th Five-Year Plan" strategic planning and completed the election for the new session of the Company's Board of Directors. The composition of the Board has become more professional and diverse. The Supervisory Committee of the Company was dissolved to strengthen the functioning of the Audit Committee of the Board and enhance governance efficiency;

The second is completing organizational restructuring based on the Company's strategic and business transformation needs. We implemented a competitive selection process for middle management positions, optimized the talent structure and control model, and improved per capita efficiency;

The third is withdrawing from low-efficiency businesses and strictly controlling operational risks. We smoothly completed the exit from the printing-related materials trading business, advanced the sales of inventory paper, and mitigated trading business risks. Adopt tailored approaches for each enterprise, systematically streamline low-efficiency enterprises, strengthen financial and business control over subsidiaries, and enhance operational efficiency.

BUSINESS REVIEW *(Continued)*

II. Expanding through Innovation: Consolidating the Core Business Foundation

First, accelerating the transformation and innovation of the advertising business to build core competitiveness. We differentiated our outdoor advertising product portfolio, secured exclusive advertising operation rights for major advertising resources on Beijing Metro Line 4, Daxing Line, and the whole line of Line 17 for 2026, and achieved full coverage of core media resources on these lines. Media renovations were completed at three key stations on Beijing Metro Line 4—Xidan, Shilihe, and National Library, and the "metro station" creative interactive scenario advertising project was developed, providing clients with diversified promotional service solutions and effectively increasing advertising revenue. We deepened our full-service marketing capabilities, with service coverage spanning core industries such as real estate, finance, environmental protection, and culture & sports. By orchestrating the full branding plan and new media operation project for China Open, we effectively enhanced our capabilities in international event full-case planning and new media matrix operations. Leveraging industry characteristics, we meticulously built our own media matrix, deepened operations in vertical accounts such as automotive, and integrated content marketing formats like short videos and live streaming to accelerate commercial monetization;

Second, deepening the integrated layout of culture, sports and tourism to enhance brand influence. We actively integrated Beijing's cultural and tourism resources and expanded cultural consumption services for labor unions. With the Beijing City Culture Annual Pass business as a core driver, we built an integrated "product-channel-platform" service system. On the basis of deepening cooperation with government and enterprise clients and increasing the annual pass product's market share, we constructed a diversified matrix of labor union consumption service products via digital platforms and youth student travel business to share the business membership system and achieve business synergy and mutual traffic promotion. We pilot-tested the operation of cultural and sports event IPs, innovated cooperation models, and strengthened resource integration. We successfully hosted the 2025 KOD (Keep On Dancing) Global Street Dance Competition and co-hosted The Color Run (Beijing), promoting deep integration between events and commerce and fostering youth cultural dissemination, thereby injecting new momentum into business expansion;

Third, excelling in new media operations and government events to strengthen service support capabilities. Leveraging our advantages in media communication and new media operations, we continued to provide comprehensive services to government and corporate clients. We successfully hosted the Beijing Community Cultural Festival by conducting events across five locations in the Fengtai, Chaoyang, Xicheng, and Shunyi Districts, with services covering over 50 communities. By integrating diverse content such as intangible cultural heritage presentations, theatrical performances, and livelihood-focused community bazaars, we created new experiences for community cultural integration. The events attracted over 60,000 on-site participants and reached 100,000 through overall communications, promoting the accessibility of quality cultural resources to grassroots communities.

III. Empowering through Internal Control: Optimizing the Asset Structure

First, strengthening management of owned properties and idle funds to revitalize existing assets. By leasing the Company's idle office buildings and properties acquired through barter, we achieved rental income of RMB2,964 thousand. In accordance with the Asset Management Contract on Single Asset Management Plan, we entrusted Capital Securities with the management of the Company's idle funds, generating gains from changes in fair value of RMB3,798 thousand. Furthermore, we actively pursued the recovery of historical receivables through legal means, facilitated the resolution of legal dispute cases, and safeguarded the Company's asset rights and interests both domestically and internationally;

Second, establishing a comprehensive system-wide risk management framework to enhance risk control efficiency. We strengthened the construction of state-owned asset management systems, formulated and revised a total of 25 policies throughout the year. The Company's official website, OA office system, and electronic archive system were upgraded, and the financial and business process management systems were optimized to solidify compliance through information technology.

ADVERTISING BUSINESS

In 2025, the scale of China's advertising market continued to grow, with digital advertising accounting for an increasingly larger share. With the deep penetration of artificial intelligence technology into the advertising sector, coupled with the continuous cross-industry integration of short videos and live-streaming platforms, competition in the advertising industry has become increasingly intense, and market growth has slowed compared to the previous two years. In particular, outdoor advertising is accelerating its transformation towards digitalization, interactivity, and scenario-based experiences, with video-based outdoor advertising emerging as the primary growth engine. Advertisers' demands underwent profound changes: they placed greater emphasis on deep interaction and personalized experiences with consumers, and continuously raised their requirements for advertising effectiveness and conversion efficiency, accelerating the shift of the competitive focus in the advertising and marketing industry towards digital intelligence.

In the face of increasingly intense market competition, the Group, grounded in its integrated media development strategy, fully leverages its advantages in media content creativity to accelerate the upgrading of its advertising products and capabilities. We are consolidating the foundation of our outdoor advertising business by promoting the digital upgrade and transformation of subway media, deeply exploring customized client needs, and building differentiated competitiveness driven by creativity. Concurrently, we are expanding into the full-service marketing sector, organically integrating internal and external resources to construct a diversified revenue structure. In 2025, revenue from advertising business of the Group was RMB105,051 thousand, representing a decrease of 10.59% as compared with that for the corresponding period of 2024 (2024: RMB117,494 thousand), which was primarily attributable to the reduced advertising revenue of Beiqing Community Media due to intensified market competition. Despite the shrinkage in revenue of traditional advertising, the Group's new expanded outdoor advertising businesses demonstrated a steady upward trend. Revenue from outdoor advertising business was RMB36,986 thousand in 2025, an increase of 34.31% compared with that for the corresponding period of 2024.

In 2025, leveraging its inherent resource advantage, the Company accelerated business breakthroughs by focusing its advertising operations on the "Outdoor Advertising + Full-Service Marketing":

1. Driving operations through creativity to build a differentiated outdoor advertising product matrix

The first is consolidating the outdoor advertising business layout. In December 2025, we successfully renewed contracts with Beijing MTR and Beijing MTR17 (a wholly owned subsidiary of the Beijing MTR), and secured exclusive concession rights for major advertising resources across Beijing Metro Line 4, Daxing Line and the whole line of Beijing Metro Line 17. This continuously expands our outdoor media resources and enhances brand influence;

The second is precisely aligning with market trends and client needs to advance the digital upgrade of advertising platforms. We completed media renovations at three key stations on Beijing Metro Line 4-Xidan, Shilihe, and National Library by introducing media formats primarily featuring mega light boxes and high-definition LED digital screens, which has significantly enhanced advertising effectiveness. We have secured partnerships with numerous renowned brands, and driven growth in advertising revenue;

Thirdly, we are creating creative advertising models and exploring new interactive advertising formats. We tailor differentiated interactive advertisements to meet the personalised needs of our customers, thereby effectively improving advertising reach rates. In particular, multiple projects were honored with Gold and Silver awards in the Transportation Media category at the 2025 "Gold Jade Awards," demonstrating industry recognition of our planning and creative capabilities. We have developed the "Metro Station" project, which involves creative interactive activities such as product displays and experiences in metro station concourses, providing customers with scenario-based integrated marketing services and achieving differentiated communication effects, and effectively enhances market competitiveness.

2. Deepening Full-Service Operations to Forge Core Capabilities in Integrated Marketing

Leveraging our strengths in brand promotion and operational capabilities, we have fully developed our full-service marketing business. The service portfolio encompasses four major segments: brand marketing and promotion, new media operations, event planning and execution, and promotional material design and production. Our clients span multiple core industries, including real estate, finance, environmental protection, and culture and sports. In 2025, building upon internal industrial synergies facilitated by shareholder resources, the Company endeavored to expand its market reach: First, we deepened cooperation with Capital Group and its subsidiaries, providing comprehensive brand services to various enterprises. Second, we undertook the full brand plan and new media operation project for China Open Tennis Tournament, earning client recognition through high-quality full-service delivery. This has effectively enhanced our service capabilities in large-scale international event promotion, content planning, and multi-platform new media matrix operations.

INNOVATION BUSINESS

In 2025, fully leveraging its cultural attributes and core competencies, the Group seized opportunities for industry renewal in light of national policy directions. Through a coordinated multi-pronged approach, we continuously expanded in the cultural and sports sectors by deepening the integration of "Culture, Tourism, and Sports+" to vigorously cultivate new growth drivers and explore innovative pathways integrating commercial development with cultural dissemination.

1. Building a Diversified Annual Pass Brand Portfolio and Deepening Engagement in the Cultural Consumption Service Sector for Labor Unions

With the annual pass business as our core, we focused on identifying new revenue growth points. First, we strengthened channel expansion and innovated marketing models to increase market share of annual pass products. We broadened our core sales network within central and state-owned enterprise labor unions, establishing partnerships with over 100 corporate clients. We also developed a Douyin C-end sales channel, effectively enhancing product awareness. Second, we enriched the annual pass product matrix to meet diverse market demands by developing featured products including the Shijingshan District Urban Cultural Tourism Annual Pass, the Corporate Employee Spring & Autumn Outing Pass, and the Beijing-Tianjin-Hebei Annual Pass, to advance the diversified supply of annual pass offerings. Third, we broadened business categories and explored new models for labor union services. Based on the cultural consumption needs of labor unions, we upgraded and revamped the "Qingzong (青蹤)" mini-program by adding products such as cake vouchers and movie tickets to enhance comprehensive service capabilities for labor union cultural consumption. Fourth, we built a C-end traffic aggregation platform to promote business synergy. Leveraging "Qingzong (青蹤)" mini-program platform, we facilitated the sharing of annual pass membership customers with our youth student travel business. Throughout the year, we organized 56 parent-child study tours and 9 team-building activities, and achieved mutual traffic promotion and business synergy.

2. Pilot-Testing Cultural and Sports Event IP Operations to Expand into the Youth Trend Culture Sector

Leveraging our Company's integrated resource advantages and core capabilities in market development, we promoted deep integration between international cultural and sports events and commerce, and continuously explored new pathways for cultural and sports event IP operation. This included successfully hosting the 2025 KOD (Keep On Dancing) Global Street Dance Competition. Through innovative event cooperation models and the integration of advertising media and top-tier venue resources, we effectively enhanced the event's commercialization revenue, and achieved a total global media exposure exceeding 390 million impressions. We also co-hosted The Color Run (Beijing), successfully attracting quality brand sponsorships and achieving mutual enhancement between event content and commercial value.

RESULTS OF MAJOR SUBSIDIARIES OF THE GROUP

Beiqing Community Media is a 75.82%-owned subsidiary of the Company and is primarily engaged in integrated media services for government affairs and event planning. Through the organic integration of online operations and maintenance with offline activities, it builds information dissemination and service platforms for its clients. In 2025, Beiqing Community Media optimized its internal governance structure to further enhance operational efficiency. Externally, it deepened its focus on the government affairs market and actively expanded its client base, taking on new projects involving video production, content operations and promotion, as well as government media operation and maintenance for multiple government agencies and state-owned enterprises. Beiqing Community Media also developed its proprietary brand IP and explored a "Government Affairs +" model. From September to October 2025, it hosted the inaugural Beijing Community Cultural Festival (北京社區文化節), which was held across five locations in four districts — Fengtai, Chaoyang, Xicheng, and Shunyi —covering over 50 communities. Featuring a variety of activities such as intangible cultural heritage preservation, cultural performances, and public livelihood fairs, the festival attracted over 60,000 on-site attendees and reached 100,000 residents. This initiative effectively brought quality cultural resources directly to the grassroots level and infused cultural vitality into community development. In addition, the Company continued to advance the commercial operation of community spaces, facilitating the launch of 40 "Beiqing Community HUI (北青社區HUI)" projects throughout the year and diversifying its service offerings.

RESULTS OF MAJOR SUBSIDIARIES OF THE GROUP *(Continued)*

Beiqing Innovation Cultural, a wholly-owned subsidiary of the Company, is principally engaged in youth cultural activities and camping education. In 2025, Beiqing Innovation Cultural focused on refining its management practices and pursued diversified growth through the following initiatives: First, it intensified efforts to accumulate key client resources and expand channels, undertaking large-scale study tours, social practice programs, and professional training projects — including the China Youth Development Foundation's Inspiration Plan Hong Kong and Macau Camp and the "Homeland Love China Tour" (祖國情中華行) — thereby securing its core revenue foundation. Second, it strengthened internal collaboration by establishing a study tour service system for employees' children and partnering with enterprises within the Capital Group and relevant government agencies. This led to the successful implementation of five cohorts of its childcare program and the provision of team-building services for multiple enterprises, contributing to revenue growth. Third, it refined its curriculum systems and enhanced reception and delivery capabilities. Over the year, the Company facilitated 104 group and camp programs, serving a total of 48,117 person-days. Focusing on themes such as history and humanities, ecology, and technology, it developed 60 course products covering more than 10 major cities, including Beijing, Xi'an, and Qingdao, achieving a product conversion rate of approximately 83%.

Jingjian Media is a wholly-owned subsidiary of the Company. It is principally engaged in the business of government affairs operation and maintenance services, online and offline activities planning and execution and new media advertising business. It has many years of extensive experience in government services. In 2025, Jingjian Media continued to refine its business structure by expanding its video and event services. On the one hand, it intensified client resource development, successfully onboarding eight new clients. On the other hand, it significantly grew its video business, and its self-operated WeChat video channel account "Qingcheng 0819 (青程0819)" published 59 episodes and achieved commercial monetization, effectively supporting both client retention and new client acquisition.

Prospects and Future Plans

In 2026, the Group will deepen its reforms, closely align with the blueprint of the "15th Five-Year Plan", focus on its core business, continuously optimize its revenue structure, enhance efficiency through refined operations, and promote a solid advancement in the Company's strategic transformation.

In 2026, the Group will pursue progress while ensuring stability and consolidate the foundation of its traditional businesses: it will deeply explore outdoor advertising resources, combine digital transformation and upgrading, and strengthen product development and innovation in operational models; leverage its comprehensive marketing capabilities, intensify the integration of internal and external resources, and cultivate core growth drivers; and optimize its specialized services in government affairs and research study tours, enhancing market share through business synergies.

In 2026, the Group will forge ahead with determination and create a new engine for innovation businesses: it will focus on developing new scenarios for cultural tourism consumption in the capital, delve deep into the cultural annual pass business, strengthen cooperation with government and enterprise resources through product optimization and channel development, and discover new profit growth points; it will prioritize the incubation of proprietary IPs with market influence and sustainable operational capabilities, creating high-quality projects and enhancing the brand influence of its sports and cultural business.

In 2026, the Group will consolidate its foundation and enhance management efficiency: it will continuously optimize its organizational structure and human resource allocation, advance compensation and performance reforms, and improve quality and efficiency; it will focus on optimizing its asset structure and internal risk control, comprehensively strengthen its information technology development, and inject strong momentum into its business transformation through efficient management.

In 2026, on the basis of consolidating existing business, the Group will seize the opportunities presented by the industry transformation and the recovery of the social economy. The Group will be bold in making attempts and actively explore new possibilities, fostering new opportunities amidst crises and opening up new prospects amidst changes, determining to become a media group in China that possesses the ability to expand across different media markets and leads the industry peers.

FINANCIAL POSITION AND OPERATIONAL RESULTS

1. Total Operating Income

Total operating income of the Group for 2025 was RMB137,606 thousand (2024: RMB209,192 thousand), representing a decrease of 34.22% as compared with 2024, of which, revenue from advertising business (including revenue from culture annual pass sales, the operation of cultural and sports events and new media operation and maintenance) was RMB105,051 thousand (2024: RMB117,494 thousand), representing a decrease of 10.59% as compared with 2024; revenue from printing was RMB38 thousand (2024: RMB4 thousand), representing an increase of 850.00% as compared with 2024; and revenue from trading of print-related materials was RMB8,654 thousand (2024: RMB42,451 thousand), representing a decrease of 79.61% as compared with 2024; other revenue (including revenue from study activity) was RMB23,863 thousand (2024: RMB49,243 thousand), representing a decrease of 51.54% as compared with 2024. In 2025, operating revenue increased due to the continued expansion of outdoor advertising, full-service marketing and the Beijing City Culture Annual Pass (北京城市文化年票) business; however, it decreased due to the withdrawal from the printing and trading of printing-related materials business, a decline in advertising revenue from the subsidiary Beiqing Community Media, and a decrease in revenue from Beiqing Innovation Cultural's study activity. Excluding the one-off gain arising from the disposal of a property by the Group in 2024, and taking into account the combined impact of the above key factors, overall operating revenue decreased year-on-year.

2. Operating Cost and Sales Tax and Surcharges

Operating cost of the Group for 2025 was RMB152,992 thousand (2024: RMB185,108 thousand), representing a decrease of 17.35% as compared with 2024, of which, advertising cost (including culture annual pass sales, the operation of cultural and sports events and new media operation and maintenance cost) was RMB124,685 thousand (2024: RMB112,816 thousand), representing an increase of 10.52% as compared with 2024; printing cost was RMB11 thousand (2024: RMB2 thousand), representing an increase of 450.00% as compared with 2024; and cost of trading in print-related materials was RMB9,745 thousand (2024: RMB39,002 thousand), representing a decrease of 75.01% as compared with 2024; other cost (including study activity cost) was RMB18,551 thousand (2024: RMB33,288 thousand), representing a decrease of 44.27% as compared with 2024; tax and surcharges were RMB1,843 thousand (2024: RMB2,129 thousand), representing a decrease of 13.43% as compared with 2024. In 2025, operating cost increased due to the continued expansion of the outdoor advertising, full-service marketing and the Beijing City Culture Annual Pass (北京城市文化年票) business; however, they decreased due to the withdrawal from the printing and related materials trading business, as well as a decline in cost of the subsidiaries Beiqing Community Media and Beiqing Innovation Cultural. Excluding the one-off gain arising from the disposal of a property by the Group in 2024, and taking into account the combined impact of the above key factors, overall operating cost decreased year-on-year.

3. Gross Profit

Gross profit of the Group for 2025 was RMB-15,386 thousand (2024: RMB24,084 thousand), representing a decrease of 163.88% as compared with 2024; gross profit margin of the Group for 2025 was −11.18% (2024: 11.51%). Excluding the impact of the Group's disposal of a property in 2024, the year-on-year decrease in gross profit was primarily due to: (1) revenue from the subsidiaries Beiqing Community Media and Beiqing Innovation Cultural declined due to tighter client budgets, changes in industry regulatory policies and intensified market competition; (2) the subsidiary BYD Logistics has, as planned, systematically exited the printing-related materials trading business; whilst this exit is conducive to long-term resource optimisation, it resulted in an increase in losses from principal operating during the Reporting Period.

4. Selling Expenses

Selling expenses of the Group for 2025 were RMB4,859 thousand (2024: RMB13,310 thousand), representing a decrease of 63.49% as compared with 2024. The year-on-year decrease in selling expenses was primarily due to structural adjustments to the sales team at Beiqing Community Media.

5. Administrative Expenses

Administrative expenses of the Group for 2025 was RMB57,538 thousand (2024: RMB43,337 thousand), representing an increase of 32.77% as compared with 2024. Administrative expenses increased year-on-year, primarily due to staff restructuring associated with new business development and business transformation.

6. Financial Expenses

Financial expenses of the Group for 2025 was RMB-495 thousand (2024: RMB-736 thousand), representing a decrease of 32.74% in absolute value as compared with 2024. In particular, interest income was RMB635 thousand (2024: RMB975 thousand), representing a decrease of 34.87% as compared with 2024; and foreign exchange loss was RMB-8 thousand (2024: RMB5 thousand), representing a decrease of 260.00% as compared with 2024. The year-on-year increase in financial expenses was mainly due to the decrease in fixed deposit interest.

FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)*

7. Share of Losses of Associates

Share of losses of associates of the Group for 2025 was RMB0 (2024: loss of RMB3,041 thousand), representing a decrease of RMB3,041 thousand in loss as compared with 2024. As the investment in the associate has been written down to zero under the equity method, the share of profit from the associate for the current period is nil.

8. Operating Profit

Operating profit of the Group for 2025 was RMB-76,597 thousand (2024: RMB-1,262 thousand), representing an increase of 5,969.49% in loss as compared with 2024. Excluding the one-off gains arising from the disposal of a property by the Group in 2024 and the recovery of part of the accounts receivable with bad debt provision, the year-on-year increase in the operating loss was primarily attributable to an increase in losses from principal operating, higher administrative expenses and a decrease in gains from changes in fair value.

9. Income Tax Expenses

Income tax expenses of the Group for 2025 were RMB-783 thousand (2024: RMB2,952 thousand), representing a decrease of RMB3,735 thousand, or 126.52% as compared with 2024. The Company's subsidiaries reversed provisions based on the results of the income tax finalisation, resulting in a negative income tax expense for the current period.

10. Net Profit/Loss and Net Profit/Loss Attributable to Shareholders of the Company

Net loss of the Group for 2025 was RMB75,996 thousand (2024: net loss of RMB2,665 thousand), of which, net loss attributable to Shareholders of the Company was RMB72,825 thousand (2024: net loss attributable to Shareholders of the Company was RMB2,042 thousand). Excluding the one-off gains arising from the disposal of a property by the Group in 2024 and the recovery of part of the accounts receivable with bad debt provision, the year-on-year increase in the net loss was primarily attributable to an increase in losses from principal operating, higher administrative expenses and a decrease in gains from changes in fair value.

11. Final Dividend

The Board did not propose the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

12. Net Current Assets

As at 31 December 2025, net current assets of the Group were RMB159,717 thousand (31 December 2024: RMB231,196 thousand). The current assets mainly comprised bank balances and cash of RMB37,089 thousand (31 December 2024: RMB81,523 thousand), financial assets held for trading of RMB124,783 thousand (31 December 2024: RMB114,270 thousand), notes receivable of RMB342 thousand (31 December 2024: RMB636 thousand), accounts receivable of RMB31,624 thousand (31 December 2024: RMB28,235 thousand), prepayments of RMB5,368 thousand (31 December 2024: RMB6,061 thousand), other receivables of RMB12,407 thousand (31 December 2024: RMB28,712 thousand), inventories of RMB512 thousand (31 December 2024: RMB5,282 thousand), and other current assets of RMB26,420 thousand (31 December 2024: RMB29,595 thousand). Current liabilities mainly comprised notes payable of RMB0 (31 December 2024: RMB1,365 thousand), accounts payable of RMB28,847 thousand (31 December 2024: RMB21,184 thousand), contractual liabilities of RMB12,009 thousand (31 December 2024: RMB9,674 thousand), employee benefit payables of RMB18,718 thousand (31 December 2024: RMB6,981 thousand), tax payables of RMB505 thousand (31 December 2024: RMB1,528 thousand), other payables of RMB18,064 thousand (31 December 2024: RMB18,006 thousand), non-current liabilities due within one year of RMB0 (31 December 2024: RMB1,106 thousand), and other current liabilities of RMB685 thousand (31 December 2024: RMB3,274 thousand).

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2025, current assets of the Group were RMB238,545 thousand (31 December 2024: RMB294,314 thousand), including bank balances and cash of RMB37,089 thousand (31 December 2024: RMB81,523 thousand) and non-current assets of the Group were RMB450,393 thousand (31 December 2024: RMB418,439 thousand).

As at 31 December 2025, current liabilities of the Group were RMB78,828 thousand (31 December 2024: RMB63,118 thousand); and non-current liabilities were RMB706 thousand (31 December 2024: RMB706 thousand).

As at 31 December 2025, Shareholders' equity of the Group was RMB609,404 thousand (31 December 2024: RMB648,929 thousand).

GEARING RATIO

As at 31 December 2025, gearing ratio of the Group was 13.05% (31 December 2024: 9.84%) (which is calculated by dividing the Group's total liabilities by its total equity).

BANK BORROWINGS, OVERDRAFTS AND OTHER BORROWINGS

As at 31 December 2025, bank loans, overdrafts and other borrowings of the Group were Nil (31 December 2024: Nil). Most of the cash and cash equivalent held by the Group was denominated in Renminbi.

FINANCING COST

Financing cost of the Group for 2025 was RMB107 thousand (2024: RMB172 thousand).

FIVE-YEAR RESULTS HIGHLIGHTS

	For the year ended 31 December				
	2025	2024	2023	2022	2021
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Total operating income	**137,606**	209,192	211,950	167,656	194,764
Net profit	**(75,996)**	(2,665)	(14,109)	(30,595)	(67,005)
Net profit attributable to Shareholders of the Company	**(72,825)**	(2,042)	(15,199)	(25,721)	(63,972)
Earnings per share — basic and diluted (RMB)	**(0.37)**	(0.01)	(0.08)	(0.13)	(0.32)

	As at 31 December				
	2025	2024	2023	2022	2021
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Total assets	**688,938**	712,753	714,911	708,171	732,408
Total liabilities	**79,534**	63,824	85,648	86,342	87,591
Total equity attributable to Shareholders of the Company	**601,359**	637,736	617,496	611,215	627,886
Shareholders' equity per share as at the end of the year (RMB)	**3.05**	3.23	3.13	3.10	3.18

SHARE STRUCTURE (AS AT 31 DECEMBER 2025)

	Number of shares	Proportion to total share capital *(%)*
Holders of Domestic Shares		
— BYDA	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.	2,952,800	1.50
Domestic Shares *(subtotal)*	142,409,000	72.18
H Shares[Note]	54,901,000	27.82
Total share capital	197,310,000	100.00

Note:

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

CAPITAL EXPENDITURE

Capital expenditure of the Group for 2025 was RMB3,159 thousand (2024: RMB4,239 thousand). Capital expenditure of the Group for 2025 mainly comprises the expenditures consistent with business strategies including expenditures on office equipment and intangible assets.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 31 December 2025, the Group did not have any contingent liabilities or any pledge of assets.

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 annual general meeting (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 31 December 2025, the Company's investments in the above asset management accounted for more than 5% of the Group's total assets. Please refer to Note VIII.2. headed "Financial assets held for trading" and Note X.5. headed "Interest in financial assets held for trading" to the notes to the financial statements of this report for details. For details of the above transaction, please refer to the announcements dated 19 April 2022 and 25 April 2023 and the circulars dated 26 May 2022 and 25 May 2023 of the Company.

As at 31 December 2025, the Company's investments in Beiyang Publishing and Media Co., Ltd., Beijing Keyin Media and Culture Co., Ltd. and Beijing International Advertising & Communication Group Co., Ltd. account for over 5% of the Group's total assets. For details of such material investments, please refer to Note VIII.10. headed "Investment in other equity instruments" and Note X.4. headed "Equity in investment in other equity instruments" to the financial statements of this report.

Save as disclosed in this report, as of 31 December 2025, the Group had no material investments or any plan related to material investment or acquisition of assets.

MATERIAL ACQUISITION AND DISPOSAL OF ASSETS

On 11 December 2023, the Company entered into the exclusive concession rights agreements ("2024 and 2025 Exclusive Concession Rights Agreements") with Beijing MTR and its wholly owned subsidiary, Beijing MTR17, respectively, pursuant to which the Company was granted the exclusive rights to use and operate the major advertising resources in Beijing Metro Line 4 and Daxing Line and the northern section of Beijing Metro Line 17, for a period of two years commencing from 1 January 2024 and ending on 31 December 2025. In terms of the above arrangements, the Company shall pay concession fees to Beijing MTR and Beijing MTR17 on the basis of "guarantee fees + extra revenue commission fees"; among which, for the guarantee fees, the guaranteed fees for the first operating year of exclusive concession for the Beijing Metro Line 4, Daxing Line and the northern section of Beijing Metro Line 17 are RMB18.63 million, RMB4.70 million and RMB3.67 million, respectively, with an annual increment of 2%; and extra revenue commission fees will be calculated based on the actual advertising revenue and on a stepwise basis according to the relevant formula. The above transaction enables the Group to enrich its outdoor advertising business, take advantage of its main business of convergence media advertising sales and the major advertising resources of the relevant metro lines, so as to increase its operating income and generate better returns to Shareholders. For details of the above transaction, please refer to the announcement dated 11 December 2023 and circular dated 14 December 2023 of the Company.

Given the above exclusive concession rights would expire at the end of 2025, on 11 December 2025, the Company entered into the 2026 exclusive concession rights agreements (the "2026 Exclusive Concession Rights Agreements") with Beijing MTR and Beijing MTR17, respectively, pursuant to which, (i) the exclusive advertising concession operating period will be extended for a year to 31 December 2026; (ii) considering the middle section of Beijing Metro Line 17 operated by Beijing MTR17 will be opened which connects the entire line for full operation at the end of 2025, the exclusive concession operating scope in 2026 will cover the major advertising resources in Beijing Metro Line 4 and Daxing Line and in the whole line of Beijing Metro Line 17; (iii) the pricing basis for concession fees is optimized while retaining the original "guaranteed fees + extra revenue commission fees" regime. For guaranteed fees: the relevant lines will no longer be divided into sections with individually negotiated and accounted guaranteed fees; instead, a unified guaranteed fee for the entire line will be agreed upon and accounted for on the basis of the total actual advertising revenue of the entire line. For extra revenue commission fees: the calculation benchmark will no longer be the total actual advertising revenue; rather 92% of the actual advertising revenue (equivalent to the actual advertising revenue after deducting the estimated production costs) will serve as the basis for calculating the extra revenue commission fees; and (iv) other relevant arrangements under the 2024 and 2025 Exclusive Concession Rights Agreements remain unchanged. During the operating period of the 2026 Exclusive Concession Rights Agreements, the guaranteed fees for the exclusive concession year for Beijing Metro Line 4, Daxing Line and the whole line of Line 17 was RMB24,272,532 (tax inclusive) and RMB4,424,268 (tax inclusive), respectively. For details of the above transaction, please refer to the announcement dated 11 December 2025 and circular dated 16 December 2025 of the Company.

Save as disclosed in this report, during the Reporting Period, the Group had no material acquisition or disposal of subsidiaries, joint ventures, associates, etc.

FOREIGN EXCHANGE RISKS

Renminbi is the functional currency of the Group. The Group's operations in the PRC are mainly settled in Renminbi. However, certain payables are settled in foreign currency (mainly USD and HKD). 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.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group has always upheld the philosophy of placing equal emphasis on development and environmental protection. During its day-to-day operation, the Group reasonably utilises resources in strict compliance with the relevant laws, regulations, standards and other local rules. It has formulated and implemented the relevant internal rules and strives to minimise its impacts on the ecological environment from production and operation in terms of resource utilization and other aspects. During the Reporting Period, the Group organised several public benefit events relating to protection of natural environment. In the meantime, the Group is committed to maintaining and consolidating a healthy operation environment so that it can realise steady and orderly growth. The Group also tries its best to improve the working environment for its employees, advocates a philosophy of green office and green production and strives to create a safe, healthy, ideal and protected working environment for all employees. During the Reporting Period, the Group placed advertisements in the theme of public welfare over long period of time so as to promote the concept of environmental protection.

COMPLIANCE WITH LAWS, REGULATIONS AND CORPORATE GOVERNANCE CODE

During the Reporting Period, 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.

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group endeavours to maintain sustainable development in the long term, continuously creates value for its employees and customers, and fosters good relationships with its suppliers. The Group believes that employees are its valuable assets, and the realisation and enhancement of employees' values will facilitate the achievement of the Group's overall goals. During the Reporting Period, the Group held staff training, and organised staff to watch sporting events and running and walking activities for the staff. The Group also understands the importance of maintaining good relationships with its suppliers and customers to the overall development of the Group. The Group attaches great importance to supplier selection and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. The Group abides by the principles of honesty and trustworthiness and commits itself to consistently providing quality services to its customers. During the Reporting Period, there was no significant and material dispute between the Group and its suppliers and/or customers.

AS AT 31 DECEMBER 2025

EXECUTIVE DIRECTORS

Mr. Jing Enji, born in January 1973, is the secretary of the general branch of the Party Committee, executive Director and president of the Company. He is qualified as a lawyer in the PRC and a Level II legal advisor for state-owned enterprises. Mr. Jing joined Beijing Municipal Economic Development and Investment Co., Ltd. (formerly known as Beijing Municipal Economic Development and Investment Company) in July 1996, successively serving as the deputy manager of the asset management department, the manager of the operation management department, the manager of the real estate development department, assistant to the general manager and the manager of the real estate development department, the deputy general manager, the executive deputy general manager, a director and the executive deputy general manager, the deputy secretary of the Party Committee, a director and the general manager. Mr. Jing has served as the secretary of the general branch of the Party Committee, an executive Director and the president of the Company since September 2022. Mr. Jing has held a concurrent post as the chairman of Beiqing Community Media since November 2022, and as the chairman and a director of Beiqing Innovation Cultural since March 2023 and a director of Jingjian Media since December 2025. Mr. Jing was appointed as a Director of the Company on 25 November 2021.

Ms. Wu Min, born in August 1976, is the executive Director, vice president and director of advertising business division of the Company. Ms. Wu graduated from Shijiazhuang Army Command Institute (石家莊陸軍指揮學院) with a bachelor's degree in film and television editing and directing. Ms. Wu successively served as a technician on probation, assistant engineer in Troop 61377 from July 1996 to September 2004, worked in the Office Publicity and Planning Department of BYDA from September 2004 to April 2008, has successively served as the assistant of executive vice president, the assistant of president, vice president and director of advertising business division since she joined the Company in April 2008. Ms. Wu has served as the director, the executive director and general manager of Beiqing Outdoor since May 2017 concurrently, and has served as the director of Beiqing Community Media since November 2022. Ms. Wu was appointed as a Director of the Company on 17 June 2022.

NON-EXECUTIVE DIRECTORS

Mr. Nie Sen, born in May 1986, is a non-executive Director of the Company. He currently serves as the general manager of the culture and sports division at Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司). Mr. Nie has successively earned a Bachelor of Arts degree in Chinese Language and Literature from the School of Humanities at China University of Political Science and Law, and a Master of Public Administration degree in Public Administration from the School of Political Science and Public Administration at China University of Political Science and Law. Mr. Nie primarily worked at Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司) and the Urban Comprehensive Management Commission of Dongcheng District, Beijing (北京市東城區城市綜合管理委員會). From January 2012 to February 2018, he successively held roles such as staff secretary of the comprehensive management department, information manager, secretary, senior manager and deputy general manager at Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司). From July 2008 to January 2012, he served successively as an intern and staff member at the Urban Comprehensive Management Commission of Dongcheng District, Beijing (北京市東城區城市綜合管理委員會). Additionally, Mr. Nie has concurrently served as the manager of the human resources and administration department (fulfilling the duties of the board secretary) of China Railway Asia-Europe Construction Investment Co., Ltd. (中鐵亞歐建設投資有限公司) from October 2016 to February 2018 and served as the deputy director of the Winter Olympics Project Management Office of Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司) on a temporary assignment from July 2017 to February 2018. Mr. Nie joined Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司) in February 2018 and has served successively as deputy general manager of the Infrastructure Department, deputy general manager of the Environmental Industry Department, deputy general manager of the Infrastructure Department, deputy general manager of the Industrial Development Department, director of the Office (Party Committee Office, Board of Directors Office, General Manager's Office, and Party Committee Office of the Administrative Bodies), deputy secretary of the Party Committee Office of the Administrative Bodies, and general manager of the Culture and Sports Business Division. Mr. Nie was appointed as a Director of the Company on 30 December 2025.

NON-EXECUTIVE DIRECTORS *(Continued)*

Mr. Wang Hao, born in March 1983, is a non-executive Director of the Company. He is the deputy general manager of the Industrial Development Department of Beijing Capital Group Co., Ltd. Mr. Wang obtained a bachelor's degree in electrical engineering from the University of Bristol in the United Kingdom, and a master's degree in Business Administration jointly offered by Tsinghua University and the Chinese University of Hong Kong. Mr. Wang worked at CITIC Securities Co., Ltd. (stock code: 06030.HK, 600030.SH) from June 2007 to August 2010. Mr. Wang worked at Beijing Capital Land Ltd. (now Beijing Capital Land Co., Ltd.) from August 2010 to October 2015, and successively served as the assistant to the chairman of the Capital Management Center and the assistant to the chairman. From May 2018 to July 2025, he has concurrently served as a non-executive director and a member of the Strategic Investment Committee of Beijing Capital Grand Limited (a company previously listed on the Hong Kong Stock Exchange, stock code: 01329.HK and currently delisted). Mr. Wang has worked at Beijing Capital Group Co., Ltd. since October 2015, and successively served as the deputy general manager of the Synergy Development Department, the deputy general manager of the Real Estate Department and the deputy general manager of the Industrial Development department. Mr. Wang was appointed as a Director of the Company on 29 December 2023.

Mr. Li Zhen, born in August 1990, is a non-executive Director of the Company. He currently serves as the deputy general manager of the culture and sports division at Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司). Mr. Li has successively obtained a Bachelor's degree in applied mathematics from Hebei University of Economics and Business, and a master's degree in applied statistics from the Central University of Finance and Economics. From May 2019 to March 2020, Mr. Li served as the senior manager of investment and development department of the urban renewal platform of Capital Jingzhong (Tianjin) Investment Co., Ltd. (首創經中(天津)投資有限公司城市更新平台). From September 2014 to May 2019, he served in the Chaoyang District Finance Bureau of Beijing Municipality (北京市朝陽區財政局). He has successively served as a staff member of the basic construction section, a deputy principal staff member of the finance section and a member of Youth League Committee of the Bureau (局團總支). Mr. Li also served as the assistant to the president of the Company on a temporary assignment from August 2021 to August 2022. Mr. Li joined Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司) in March 2020 and has served successively as manager of the cultural and creative office, senior manager of the finance department, senior manager of the risk supervision department, assistant general manager of the industrial development department, and deputy general manager of the culture and sports division. Mr. Li was appointed as a Director on 30 December 2025.

Mr. Li Xiaowei, born in July 1972, has a bachelor's degree. Mr. Li served as the sales manager of Swire Coca-Cola Zhengzhou Co., Ltd. from July 1996 to August 1998. From October 1998 to October 2016, he served as the head of Zhengzhou office, the head of planning section of the regional sales headquarters and the regional manager of North China of Panasonic Home Appliances Sales Company Limited (松下電器家電營銷有限公司). From November 2016 to February 2019, he served as the Legal Entity Representative for the Shandong-Henan-Shanxi Region of LG Electronics (China) Co., Ltd. (樂金電子(中國)有限公司) and the director of the Living Appliances Product Center (China Operations) (中國區生活家電產品中心), and since March 2019, he has served as the general manager of the marketing department, the executive vice president of smart ecosystem business and general manager of IP operations of Lerong Zhijia (Beijing) Technology Development Co., Ltd. (樂融智家(北京)科技發展有限公司). Mr. Li was appointed as a Director on 13 June 2025.

Mr. Wang Zechen (formerly known as Wang Huiyong), born in March 1974, is a non-executive Director of the Company. He is currently the vice president of Beijing Chengshang Cultural Communication Co., Ltd. Mr. Wang graduated from Beijing Jiaotong University in human resources management. Mr. Wang worked in the Audiovisual News Center of the Beijing Branch of Xinhua News Agency from February 2000 to December 2001 and held the positions of photographer and editor; Mr. Wang worked in Beijing Television Financial and Economic Channel from December 2001 to October 2006 and held the positions of photographer and film producer; and Mr. Wang has been serving as the vice president of Beijing Chengshang Cultural Communication Co., Ltd. since October 2006. Mr. Wang was appointed as a Director of the Company on 25 November 2021.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Shi Hongying, born in April 1972, is an independent non-executive Director of the Company. Ms. Shi obtained a bachelor's degree majoring in law and a master's degree majoring in law education from the Capital Normal University in July 1995 and July 2004, respectively, and obtained the National Lawyer Qualification Certificate in 1998. Since July 1995, Ms. Shi has successively served in the Communist Youth League Committee, the Office of the Communist Party Committee and the Publicity Department of the Communist Party Committee of the Capital Normal University. She was transferred to the teaching position from January 2007 and now serves as an associate professor of the Capital Normal University. Ms. Shi served as a people's juror in the People's Court of Haidian District, a part-time lawyer at Beijing Zhenghai Law Firm (北京市正海律師事務所) and Yingdao Law Firm (英島律師事務所), the director of Criminal Laws Professional Committee of the 10th Beijing Lawyers Association, the director of the 11th Professional Committee for Prevention and Defense of Work-Related Crime, the deputy director of the Rights and Interest Safeguarding Committee for two sessions and a managing director of the Legal Literature Research Institution to China Law Society. Ms. Shi currently works as a part-time lawyer at Beijing Yinghong Law Firm (北京英弘律師事務所), the deputy director of Criminal Laws Professional Committee to the 12th Beijing Lawyers Association, a member of the Criminal Matters Committee and Right Protection Center to All China Lawyers Association, a special-term researcher of the Law Studies Research Institution to China Law Society, an expert of Civil Administrative Prosecution Expert Consultation Network of the Supreme People's Procuratorate and a specialist lawyer of Litigation Service Center of the Supreme People's Court of PRC, a people supervisor (人民監督員) of Beijing People's Procuratorate (北京市人民檢察院) and other social positions. Ms. Shi was appointed as a Director of the Company on 21 June 2019.

Mr. Chan Yee Ping, Michael, born in April 1977, is an independent non-executive Director of the Company. He is a fellow member of the Association of Chartered Certified Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan graduated from The Hong Kong Polytechnic University with an honour bachelor's degree in accountancy, and has more than twenty years of experience in the areas of audit, financial management, corporate secretarial management and corporate governance. He is a director of MCI CPA Limited, a certified public accountant firm in Hong Kong. He is currently serving as an independent non-executive director for a company whose shares are listed on the Hong Kong Stock Exchange, namely StarGlory Holdings Company Limited (formerly named as New Wisdom Holding Company Limited) (stock code: 8213). Since 2012, he also has been serving as a company secretary of another company whose shares are listed on the Main Board of the Hong Kong Stock Exchange, namely Northeast Electric Development Company Limited (stock code: 42). From September 2017 to December 2018, Mr. Chan served as an independent non-executive director of Prosper One International Holdings Company Limited (stock code: 1470) (Mr. Chan had been criticised by the Hong Kong Stock Exchange for a breach issue by Prosper One International Holdings Company Limited, details of which are set out in the regulatory announcement issued by the Hong Kong Stock Exchange on 18 May 2022); from November 2018 to February 2021, he also served as an independent non-executive director of Champion Alliance International Holdings Limited (stock code: 1629); and from July 2014 to May 2022, he served as an independent non-executive director of SoftMedx Healthcare Limited (formerly named as China Wah Yan Healthcare Limited) (stock code: 648) (Mr. Chan was involved in a legal proceeding (which are still pending) brought by the Securities and Futures Commission of Hong Kong in respect of a potential breach issue by SoftMedx Healthcare Limited. Please refer to the announcement of the Company dated 5 September 2024 for details), from July 2014 to September 2024, he served as an independent non-executive director of China Sandi Holdings Limited (shares of which are listed on the Main Board of the Hong Kong Stock Exchange, stock code: 910), the shares of these companies are listed on the Main Board of the Hong Kong Stock Exchange. Mr. Chan served as the company secretary of China Sunshine Paper Holdings Company Limited (shares of which are listed on the Main Board of the Hong Kong Stock Exchange, stock code: 2002) from September 2013 to June 2024. Mr. Chan was appointed as a Director of the Company on 19 June 2020.

INDEPENDENT NON-EXECUTIVE DIRECTORS *(Continued)*

Ms. Du Guoqing, born in October 1971, is an independent non-executive Director of the Company. She is currently a professor, a tutor of postgraduate and doctoral students as well as the director of Institute of Advertiser under the Advertising School of Communication University of China. Ms. Du successively obtained a bachelor's degree of education in Chinese Linguistics and Literature from Hebei Normal University (formerly known as Hebei Normal College), a master's degree in journalism and a doctoral degree of advertising from Communication University of China (formerly known as Beijing Broadcasting Institute). Ms. Du worked in Hebei Normal College from 1998 to 2003 and has been working in Communication University of China since 2003. During the period, Ms. Du has served as the director of Institute of Advertiser of Communication University of China since 2002, and served as the editor-in-chief of MARKET OBSERVER — Advertiser (《市場觀察—廣告主》) by China Enterprise Confederation from 2002 to 2007, a researcher of the headquarter of Dentsu Group (4324.TYO) in Tokyo, Japan from January 2010 to March 2010, the deputy director and director of the Public Relation Department under Communication University of China from 2010 to 2018. Ms. Du is currently the editor-in-chief of New Trend (《新趨勢》), an executive member of Advertising Artistic Committee of China TV Artists Association, a member of Law and Ethics Committee of China Advertising Association, a member of Academic Committee of China International Public Relations Association, an expert judge of Dentsu • China Advertising Talent Training Fund project, and a distinguished expert of the Asia Media Research Centre of Communication University of China and of the National Image Research Center of Tsinghua University. Ms. Du was appointed as a Director of the Company on 25 November 2021.

Mr. Kong Weiping, born in May 1969, is an independent non-executive Director of the Company. He is a partner of DeHeng Law Offices. Mr. Kong graduated from the Department of Education of Beijing Normal University (北京師範大學) with a master's degree in education management in July 1996. Mr. Kong served as an independent director of Zhongjin Gold Corporation Limited (stock code: 600489.SH) from May 2008 to May 2014; an independent director of SDIC Zhonglu Fruit Juice Co., Ltd. (國投中魯果汁股份有限公司) (stock code: 600962.SH) from April 2013 to April 2019; an independent director of Sinomine Resource Group Co., Ltd. (中礦資源集團股份有限公司) (stock code: 002738.SZ) from April 2014 to May 2020; an external director of BBMG Assets Management Co., Ltd. from August 2015 to November 2018; and an independent director of Zotye Automobile Co., Ltd. (眾泰汽車股份有限公司) (stock code: 000980.SZ) from July 2017 to February 2022; an external director of Beijing North Star Company Limited (北京北辰實業集團有限責任公司) from December 2018 to April 2025; an external director of Beijing Huafang Investment Company Limited (北京華方投資有限公司) from April 2020 to June 2025; an external supervisor of Beijing Tongrentang Co., Ltd. (北京同仁堂股份有限公司) from June 2021 to July 2025. Mr. Kong served as an external director of Beijing Tianqiao Zenith Investment Group Co., Ltd. (北京天橋盛世投資集團有限責任公司) since January 2020; an independent non-executive director of Beijing Capital Jiaye Property Services Co., Limited (stock code: 2210.HK) since October 2021; an external director of Beijing Gas Energy Development Co., Ltd. since March 2024; and an independent non-executive director of Tianshan Material Co., Ltd. since April 2024; an external director of Beijing Huatian Catering Holdings Co., Ltd.(北京華天飲食控股有限公司) since April 2025; an external director of Beijing Innovation Industry Investment Co., Ltd. (北京創新產業投資有限公司) since June 2025. Mr. Kong was appointed as a Director of the Company on 17 June 2022.

SENIOR MANAGEMENT

Mr. Jing Enji is the president of the Company. For details of the biographical information of Mr. Jing, please refer to the profile of executive Director above.

Ms. Wu Min is the vice president of the Company. For details of the biographical information of Ms. Wu, please refer to the profile of executive Director above.

SENIOR MANAGEMENT *(Continued)*

Ms. Hou Hui, born in December 1985, is the chief accountant and head of finance of the Company. Ms. Hou graduated from Beijing Information Science and Technology University, majoring in technology economics and management with a master's degree in management and is a senior accountant and a Chartered Financial Analyst. From April 2011 to December 2013, Ms. Hou served as a pre-sales consultant for the Industry Department Four of the Beijing branch of Yonyou Network Technology Co., Ltd. (formerly known as Yonyou Software Co., Ltd.) (stock code: 600588. SH); from December 2013 to December 2021, Ms. Hou successively served as staff, assistant to general manager and deputy general manager of the finance and accounting department of Capital Environmental Holdings Limited (stock code: 03989.HK), during which time Ms. Hou also served as chief financial officer and director of several subsidiary project companies concurrently. Ms. Hou was appointed as the deputy chief accountant, head of finance of the Company on 16 December 2021. Ms. Hou was appointed as the chief accountant, head of finance of the Company on 14 July 2025. Ms. Hou has concurrently served as a director of Beiqing Innovation Cultural since October 2022, and an executive director and the general manager of Beiqing Network Culture since April 2023.

COMPANY SECRETARIES

Ms. Liu Jia, born in March 1983, is the secretary to the Board, a joint company secretary and the director of the office of the Board of the Company. Ms. Liu obtained a bachelor's degree in management with a major in information management and information system from Central University of Finance and Economics in 2005. Ms. Liu joined BYDA in July 2005 and served in integrated management, remuneration management, training supervision and performance management of the human resources department of BYDA. Ms. Liu joined the Company in July 2013 and has served as the assistant to secretary to the Board, the deputy director, director of the Board office and the manager of the administrative department of the Company. Ms. Liu has also served as the secretary to the Board of the Company since August 2022 and the joint company secretary of the Company since December 2022. Ms. Liu, by virtue of her relevant experiences, has been confirmed capable of discharging the functions of company secretary by the Hong Kong Stock Exchange in November 2022 pursuant to the Note 2 to Rule 3.28 of the Listing Rules and is qualified for the position of company secretary of the Company under the Listing Rules. Ms. Liu served as an executive Director of the Company from June 2019 to November 2021, a director of Beijing International Advertising & Communication Group Co., Ltd. from December 2016 to August 2021, a director of Beiqing Community Media since November 2022, and a director of Beijing Keyin Media Culture Co., Ltd. since May 2024.

Mr. Yu Leung Fai, born in March 1977, is the joint company secretary of the Company. He is a member of the American Institute of Certified Public Accountants, Certified Practicing Accountants of Australia, the Hong Kong Institute of Certified Public Accountants, and the Hong Kong Trustee Association, and has extensive experience in the corporate services field. Mr. Yu obtained a bachelor's degree in commerce from University of Toronto, Canada in June 2000 and a bachelor's degree in law from University of London, the United Kingdom in August 2005. He first started his career as an auditor of Deloitte Touche Tohmatsu LLC (formerly named as Deloitte Touche Tohmatsu). Mr. Yu is currently the managing partner of Fung, Yu & Co. CPA Limited (formerly named as Fung, Yu & Co. CPA), which he joined in 2001. Mr. Yu has been the company secretary of Yuanda China Holdings Limited (遠大中國控股有限公司) (stock code: 2789) since June 2012; the company secretary of Sany Heavy Equipment International Holdings Company Limited (三一重裝國際控股有限公司) (stock code: 631) since February 2017. Mr. Yu serves as the independent non-executive director of Realord Group Holdings Limited (偉祿集團控股有限公司) (stock code: 1196) since June 2014; an independent non-executive director of The Sincere Company, Limited (先施有限公司) (stock code: 244) since June 2021; an independent non-executive director of Mount Everest Gold Group Company Limited (original name CSMall Group Limited (金貓銀貓集團有限公司)) (stock code: 1815) since November 2021; an independent non-executive director of Timeless Resources Holdings Limited (天時資源控股有限公司) (formerly known as Timeless Software Limited) (stock code: 8028) since March 2023; and the company secretary of Century Ginwa Retail Holdings Limited (世紀金花商業控股有限公司) (stock code: 0162) from September 2023 to January 2024, all of which are listed companies in Hong Kong. Mr. Yu was appointed as a joint company secretary of the Company in March 2010.

The Board is pleased to present the annual report and the audited consolidated financial statements for the year ended 31 December 2025.

ISSUE AND LISTING OF SHARES

The Company's H Shares were listed on the Main Board of the Hong Kong Stock Exchange on 22 December 2004. Under the Hong Kong public offering and international placing, 54,901,000 shares (including 7,161,000 over-allotment shares) were issued at an offer price of HKD18.95 per share.

The highest and lowest trading prices of the Company's H Shares per share were HKD0.86 and HKD0.325 respectively for the year ended 31 December 2025. On 31 December 2025 (the last trading day in 2025), the trading volume was 1,000 shares, and the closing price was HKD0.51 per share.

ACCOUNTS

Financial position of the Group as at 31 December 2025 is set out in the Consolidated Balance Sheet on pages 84 to 85.

Results of the Group for the year ended 31 December 2025 are set out in the Consolidated Income Statement on pages 86 to 87.

Cash flows of the Group for the year ended 31 December 2025 are set out in the Consolidated Cash Flow Statement on pages 88 to 89.

Changes in equity of the Group for the year ended 31 December 2025 are set out in the Consolidated Statement of Changes in Shareholders' Equity on page 90.

PRINCIPAL BUSINESS

The Group is principally engaged in the sales of multi-interface convergence media advertising, cultural annual pass sales, youth student travel, cultural and sports events operations and new media operation and maintenance. Details of the business of the Company's principal subsidiaries are set out in Note X. "INTERESTS IN OTHER ENTITIES" to the financial statements. Discussion on major risks and uncertainties faced by the Group and discussions in respect of the possible future development of business of the Group, are included in the sections headed "Management Discussion and Analysis" and "Corporate Governance Report" of this report.

DIVIDEND

The Company has formulated a set of dividend policies to provide Shareholders with stable dividends, which set out the principles and guidelines for declaring, paying or distributing the Company's profits to Shareholders as dividends. In accordance with the Company Law and the Articles of Association, all Shareholders are entitled to equal dividends and distribution rights. The Company's payment of dividends is determined by the Board at its discretion after considering the following factors, including the Company's financial position, and subject to the approval from Shareholders:

a. the Company's actual financial performance and expected financial performance;

b. the Group's debt-to-equity ratio, return on share capital and financial contractual commitments;

c. undistributed profits and distributable reserves of the Company and each member of the Group;

d. the Group's demand for expected working capital and its future strategic plans;

e. tax considerations;

f. possible impact on the Company's reputation;

g. legal and regulatory restrictions; and

h. any other factors that the Board may consider relevant.

The Board did not propose the payment of a final dividend for the year ended 31 December 2025.

MAJOR SUPPLIERS AND CUSTOMERS

For the year ended 31 December 2025, the total purchase by the Group from its five largest suppliers was RMB43,306 thousand (2024: RMB52,397 thousand), accounting for 28.31% of its total purchase for the year of 2025 (2024: 28.31%); and the purchase from the largest supplier was RMB22,450 thousand (2024: RMB22,298 thousand), accounting for 14.67% of its total purchase for the year of 2025 (2024: 12.05%). Three of the five largest suppliers is a related party of the Company; the cooperation term ranges from one year to twenty years, and the credit term for purchase of products generally ranges from 30 days to 90 days.

During the Reporting Period, the total sales by the Group to its five largest customers was RMB19,526 thousand (2024: RMB68,872 thousand), accounting for 14.19% of its total sales for the year of 2025 (2024: 32.91%); and the amount of sales to the largest customer was RMB4,930 thousand (2024: RMB20,653 thousand), accounting for 3.58% of its total sales for the year of 2025 (2024: 9.87%). One of the five largest customers are related parties of the Company; the cooperation term ranges from one year to twenty years, and the credit term agreed in the contract generally does not exceed 30 days.

Among the above, during the Reporting Period, the Group's purchases from (i) its controlling Shareholder, BYDA, and its subsidiaries amounted to RMB8,494 thousand, and sale amount was RMB3,198 thousand; and (ii) its actual controller[note], Capital Group, and its subsidiaries amounted to RMB25,058 thousand. Besides, as far as the Directors are aware, none of the Directors, their close associates nor Shareholders holding more than 5% of the Company's issued shares (excluding treasury shares) has any interest in the five largest suppliers or customers.

Note:

Further details of the trusteeship arrangement between the Company, Capital Group and BYDA are set out in the sections below entitled "INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES" and "ULTIMATE CONTROLLING SHAREHOLDER".

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As at 31 December 2025, the direct subsidiaries of the Company included BYD Logistics, Beiqing Network Culture, Beiqing Community Media, Beiqing Outdoor, Chongqing Media, Beiqing Innovation Cultural and Jingjian Media.

As at 31 December 2025, the associates of the Company included Beijing Beiqing Top Advertising Limited, Beijing Shengyi Automobile Technology Service Co., Ltd. (formerly known as Beijing Beiqing Shengda Automobile Service Company Limited), Beijing Beisheng United Insurance Agency Co., Ltd., BY Times Consulting Co., Ltd. and Beijing Shangyou Network Technology Co., Ltd.

For details of principal subsidiaries, joint ventures and associates of the Company, please refer to Note X. "INTERESTS IN OTHER ENTITIES" to the financial statements in this annual report.

RESERVES

The change in reserves during the Reporting Period is set out in the Consolidated Statement of Changes in Shareholders' Equity on page 90 of this annual report. According to the Company Law and the Articles of Association, reserves consist of capital reserves, surplus reserves and undistributed profits.

FIXED ASSETS

The changes in investment properties and fixed assets during the Reporting Period are set out in Note VIII.11 "Investment properties" and VIII.12 "Fixed assets" to the financial statements in this annual report, respectively.

SHARE CAPITAL, SHARE CAPITAL STRUCTURE AND NUMBER OF SHAREHOLDERS

As at 31 December 2025, the total number of shares issued by the Company was 197,310,000 shares. The Shareholders of the Company include BYDA, Beijing Chengshang Cultural Communication Co., Ltd., China Telecommunication Broadcast Satellite Co., Ltd., Beijing Development Area Ltd., Sino Television Co., Ltd. and public Shareholders of H Shares, holding 124,839,974 Domestic Shares, 7,367,000 Domestic Shares, 4,263,117 Domestic Shares, 2,986,109 Domestic Shares, 2,952,800 Domestic Shares and 54,901,000 H Shares respectively, representing 63.27%, 3.73%, 2.16%, 1.52%, 1.50% and 27.82% of the Company's total share capital, respectively.

Class of shares	Number of issued shares	Percentage	Number of Shareholders*
Domestic Shares	142,409,000	72.18%	5
H Shares	54,901,000	27.82%	257
Total	197,310,000	100%	262

* The above-mentioned percentage figures are based on the records in the Company's register of members as at 31 December 2025.

PUBLIC FLOAT

Based on the public information available to the Company and to the knowledge of the Directors, up to the date of this report, the Company has maintained the public float required under the Listing Rules.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 31 December 2025, so far as the Directors and chief executives 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 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 issued 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]	Trustee	H Shares	Long position	4,270,500	7.78	2.16
CITI CITI Ltd	Interest of controlled corporation	H Shares	Long position	4,270,500	7.78	2.16
Xia Jie[Note 5]	Interest of controlled corporation	H Shares	Long position	4,270,500	7.78	2.16
Yue Shan International Limited[Note 6]	Trust beneficiary	H Shares	Long position	4,270,500	7.78	2.16
Cao Yawen[Note 6]	Interest of controlled corporation	H Shares	Long position	4,270,500	7.78	2.16

INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES *(Continued)*

Note:

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 extended by five years until 17 June 2030 based on a supplementary renewal agreement signed on 8 May 2025, by BYDA, the China Communist Youth League Beijing Committee, and Capital Group regarding the aforementioned trustship arrangement from the original entrustment period. 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. (as a trustee) owns 4,270,500 H Shares of the Company on its behalf pursuant to the contractual arrangement with Yue Shan International Limited, representing approximately 2.16% of the total issued share capital (7.78% of the total issued H Shares) of the Company.

5. Xia Jie indirectly owns 100% 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 4,270,500 H Shares registered in the name of Founder Investment (HK) Ltd.

6. 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 4,270,500 H Shares registered in the name of Founder Investment (HK) Ltd.

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

Save as disclosed above, to the knowledge of the Directors and chief executives of the Company, as at 31 December 2025, there was no other person (other than Directors or chief executives 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 any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Mr. Nie Sen, Mr. Wang Hao and Mr. Li Zhen, the Directors also work for Capital Group; Mr. Wang Zechen, the Director, also works for Beijing Chengshang Cultural Communication Co., Ltd.; Mr. Li Xiaowei, the Director, also works for Leshi Internet Information & Technology Corp., Beijing (樂視網信息技術(北京)股份有限公司). Save as disclosed above, as at 31 December 2025, none of the other Directors works in another company which held an interest or short position in the 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.

ULTIMATE CONTROLLING SHAREHOLDER

BYDA is the ultimate controlling Shareholder of the Company. As at 31 December 2025, BYDA owned 63.27% equity interest in the Company. Capital Group has obtained the voting rights attached to such shares held by BYDA in accordance with the entrust management arrangement dated 20 May 2021 with BYDA and its beneficial owner. On 8 May 2025, the aforesaid entrust management arrangement has been extended to 17 June 2030. For details of such extended entrust management arrangement, please refer to the announcement of the Company dated 8 May 2025.

DIRECTORS' SERVICE CONTRACTS

Each of the Directors and Supervisors has entered into a service contract with the Company for a term of no more than three years.

None of the Directors or Supervisors has entered into or proposed to enter into any service contract with any member of the Group which cannot be terminated by the Group within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISION

The Company maintained directors liability insurance for Directors to protect them from all costs, charges, losses, expenses and liabilities incurred in the execution and discharge of their duties or related thereto pursuant to the applicable laws and within the scope of directors liability insurance. Such provisions were in force during the year ended 31 December 2025 and remain in force as of the date of this report.

DIRECTORS' AND SUPERVISORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, during the Reporting Period, neither the Company nor any of its subsidiaries has entered into any transaction, arrangement or contract (which is effective during or at the end of the Reporting Period) of significance to the business of the Company or its controlling company, subsidiaries and fellow subsidiaries in which any Director or Supervisor or their respective connected entities had material interests.

MANAGEMENT CONTRACT

During the Reporting Period, the Company had not entered into nor was there any contract which was related to the management or administration of the overall business or a material part of the business of the Company.

DIRECTORS' RIGHT IN THE SUBSCRIPTION OF SHARES OR DEBENTURES

During the Reporting Period, no agreement or arrangement was entered into by the Company, the Company's controlling company, subsidiaries or fellow subsidiaries of the Company to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any related corporation of the Company.

EMOLUMENTS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Details of the emoluments of Directors, Supervisors and senior management are set out in Note XVI.3. "Remuneration of Directors, Supervisors and Employees" to the financial statements. The Directors of the Company who serve in Capital Group and its subsidiaries do not receive remuneration from the Company.

Save as disclosed above, during the Reporting Period, there was no arrangement whereby any other Director or Supervisor of the Company waived to receive remuneration from the Company.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2025, none of Directors or chief executives of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation (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 and 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 entered into the register referred to therein, or 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 AND REDEMPTION OF THE LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company (including the sale of treasury shares).

CHANGES IN DIRECTORS AND SUPERVISORS

The term of office of the eighth session of the Board of the Company expired on 13 June 2025 and Mr. Zhang Lei retired as a Director. Upon approval at the 2024 annual general meeting held on the same day, Mr. Li Xiaowei was appointed as a non-executive Director of the ninth session of the Board of the Company. Before the appointment takes effect, Mr. Li Xiaowei confirmed that he had obtained the legal opinion as mentioned in Rule 3.09D of the Hong Kong Listing Rules on 13 June 2025 and understood his duties as a director of the Company. Please refer to the circular dated 16 May 2025 and the announcement dated 13 June 2025 of the Company;

Upon approval at the 2024 annual general meeting of the Company held on 13 June 2025, the Company abolished the Supervisory Committee. On the same day, Mr. Liu Huibin, Ms. Li Xiaomei and Ms. Lu Shasha, supervisors of the eighth session of the Supervisory Committee of the Company, retired as supervisors upon expiry of their terms of office. Please refer to the announcement dated 13 June 2025 of the Company.

Upon approval at the 2025 first extraordinary general meeting of the Company held on 30 December 2025, Mr. Nie Sen was appointed as a non-executive Director of the ninth session of the Board of the Company. Upon approval at the sixth meeting of the ninth session of the Board of the Company held on the same day, Mr. Nie Sen was appointed as the chairman of the ninth session of the Board of the Company, the chairman of the Nomination Committee under the Board and an authorised representative. Before the appointment takes effect, Mr. Nie Sen confirmed that he had obtained the legal opinion as mentioned in Rule 3.09D of the Hong Kong Listing Rules on 30 December 2025 and understood his duties as a Director. On the same day, Ms. Sun Baojie resigned her positions as the chairman of the Board, a non-executive Director, the chairman of the Nomination Committee under the Board and an authorised representative of the Company. Please refer to the announcement dated 30 December 2025 of the Company;

Upon approval at the 2025 first extraordinary general meeting of the Company held on 30 December 2025, Mr. Li Zhen was appointed as a non-executive Director of the ninth session of the Board of the Company. Upon approval at the sixth meeting of the ninth session of the Board of the Company held on the same day, Mr. Li Zhen was appointed as a member of the Audit Committee of the ninth session of the Board of the Company. Before the appointment takes effect, Mr. Li Zhen confirmed that he had obtained the legal opinion as mentioned in Rule 3.09D of the Hong Kong Listing Rules on 30 December 2025 and understood his duties as a Director. On the same day, Ms. Cui Ping resigned her positions as a non-executive Director and a member of the Audit Committee under the Board of the Company. Please refer to the announcement dated 30 December 2025 of the Company.

Save as disclosed above, there was no change in the members of the Board and the Supervisory Committee during the Reporting Period and up to the date of this report.

AUDIT COMMITTEE

The Company has set up an Audit Committee in accordance with the requirements of the Listing Rules to review, supervise and adjust the financial reporting process and internal control of the Group. The Audit Committee comprises two independent non-executive Directors and one non-executive Director.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group with the management of the Company. In addition, the Audit Committee has discussed with the Directors on matters concerning the internal control and financial reporting of the Company, including reviewing the audited consolidated financial statements of the Group for the year of 2025 without dissenting opinions.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the PRC laws or the Articles of Association, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

As at 31 December 2025, bank loans, overdrafts and other borrowings of the Group were Nil.

CONNECTED TRANSACTIONS

Connected transactions of the Group during the Reporting Period are set out as follows:

Transactions — Non-exempt Connected Transactions

1. Non-competition Agreement

The Company entered into a Non-competition Agreement with BYDA on 8 December 2004, pursuant to which, BYDA agreed and procured its subsidiaries and associates not to engage, invest, involve, participate in or own any business which would compete with the business of the Company and granted the Company a pre-emptive right and an option to acquire from BYDA the retained business and certain future business.

During the Reporting Period, no decision was made by the Directors (including the independent non-executive Directors) to exercise or to waive the option and/or pre-emptive right.

2. Property Tenancy Agreements

On 27 February 2025, the Company (as a lessor) entered into the 2025 Beijing Rural Exchange Lease Contract and 2025 BJAI Lease Contract, respectively, with Beijing Rural Exchange and BJAI, pursuant to which, the Company would lease the 19th floor and the 23rd floor of the BYDA Building owned by the Company, respectively, to Beijing Rural Exchange and BJAI, both for a lease term of three years commencing from 1 April 2025 and ending on 31 March 2028. Pursuant to the Property Tenancy Agreements, each of Beijing Rural Exchange and BJAI agreed to lease the 19th floor and the 23rd floor of BYDA Building from the Company, with a gross floor area of 829.53 square meters and 680.98 square meters, respectively.

Pursuant to the Property Tenancy Agreements, BJAI and Beijing Rural Exchange shall pay housing rent of RMB5.2214/day/sq.m. during the tenancy term. The rental payable by BJAI to the Company under the 2025 BJAI Lease Contract is subject to a cap of RMB1,297,819.17 for each of the three years ending 31 March 2028, and the rental payable by Beijing Rural Exchange to the Company under the 2025 Beijing Rural Exchange Lease Contract is subject to a cap of RMB1,580,927.40 for each of the three years ending 31 March 2028. For details, please refer to the announcement of the Company dated 27 February 2025.

Under the Listing Rules, BJAI and Beijing Rural Exchange are subsidiaries of Capital Group, the actual controller of the Company, and therefore, are connected persons of the Company.

During the Reporting Period, the housing rental payments that the Company actually received from BJAI and Beijing Rural Exchange were RMB1,198,440.61 and RMB1,459,870.25, respectively.

CONNECTED TRANSACTIONS *(Continued)*

Transactions — Non-exempt Connected Transactions *(Continued)*

3. Advertising Agency Framework Agreement

The Company and BYDA entered into the 2025 Advertising Agency Framework Agreement on 6 December 2024 for a term of three years with effect from 1 January 2025 to 31 December 2027. Pursuant to the Advertising Agency Framework Agreement, BYDA authorises 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. Pursuant to the Advertising Agency Framework Agreement, prices will be determined based on the contract price as agreed by the Company and BYDA: (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 that 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. The consideration under the Advertising Agency Framework Agreement is payable by cash in a lump sum or by installments according to the specific and separate implementation agreements and funded by the relevant party's internal resources. After considering the current advertising agency service arrangement between the Group and BYDA, it is expected that there will be new transactions under the 2025 Advertising Agency Framework Agreement in relation to the provision of relevant advertising agency services in respect of the "Beijing Youth Daily" Mobile Client and YNET by the Group to the BYDA Group. Therefore, the Board of the Company resolved on 11 December 2025 to further adjust the annual caps from RMB5,000,000 to RMB6,500,000 for each of the three years ending 31 December 2027. Please refer to the announcement of the Company dated 11 December 2025 for details.

BYDA is the controlling Shareholder of the Company and therefore a connected person of the Company under the Listing Rules.

During the Reporting Period, the annual cap for advertising fees payable and actual amount paid by the Group to BYDA Group were RMB6,500,000 and RMB6,054,716.98, respectively.

CONNECTED TRANSACTIONS *(Continued)*

Transactions — Non-exempt Connected Transactions *(Continued)*

4. Comprehensive Service Agreement

On 28 December 2022, the Company entered into the Comprehensive Service Agreement with BYDA for a term from 1 January 2023 to 17 June 2025. Pursuant to the Comprehensive Service Agreement, the Group will provide ancillary services and technical support (the "Comprehensive Services") for the new media business of BYDA Group, including: (i) IT technical services, that is, the Group will provide IT software technology development and maintenance services for the new media business to BYDA Group, including but not limited to applets production, H5 development and the development and production of third-party plugins of each new media business; (ii) design services, that is, the Group provides design schemes and beautification suggestions on the framework, typesetting, art work, function list and other aspects of new media business according to the requirements of BYDA Group; (iii) copywriting planning service, that is, according to the requirements of BYDA Group, the Group provides programme planning, manuscript writing and manuscript editing services for new media business, as well as copywriting and content writing services for related cultural and creative products, etc.; and (iv) other related services, that is, supporting services or derivative services related to the above services. Pursuant to the agreement, the service fee paid by the BYDA Group to the Group shall not be less than the service fee charged for the same or similar services provided by the Group to any third party under the same condition in accordance with the fair market principle. The service fee under the Comprehensive Service Agreement shall be settled by specific new media business, i.e. as the Group provides Comprehensive Services to the BYDA Group for each new media business, a corresponding fee should be charged by taking into account factors such as the unit price of work as well as the time incurred and labour cost (including qualification, level and salary level, etc.) required by such comprehensive service for the new media business. The standard of service fee charged under the Comprehensive Service Agreement should comply with fair market practices and shall not be lower than the prices charged by similar comparable companies in the market under the same conditions: (1) the pricing range for IT technical service is RMB150/person/hour to RMB300/person/hour; (2) the pricing range for design service is RMB100/person/hour to RMB260/person/hour; (3) the pricing range for copywriting planning service is RMB100/person/hour to RMB260/person/hour; (4) other relevant service prices are decided in accordance with the pricing principle of relevant market or industry. The caps for transactions under the Comprehensive Service Agreement for the two years ended 31 December 2024 and the period commencing from 1 January 2025 and ending on 17 June 2025 were set at RMB50,000,000, RMB50,000,000 and RMB25,000,000, respectively. For details, please refer to the announcement dated 28 December 2022 and the circular dated 8 February 2023 of the Company.

BYDA is the controlling Shareholder of the Company, and therefore a connected person of the Company under the Listing Rules.

During the Reporting Period, the cap for the period commencing from 1 January 2025 and ending on 17 June 2025 for comprehensive service fees charged by the Company to BYDA Group was RMB25,000,000, and the actual fees paid were RMB3,124,334.82.

CONNECTED TRANSACTIONS *(Continued)*

Transactions — Non-exempt Connected Transactions *(Continued)*

5. Single Asset Management Contract

On 19 April 2022, the Company entered into the Single Asset Management Contract with Capital Securities and the Custodian Bank for a term from 17 June 2022 to 16 June 2023. Pursuant to the Single Asset Management Contract, Capital Securities shall provide the Company with asset management and investment services in respect of the Entrusted Assets in accordance with the investment scope and investment ratio set out below: the Scheme aims to primarily invest in debt investment products such as fixed-income products (including cash) and can participate in bond repurchase business. In particular, the credit rating of fixed-income products such as corporate bonds, enterprise bonds, mid-term bills and other credit debts to be invested in should be corporate rating (without considering China Bond rating) or bond rating with at least one rating being AA or above; the credit rating of short-term financing bond and ultra-short-term financing bond shall be A-1 or above (in case of no bond rating, the corporate rating shall be AA or above), and the issuers of all such bonds shall be state-owned holding enterprises. The Scheme shall not invest in asset management products other than public securities investment funds, or directly invest in credit assets of commercial banks or finance local government and its departments in violation of regulations. The Company shall pay to Capital Securities (1) the management fee, at 0.2% per annum based on the net asset value of the Entrusted Assets on the previous calendar day, to be accrued on a daily basis and paid on a quarterly basis; and (2) the performance fee, calculated based on the realised gains on investments (i.e. various types of gains obtained from the investment operation of Entrusted Assets, including but not limited to investment bonus, dividends, bond interest, the price difference between buying and selling securities, bank deposit interest and other income) of the Scheme during the performance fee accrual period (i.e. from the commencement of the Scheme to the first performance fee accrual date or the period from each performance fee accrual date to the next performance fee accrual date): if the actual annualised return rate exceeds 3.8% which is the benchmark annualised return rate, then 30% of the excess portion shall be payable by the Company to Capital Securities as performance fee for such performance fee accrual period; if the annualised return rate is lower than or equal to 3.8%, no performance fee for such performance fee accrual period is required to be paid by the Company. In addition, the Company shall pay to the Custodian Bank the custodial fee at 0.05% per annum based on the net asset value of the Entrusted Assets on the previous calendar day, to be accrued on a daily basis. The maximum daily balance of Entrusted Assets managed by Capital Securities for the year ended 16 June 2023 under the Single Asset Management Contract was RMB200,000,000. For details, please refer to the announcement dated 19 April 2022 and the circular dated 26 May 2022 of the Company.

Since the Single Asset Management Contract had expired on 16 June 2023, the Company entered into the supplemental agreement to the Single Asset Management Contract with Capital Securities and the Custodian Bank on 25 April 2023, pursuant to which the Company, Capital Securities and the Custodian Bank agreed to make certain optimization adjustments to the single asset management scheme and extend its term for another three years to 16 June 2026. The Board recommended that, within the extended period of the Single Asset Management Contract, the maximum daily balance of the Entrusted Assets managed by Capital Securities shall not exceed RMB200,000,000.

Under the Listing Rules, Capital Securities is a subsidiary of Capital Group, the actual controller of the Company, and therefore is a connected person of the Company.

During the Reporting Period, the actual maximum daily balance of Entrusted Assets entrusted by the Company to Capital Securities was RMB141,868,724.51.

CONNECTED TRANSACTIONS *(Continued)*

Transactions — Non-exempt Connected Transactions *(Continued)*

6. Exclusive Concession Rights Agreements

On 11 December 2023, the Company entered into the 2024 and 2025 Exclusive Concession Rights Agreements with Beijing MTR and its wholly owned subsidiary, Beijing MTR17, pursuant to which the Company was granted the exclusive rights to use and operate the major advertising resources in Beijing Metro Line 4 and Daxing Line and the northern section of Beijing Metro Line 17, for a period of two years commencing from 1 January 2024 and ending on 31 December 2025. In terms of the above arrangements, the Company shall pay concession fees to Beijing MTR and Beijing MTR17 on the basis of "guarantee fees + extra revenue commission fees"; among which, for the guarantee fees, the guaranteed fees for the first operating year of exclusive concession for the Beijing Metro Line 4, Daxing Line and the northern section of Beijing Metro Line 17 are RMB18.63 million, RMB4.70 million and RMB3.67 million, respectively, with an annual increment of 2%; and extra revenue commission fees will be calculated based on the actual advertising revenue and on a stepwise basis according to the relevant formula. The above transaction enables the Group to enrich its outdoor advertising business, take advantage of its main business of convergence media advertising sales and the major advertising resources of the relevant metro lines, so as to increase its operating income and generate better returns to Shareholders. For details of the above transaction, please refer to the announcement dated 11 December 2023 and circular dated 14 December 2023 of the Company.

Given the above Exclusive Concession Rights would expire at the end of 2025, on 11 December 2025, the Company entered into the 2026 Exclusive Concession Rights Agreements with Beijing MTR and Beijing MTR17, respectively, pursuant to which, (i) the above exclusive advertising concession operating period will be extended for a year to 31 December 2026; (ii) considering the middle section of Beijing Metro Line 17 operated by Beijing MTR17 will be opened which connects the entire line for full operation at the end of 2025, the exclusive concession operating scope in 2026 will cover the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line and in the entire Beijing Metro Line 17; (iii) the pricing basis for Concession Fees is optimized while retaining the original "guaranteed fees + extra revenue commission fees" regime. For guaranteed fees: the relevant lines will no longer be divided into sections with individually negotiated and accounted guaranteed fees; instead, a unified guaranteed fee for the entire line will be agreed upon and accounted for on the basis of the total actual advertising revenue of the entire line. For extra revenue commission fees: the calculation benchmark will no longer be the total actual advertising revenue; rather 92% of the actual advertising revenue (equivalent to the actual advertising revenue after deducting the estimated production costs) will serve as the basis for calculating the extra revenue commission fees; and (iv) other relevant arrangements under the 2024–2025 Exclusive Advertising Agency Agreements remain unchanged. During the operating period of the 2026 Exclusive Concession Rights Agreements, the guaranteed amount for the exclusive concession year for Beijing Metro Line 4, Daxing Line and the entire Line 17 was RMB24,272,532 (tax inclusive) and RMB4,424,268 (tax inclusive), respectively. For details of the above transaction, please refer to the announcement dated 11 December 2025 and circular dated 16 December 2025 of the Company.

Under the Listing Rules, Beijing MTR and Beijing MTR17 are 30%-owned investees of Capital Group, the actual controller of the Company, and therefore are connected persons of the Company.

During the Reporting Period, the concession fees paid by the Company to Beijing MTR and Beijing MTR17 was RMB25,057,652.76.

The Company has confirmed that the execution and enforcement of the implementation agreements under the continuing connected transactions set above for the year ended 31 December 2025 have followed the pricing principles of such continuing connected transactions.

CONNECTED TRANSACTIONS *(Continued)*

Transactions — Non-exempt Connected Transactions *(Continued)*

6. *Exclusive Concession Rights Agreements (Continued)*

The Directors (including the independent non-executive Directors), after reviewing the above continuing connected transactions in item 2 to item 6, have confirmed to the Board that these transactions were: (A) entered into during the usual and ordinary course of business of the Group (except for the transaction in item 5); (B) based on normal commercial terms or better terms; and (C) based on agreements regulating relevant transactions, on fair and reasonable terms, in the interests of the Company and the Shareholders as a whole and have not exceeded any cap for the aforesaid transactions.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with No. 3101 of the Chinese Institute of Certified Public Accountants Other Verifying Business Standards — Verifying Businesses Other Than the Audit or Review of Historical Financial Information issued by the Ministry of Finance of the PRC and with reference to Practice Note 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group above pursuant to Rule 14A.56 of the Listing Rules, that (i) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board of the Company; (ii) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in any material respect, in accordance with the pricing policies of the Group; (iii) nothing has come to their attention that causes them to believe that the transactions were not entered into, in any material respect, in accordance with the relevant agreements governing such transactions; and (iv) with respect to the aggregate amount of each of the continuing connected transactions, nothing has come to their attention that causes them to believe that the amount of each of the continuing connected transactions has exceeded the annual cap set by the Company.

Save as disclosed above, there is no related party transaction or continuing related party transaction included in Note XIII.7. "RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION" to the financial statements that constitutes a disclosable connected transaction or continuing connected transaction under the Listing Rules. During the Reporting Period, the Company has complied with Chapter 14A of the Listing Rules in respect of the disclosure of its connected transactions and continuing connected transactions.

MATERIAL LITIGATION

To the knowledge of the Directors, as at 31 December 2025, the Company was not involved in any material litigation, arbitration or claim and there was no material legal action or claim that is outstanding or may arise or occur, which may pose material threat to the business and financial condition of the Group.

RETIREMENT SCHEME

All the full-time employees of the Group are covered by a government-managed retirement benefit scheme under which the employees are entitled to an annual pension equal to their basic salaries upon their retirement. The PRC government is responsible for payment of the pension. The Group was required to make defined contributions to the pension scheme at the rate of 16% of the employees' basic salaries for the year ended 31 December 2025 (2024: 16%), which is subject to certain caps as required by the relevant local government. Under this scheme, the Group has no obligation for other retirement benefit besides the annual contributions.

STAFF

The Group is committed to building and cultivating a diversified and high-quality talent team, maintains a working environment for diversified development, strictly forbids discrimination on the basis of gender, region, religion and nationality, etc. during recruitment, and treats different types of employees equally. As at 31 December 2025, the Group had a total of 212 staff members (31 December 2024: 335) including 135 female staff members and 77 male staff members, accounting for 63.68% and 36.32% of the total staff members, respectively. The decrease in the number of staff as compared with 2024 was mainly due to the business adjustment of the Company and its subsidiaries as well as organisational structure adjustments and headcount optimisation. Differences in staff backgrounds, job requirements, and other factors are the main influences on gender diversity within the workforce. During the Reporting Period, the Group's employee remuneration amounted to approximately RMB83,890 thousand in total. The staff remuneration and benefits of the Group are both determined by reference to market rates, national policies and individual performance. The Group actively encouraged the self-development of the employees, and carried out abundant staff training activities. In 2025, the Group carried out various training programs on management skills of middle level cadres, financial management, connected transactions and listing compliance, legal compliance, new media business and metro advertising business, to enhance the overall quality of staff from management, business and compliance perspectives.

REMUNERATION POLICY

The Company has set up the Remuneration Committee under the Board, which is responsible for formulating the remuneration policy and making proposal regarding the remunerations of the Directors and senior management of the Company to the Board. The remunerations of the Directors of the Company are determined by the Remuneration Committee as authorised by the general meeting of the Company. The remuneration policy of the Company is determined and realised according to the duties of the Directors and senior management and the Company's operating performance.

Position-based remuneration system was adopted for general management staff and their remuneration was determined according to the relative importance of the positions, the responsibilities assumed in the positions and other factors. Various salary models such as performance linked and piece rate wage model were adopted respectively for other employees based on the types of employees and their job nature.

The Company stringently controlled the overall salary amount management of its controlled subsidiaries and its wholly-owned subsidiaries in accordance with the applicable policy requirements of the PRC government. It sought to maintain an appropriate balance between salary increase and the growth in economic benefits, in order to achieve a win-win situation among Shareholders, management and employees and to facilitate the harmonious development of the enterprise.

The Company paid certain housing provident funds and social security funds on behalf of employees on a monthly basis, according to the relevant national and local laws and regulations on labour affairs and social security. In particular, social security funds include pension insurance, medical insurance, unemployment insurance, maternity insurance and work injury insurance, etc.

AUDITOR

ShineWing Certified Public Accountants (Special General Partnership) has served as the auditor of the Company since 2024, which shall audit the financial statements of the Company in accordance with the China Auditing Standards and take on the duties of international auditor under the Listing Rules. The Audit Committee was authorised to determine auditor's remuneration.

The consolidated financial statements of the Company for the year of 2025 prepared in accordance with the China Accounting Standards were audited by ShineWing Certified Public Accountants (Special General Partnership), the auditor of the Company.

TAXATION

According to the Law on Corporate Income Tax of the PRC which came into effect on 1 January 2008, Implementing Regulations of the Law on Corporate Income Tax of the PRC and other relevant rules, the Company is required to withhold corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise Shareholders as appearing on the H Shares register of members of the Company. Any shares registered in the name of the non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise Shareholders and therefore their dividends receivable will be subject to the withholding of the corporate income tax. Pursuant to Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guo Shui Fa [1993] No. 045 Document issued by the State Administration of Tax on 28 June 2011, the dividend to be distributed by the PRC non-foreign invested enterprises whose shares have been issued in Hong Kong to the overseas resident individual shareholders is subject to individual income tax with a tax rate of 10% in general. However, the tax rates for respective overseas resident individual shareholders may vary depending on the relevant tax agreements between the countries where they are residing and Mainland China.

By order of the Board
Nie Sen
Chairman of the Board

20 March 2026
Beijing, the PRC

1. OVERVIEW OF CORPORATE GOVERNANCE

The Company always attaches primary priority to the implementation of a well-established, sound and rational corporate governance framework. Currently, the corporate governance documents of the Company include but are not limited to the following documents:

(1) Articles of Association of Beijing Media Corporation Limited;

(2) Internal Control Handbook of Beijing Media Corporation Limited, including but are not limited to the following policies and procedures:

- Procedures of Disclosure and Inspection of Connected Transactions;
- Procedures of Internal Fraud Management; and
- Procedures of Investors Relationship Management.

The Board has reviewed the corporate governance documents adopted by the Company and believed that such documents are in compliance with all the requirements of code provisions set out in the Corporate Governance Code under Appendix C1 to the Listing Rules.

2. CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has been in compliance with the code provisions set out in the Corporate Governance Code under Appendix C1 to the Listing Rules.

3. COMPLIANCE WITH THE MODEL CODE

In respect of securities transactions of Directors and Supervisors, 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 its Directors and Supervisors. Having made sufficient enquiries to Directors and Supervisors, all Directors and Supervisors confirmed that they have complied with the required standards under the Model Code during the Reporting Period.

4. THE BOARD

The list below shows the composition of the Board and relevant information as at 31 December 2025:

Name	Gender	Age	Other positions in the Company	Term of directorship	Whether to receive remuneration from the Company
Executive Directors					
Jing Enji	M	53	President	From 13 June 2025 to the 2027 annual general meeting of the Company	No
Wu Min	F	49	Vice president	From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Non-executive Directors					
Nie Sen	M	40	Chairman	From 30 December 2025 to the 2027 annual general meeting of the Company	No
Wang Hao	M	43		From 13 June 2025 to the 2027 annual general meeting of the Company	No
Li Zhen	M	36		From 30 December 2025 to the 2027 annual general meeting of the Company	No
Li Xiaowei	M	54		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Wang Zechen	M	52		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Independent Non-executive Directors					
Shi Hongying	F	54		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Chan Yee Ping, Michael	M	49		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Du Guoqing	F	54		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes
Kong Weiping	M	56		From 13 June 2025 to the 2027 annual general meeting of the Company	Yes

4. THE BOARD *(Continued)*

The Board is a standing decision-making body of the Company, and responsible for steering and supervising the Company in an accountable and efficiency-oriented manner. All Directors are obliged to act in the best interests of the Company. All members of the Board acknowledged that they shall take joint responsibility to all the Shareholders for the management, supervision and operations of the Company.

The Company confirms that the Board is primarily responsible for making decisions on the following matters:

- determination of the operational plan and investment proposals of the Company;
- formulation of the annual budget and budget implementation proposals of the Company;
- formulation of proposals on profit distribution and recovery of losses of the Company;
- formulation of proposals on increasing or reducing registered capital and issuance of corporate bonds of the Company;
- formulation of proposals on the mergers, spin-off or winding-up of the Company;
- determination on the internal management structure of the Company;
- appointment or removal of the president of the Company, appointment or removal of the vice president and other senior management members (including the financial controller) as nominated by the president, and determination of their respective remuneration;
- setting up the basic management systems of the Company;
- formulation of proposals for amendments to Articles of Association; and
- formulation of proposals for material acquisitions or disposals of the Company.

4. THE BOARD *(Continued)*

The Company confirms that the management is primarily responsible for making decisions and performing daily management on the following matters:

- formulation of proposal for the internal management structure of the Company;
- formulation of proposal for the basic management systems of the Company;
- formulation of the basic regulations of the Company;
- recommendation on appointment or removal of other senior management members (including the financial controller) of the Company;
- appointment or removal of chief officers other than those subject to the appointment and removal by the Board;
- formulation of proposal on the branch structure and determination on establishment of branches of the Company; and
- appointment, replacement and recommendation on the shareholder's representatives, directors of subsidiaries or associated companies of the Company.

During the Reporting Period, the composition of the Board has at all times been in compliance with Rule 3.10(1) of the Listing Rules which requires a minimum of three independent non-executive directors on board, with Rule 3.10A of the Listing Rules which requires independent non-executive directors to represent at least one-third of the board, and with Rule 3.10(2) of the Listing Rules which requires that at least one of the independent non-executive directors must possess appropriate professional qualification, or accounting or relevant financial management expertise. All Directors have diversified education and culture background and occupation experience, and possess extensive professional knowledge and management experience in fields such as advertising and media industry, corporate governance, accounting and financial management. The achieved diversity in the Board composition shall be helpful to inject different views and facilitate the performance of the Board.

The Company has established a number of mechanisms to ensure that the Board has access to independent views and opinions to promote the steady development of the Company. The relevant mechanisms are set out in the Rules of Procedure of the Board and the Articles of Association of the Company and will be reviewed by the Board from time to time to ensure their reasonableness and effectiveness.

4. THE BOARD *(Continued)*

With respect to the structure, size and composition of the Board, the Company stipulates the minimum proportion and number of independent non-executive Directors of the Board to ensure a balanced composition of the Company's executive Directors, non-executive Directors and independent non-executive Directors so that the Board maintains a strong independent element. The Company will inspect the independence, professional qualifications, past experience and experience of independent non-executive Directors to ensure that independent non-executive Directors have sufficient talent, vision and opportunity to provide influential independent opinions, so as to ensure that the Board has a multi-perspective direction of thought in decision-making.

The Company has also established a guarantee mechanism for Directors to perform their duties to create good conditions for the Board to obtain independent views and opinions. Notice of Board meeting and meeting documents shall be delivered to all Directors and Supervisors in advance to allow time for Directors to understand the content of the meeting and form independent views. Where appropriate, the secretary to the Board should seek independent professional advice for Directors on their needs in performing their responsibilities in the Company, providing an effective channel for diversified views. For independent non-executive Directors, the relevant rules also include the right of information of independent non-executive Directors and the Company's inability to remove independent non-executive Directors without cause.

Besides, independent non-executive Directors also play a crucial role in matters reviewed or approved by the Board. If a substantial Shareholder or a Director has a material conflict of interest in a matter to be considered by the Board, a Board meeting shall be held for the related matter as required by the Company, and an independent non-executive Director who has no material interest in such matter is required to attend the Board meeting in order to enable real-time exchange of views between the independent non-executive Director and other Directors. If the transaction is a major connected transaction, it needs to be approved by independent non-executive Directors before it can be submitted to the Board for discussion to safeguard the interests of the Company as a whole. Independent non-executive Directors are also entitled to express independent opinions to the Board on a number of matters, including the appointment and removal of Directors, the appointment and removal of senior management, remuneration, etc.

The Board considers the implementation of the above mechanisms to be effective. The balanced structure of the Board, the efficient and transparent performance of Directors' deliberations, the protection of remuneration and appointment of non-executive Directors, combined with the conflict management mechanism of transactions, can ensure that the Board obtains independent views and opinions.

4. THE BOARD *(Continued)*

A total of nine Board meetings were convened during the Reporting Period, and the attendance rates of individual Directors at Board meetings are as follows:

	Attendance in person *(attendance rate)*	**Attendance by proxy** *(attendance rate)*
Executive Directors		
Jing Enji	9/9	—
Wu Min	9/9	—
Non-executive Directors		
Sun Baojie	6/8	2/8
Nie Sen	1/1	—
Cui Ping	7/8	1/8
Wang Hao	8/9	1/9
Zhang Lei	1/3	2/3
Li Xiaowei	6/6	—
Wang Zechen	9/9	—
Li Zhen	1/1	—
Independent non-executive Directors		
Shi Hongying	9/9	—
Chan Yee Ping, Michael	9/9	—
Du Guoqing	9/9	—
Kong Weiping	9/9	—

The Company has received the annual confirmation letter from each of the independent non-executive Directors confirming their compliance with the independence requirements set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

During the Reporting Period, in order to ensure that all Directors of the Company (including current and resigned Directors Jing Enji, Wu Min, Sun Baojie, Nie Sen, Cui Ping, Li Zhen, Wang Hao, Zhang Lei, Li Xiaowei, Wang Zechen, Shi Hongying, Chan Yee Ping, Michael, Du Guoqing and Kong Weiping) continue to contribute to the Board with comprehensive information under appropriate situation, all of them actively participated in continuing professional development to develop and update their knowledge and skills. The Company regularly provided the Directors with Hong Kong Capital Market Regulatory Highlights and other relevant materials from the legal advisor, so that they were informed of the latest regulatory issues, punishment precedents and relevant regulatory documents of the Hong Kong capital market, and organised the legal advisor to provide professional trainings. During the Reporting Period, all the above Directors have actively participated in the Hong Kong capital market compliance training and trainings on the continuous obligations and violation punishments of directors of listed company from the legal advisor.

Members of the Board, Supervisory Committee and senior management did not have any financial, business, family or other material relationship with each other save for working relationship in the Company.

4. THE BOARD *(Continued)*

The Company convened two general meetings during the Reporting Period, and the attendance rates of individual Directors at the general meeting are as follows:

	Attendance in person *(attendance rate)*	Attendance by proxy *(attendance rate)*
Executive Directors		
Jing Enji	2/2	—
Wu Min	2/2	—
Non-executive Directors		
Sun Baojie	1/2	—
Cui Ping	1/2	—
Wang Hao	2/2	—
Li Xiaowei	1/1	—
Zhang Lei	1/1	—
Wang Zechen	2/2	—
Independent non-executive Directors		
Shi Hongying	2/2	—
Chan Yee Ping, Michael	2/2	—
Du Guoqing	2/2	—
Kong Weiping	2/2	—

5. CHAIRMAN AND PRESIDENT

During the Reporting Period, the roles of chairman and president of the Company were performed by different individuals. As at 31 December 2025, Mr. Nie Sen and Mr. Jing Enji took the positions of chairman and president of the Company, respectively.

The two posts of the chairman and president are separate and distinct. The chairman does not assume the post of president of the Company simultaneously. Distinct written terms of reference have been adopted for these two posts. The chairman shall be responsible for overseeing the operation of the Board, while the president shall oversee the business operations of the Company. Please refer to the respective roles of the chairman and president set out in Article 102 and Article 114 of the Articles of Association of the Company for details.

6. NON-EXECUTIVE DIRECTORS

Pursuant to the Articles of Association, non-executive Directors are appointed for a term of three years.

Independent non-executive Directors are appointed for a term of three years which is renewable upon re-election. Independent non-executive Directors may not be removed without legitimate cause before expiry of their terms. Where an independent non-executive Director is removed from office before expiry of his term, the matter shall be disclosed by the Company as a special issue.

7. REMUNERATION COMMITTEE

The Remuneration Committee currently comprises two independent non-executive Directors and one non-executive Director. The Remuneration Committee is chaired by Ms. Shi Hongying with Mr. Wang Hao and Ms. Du Guoqing as members.

The Remuneration Committee consults the chairman and/or president on the remuneration of other executive Directors and seeks assistance and/or advice from external professional advisors on related matters when considered necessary. For details of the basis of remuneration of Directors, please refer to Note XVI.3. "Remuneration of Directors, Supervisors and Employees" to the financial statements. The principal duties of the Remuneration Committee include but are not limited to:

- to advise the Board on setting up formal and transparent procedures in respect of the determination of remuneration policy and structure for the Directors and senior management members of the Company;
- to advise the Board on the remuneration of individual executive Directors and senior management;
- to advise the Board on the remuneration of non-executive Directors;
- to review and approve the management's remuneration proposals with reference to the corporate goals and objectives established by the Board;
- to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct or any compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment;
- to ensure that the Board reviews its performance on a regular basis; and
- to ensure that the Directors or any of their associates are not involved in the determination of their own remuneration.

7. REMUNERATION COMMITTEE *(Continued)*

Two meetings of the Remuneration Committee were convened during the Reporting Period, and the attendance rates of individual members at the meetings of the Remuneration Committee are as follows:

	Attendance in person *(attendance rate)*	**Attendance by proxy** *(attendance rate)*
Shi Hongying	2/2	—
Du Guoqing	2/2	—
Wang Hao	2/2	—

Notes:

The Remuneration Committee held a meeting on 13 June 2025, at which it considered and approved the resolution on service remuneration for executive Directors, non-executive Directors and independent non-executive Directors of the Company.

The Remuneration Committee held a meeting on 29 December 2025, at which it considered and approved the resolution on performance-based annual salary for executive Directors and senior management of the Company.

8. NOMINATION COMMITTEE

The Board has set up a Nomination Committee comprising one non-executive Director and two independent non-executive Directors. The Nomination Committee was chaired by Mr. Nie Sen, the chairman of the Board of the Company, with Ms. Shi Hongying and Ms. Du Guoqing as members.

The principal duties of the Nomination Committee include but are not limited to:

(a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least once a year and make recommendations regarding any proposed changes in the Board in line with the Company's corporate strategy;

(b) to identify individuals suitably qualified to become Directors, select and nominate candidates of Directors or make recommendations to the Board in this regard;

(c) to assess the independence of independent non-executive Directors; and

(d) to formulate criteria, procedures and methods for selecting candidates for Directors and senior management of the Company and its investees and make recommendations to the Board.

The Nomination Committee attaches importance to the diversity of Board composition, the Company has formulated a board diversity policy (as detailed in "BOARD DIVERSITY POLICY"), and believes that such diversity is beneficial to the Board as well as the Company. While reviewing and evaluating the Board composition and making recommendations to the Board on appointment of new Directors, the Nomination Committee shall take account of the benefits of diversity in various aspects, in order to maintain an appropriate scope and the balance between expertise, skills, experience and background of the Board members. The Nomination Committee discusses all the measurable targets to realise the diversity of Board composition each year. The Company has developed a nomination policy in respect of the nomination of Directors. The appointment of new Directors shall be first considered by the Nomination Committee. In considering the appointment of Directors, the Nomination Committee applies standards such as the board diversity policy. The recommendations of the Nomination Committee shall be then submitted to the Board for consideration and approval. The appointment of any Directors by the Board shall be subject to the approval at the general meeting.

8. NOMINATION COMMITTEE *(Continued)*

Three meetings of the Nomination Committee were convened during the Reporting Period, and the attendance rates of individual members at the meetings of the Nomination Committee are as follows:

	Attendance in person *(attendance rate)*	**Attendance by proxy** *(attendance rate)*
Sun Baojie	3/3	—
Nie Sen	—	—
Shi Hongying	3/3	—
Du Guoqing	3/3	—

Notes:

The Nomination Committee held a meeting on 16 May 2025 at which it discussed and passed the resolution to nominate candidates for executive directors, non-executive directors and independent non-executive directors for the ninth session of the Board of the Company.

The Nomination Committee held a meeting on 14 July 2025 at which it discussed and passed the resolution to nominate the chief accountant of the Company.

The Nomination Committee held a meeting on 1 December 2025 at which it discussed and passed the resolution to nominate the candidates for non-executive directors of the Company.

9. AUDIT COMMITTEE

The Board has set up an Audit Committee comprising one non-executive Director and two independent non-executive Directors. The Audit Committee was chaired by Mr. Chan Yee Ping, Michael, with Mr. Li Zhen and Mr. Kong Weiping as members.

The principal duties of the Audit Committee include but are not limited to:

- to be responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor and to deal with any questions of its resignation or dismissal;

- to examine annual audit plan submitted by the external auditor and provide opinions;

- to review and monitor the external auditor's independence and objectivity;

- to formulate and implement policies regarding the engagement of an external auditor to provide non-audit services;

- to monitor the integrity of financial statements of the Company and its annual reports, accounts, half-year reports and, if prepared for publication, quarterly reports, and to review significant opinion regarding financial reporting contained in the statements and reports;

9. AUDIT COMMITTEE *(Continued)*

- to review the Company's financial control, internal control and risk management systems;
- to discuss with the management in relation to system of internal control to ensure that the management has discharged its duty to set up an effective internal control system; and
- to review the Company's financial and accounting policies and practices.

Under code provision of the Corporate Governance Code, the terms of reference of the Audit Committee shall at least include reviewing the risk management and internal control systems of the issuer; discussing with the management in relation to the risk management and internal control systems, to ensure the management has established an effective internal control system according to their duties; and upon its own initiative or appointed by the Board, considering major investigation findings on risk management and internal control matters and the management's response to these findings. The Audit Committee of the Company has reviewed the risk management and internal control systems of the Group during the Reporting Period, and has discussed with the management in relation to the risk management and internal control systems, and has been able to, upon its own initiative or appointed by the Board, consider major investigation findings on risk management and internal control matters and the management's response to these findings.

The Audit Committee will seek assistance and/or advice from external professional advisors in respect of relevant matters when considered necessary.

Three meetings of the Audit Committee were convened during the Reporting Period, and the attendance rate of individual members at the meetings of the Audit Committee is as follows:

	Attendance in person *(attendance rate)*	**Attendance by proxy** *(attendance rate)*
Chan Yee Ping, Michael	3/3	—
Cui Ping	3/3	—
Li Zhen	—	—
Kong Weiping	3/3	—

Notes:

The Audit Committee of the Board of the Company held a meeting on 21 March 2025, at which it considered and approved the results of the Group for the year of 2024 and the annual report of the Group for the year of 2024; reviewed and assessed the risk management and internal control systems as well as the effectiveness of the internal audit function of the Group for the year ended 31 December 2024; and considered and approved the resolution to reappoint ShineWing Certified Public Accountants (Special General Partnership) as the auditor of Beijing Media Corporation Limited for the year 2025.

The Audit Committee of the Board of the Company held a meeting on 22 August 2025, at which it considered and approved the results of the Group for the first half of 2025 and the interim report of the Group for the first half of 2025 and the resolution on determination of the auditor's remuneration for the year 2025 of the Company; and reviewed and evaluated the risk management and internal control systems as well as the effectiveness of the internal audit function of the Group for the six months ended 30 June 2025.

9. AUDIT COMMITTEE *(Continued)*

The Audit Committee of the Board of the Company held a meeting on 1 December 2025, at which it considered and passed the resolution to amend the "Accountability Measures for Non-compliance Operations and Investments of Beijing Media Corporation Limited" (《北青傳媒股份有限公司違規經營投資責任追究辦法》) and the resolution to formulate the "2025 Annual Work Summary and 2026 Annual Work Plan for Internal Audit of Beijing Media Corporation Limited" (《北青傳媒股份有限公司內部審計工作2025年度工作總結及2026年度工作計劃》).

The Company has been in full compliance with the requirements of Rule 3.21 of the Listing Rules throughout the period from its listing on the Hong Kong Stock Exchange up to 31 December 2025.

The Board is responsible for overseeing the preparation of financial statements for each financial period, so that the financial statements give a true and fair view of the operating position, results and cash flow of the Company during the period. When preparing the financial statements for the year ended 31 December 2025, the Board has (1) selected and consistently applied appropriate accounting policies; (2) approved the adoption of all standards in line with the China Accounting Standards; and (3) made appropriate judgments and estimates in a prudent manner and adopted a going concern basis for the preparation of financial statements. For the statement of reporting responsibility issued by ShineWing Certified Public Accountants (Special General Partnership) (信永中和會計師事務所(特殊普通合夥)), the auditor of the Company, please refer to the Report of the Auditor set out in this annual report.

10. REMUNERATION OF THE AUDITOR

The Company appointed ShineWing Certified Public Accountants (Special General Partnership) as the auditor for the year 2025. As at 31 December 2025, annual fees for the audit services provided by ShineWing Certified Public Accountants (Special General Partnership) to the Company amounted to RMB900 thousand. The fees for providing special audit services and non-audit services to the Group amounted to RMB0.

11. COMPANY SECRETARIES

Ms. Liu Jia and Mr. Yu Leung Fai, the joint company secretaries of the Company, have each confirmed that they completed no less than 15 hours of relevant professional training during the Reporting Period.

12. RIGHTS OF SHAREHOLDER

The Board and senior management of the Company understand that they represent the interests of the Shareholders as a whole. As such, they take safeguarding the value of shares, maintaining the steady level and sustained growth of the investment return and enhancing the competitiveness of the business as a priority.

Pursuant to the Articles of Association, an extraordinary general meeting shall be convened within two months upon request in writing by Shareholders holding individually or jointly 3% or above of the outstanding shares of the Company carrying voting rights, where shareholdings of the Shareholders shall be determined as on the date of submission of the relevant written request.

The relevant documents must state the purposes of the general meeting and be noticed to all Shareholders.

The Shareholders may raise enquiries to the Board, and the Company shall provide sufficient contact information (for details, please refer to the Company's website: www.bjmedia.com.cn) to ensure that Shareholders' enquiries are properly handled. The Shareholders may raise their relevant proposals directly at the general meeting.

13. INVESTOR RELATIONS

(1) Material amendments to the Articles of Association

As approved at the 2024 annual general meeting of the Company convened on 13 June 2025, the Company has made certain amendments to the Articles of Association to reflect (i) the abolition of the Supervisory Committee and the transfer of its relevant authorities to the Audit Committee of the Board; (ii) the further enhancement of content related to Party building; and (iii) modifications to the business scope in accordance with the need of business development and relevant regulatory requirements. For details, please refer to the announcement dated 16 May 2025 and the circular dated 23 May 2025 published by the Company on the websites of the Hong Kong Stock Exchange and the Company.

(2) General meetings

During the Reporting Period, the Company convened one annual general meeting and one extraordinary general meeting.

The 2024 annual general meeting was held at 2:00 p.m. on 13 June 2025 at Conference Room 704, 7th Floor, Beijing Youth Daily Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC, where resolutions in relation to the Report of the Directors for the year ended 31 December 2024, the Report of the Supervisors for the year ended 31 December 2024, the audited financial statements for the year ended 31 December 2024, the consolidated annual financial budget of the Company for 2025, the appointment of ShineWing Certified Public Accountants (Special General Partnership) as the auditor of the Company for the year of 2025 and the authorisation of the Audit Committee of the Board of the Company to determine its remuneration, the abolishment of the Supervisory Committee, re-election of Ms. Sun Baojie as a non-executive director of the Company, re-election of Mr. Jing Enji as the executive director of the Company, re-election of Ms. Cui Ping as a non-executive director of the Company, re-election of Mr. Wang Hao as a non-executive director of the Company, re-election of Ms. Wu Min as an executive director of the Company, appointment of Mr. Li Xiaowei as a non-executive director of the Company, re-election of Mr. Wang Zechen as a non-executive director of the Company, re-election of Ms. Shi Hongying as an independent non-executive director of the Company, re-election of Mr. Chan Yee Ping, Michael as an independent non-executive director of the Company, re-election of Ms. Du Guoqing as an independent non-executive director of the Company, re-election of Mr. Kong Weiping as an independent non-executive director of the Company and the amendments to the Articles of Association of the Company were considered and approved. Please refer to the announcement of the Company dated 13 June 2025 for details.

The first extraordinary general meeting of 2025 was held at 2:00 p.m. on 30 December 2025 at Conference Room 704, 7th Floor, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC, where the resolution in relation to Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and Beijing Metro Line 17 Exclusive Concession Rights Agreement dated 11 December 2025 and entered into between the Company and Beijing MTR Corporation Limited and Beijing Jinggang Line 17 Metro Co., Ltd., respectively, the resolution to approve the appointment of Mr. Nie Sen as a non-executive director of the Company and the resolution to approve the appointment of Mr. Li Zhen as a non-executive director of the Company were considered and approved. Please refer to the announcement of the Company dated 30 December 2025 for details.

13. INVESTOR RELATIONS *(Continued)*

(3) Important matters for Shareholders for the financial year of 2025

The 2025 annual general meeting of the Company will be held at 2:00 p.m. on Friday, 26 June 2026 at Conference Room 704, 7th Floor, Beijing Youth Daily Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC.

(4) Market value of public float

The highest and lowest trading prices of the Company's H Shares during 2025 were HKD0.86 and HKD0.325 per share respectively. On 31 December 2025 (the last trading day in 2025), the trading volume was 1,000 shares and the closing price was HKD0.51 per share.

14. RISK MANAGEMENT AND INTERNAL CONTROL

- Risk management and internal control systems

The Company has set up a complete set of risk management and internal control systems according to the requirements of the Corporate Governance Code in Appendix C1 to the Listing Rules. The internal structure was comparatively scientific and the design of risk management and internal control systems was proper. The Company has set up a relatively rigorous decision-making mechanism, implementation mechanism and supervision mechanism. The Company has continued to make efforts to strengthen and improve its risk management and internal control systems as well as enhance the control procedures, so as to improve operating efficiencies and reduce operating risks. The Board is responsible for the risk management and internal control systems and shall maintain the reliability and effectiveness thereof in order to protect the interests of the Shareholders and the assets of the Company. The risk management and internal control systems aim at managing rather than eliminating the risk of failure to meet the business goals, and they can only make a reasonable rather than absolute assurance against material misstatements or losses.

Through the Audit Committee, the Board has regularly reviewed and monitored the effectiveness of the internal control and risk management systems, confirmed those areas which can be improved and taken appropriate measures to ensure that the major business and operational risks can be recognised and handled, and ensured that systems are complete and adequate. If a serious internal control defect is discovered during the review processes of the risk management and internal control systems, the Company will focus on the major work objectives and the areas of major business risks of the year to address the major annual risks identified through assessment, by refining risk control measures, timely tracking the effectiveness of risk control, and specifying the responsible persons and their duties.

14. RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

- Risk management and internal control systems *(Continued)*

  The Company is committed to setting up complete risk management and internal control systems, including the Board, the Audit Committee under the Board, the management, legal and audit department and other departments of the Company. The monitoring and the internal control measures of management at different levels of the Company are the first defense of risk management and internal control; the senior management (including risk management and financial control) of the Company is the second defense of risk management and internal control; the Audit Committee under the Board and legal and audit department are the third defense of risk management and internal control. As an independent monitoring department, the legal and audit department carries out internal audit of the risk management system of the Company. The president of the Company represents the highest authority of contact for all departments, reports to the Board in respect of all departmental operations effectively and promotes proper decision-making of the Company to cater for and coordinate various requests of the departments. As such, any matter of a material nature discovered by the staff (e.g. disclosable matters) can be reported to the decision-making management of the Company in a prompt, accurate and efficient manner. On the other hand, decisions of the Company's management can be implemented and supervised in an accurate, prompt and consistent manner. The Board undertakes the ultimate responsibility of the establishment and improvements of the risk management and internal control systems of the Company as well as the effective implementation of the risk management work, and the Board is also the highest decision-making body of risk management and internal control of the Company.

  If the risk management and internal control systems are implemented effectively, it will contribute to ensure the orderly operations and management and effective risk control of the Company, thereby safeguarding the safety and integrity of the Company's properties, maintaining proper accounting records and ensuring each transaction is conducted under authorization of the management, so as to attain the Company's goal of operation and management.

  The legal and audit department of the Company conducts independent review on the sufficiency and effectiveness of the risk management and internal control system, and the review plan and risk evaluation are discussed and determined by the Audit Committee annually. At each meeting held regularly in the whole year, the legal and audit department of the Company shall report to the Audit Committee the working results about whether there is sufficient internal control and its effectiveness in the previous reporting period, including but not limited to pointing out any failure to implement such internal monitoring procedures or the major weaknesses of any procedure. The audit method that focuses on risk control has been adopted by the legal and audit department of the Company. The annual working plan of the legal and audit department of the Company covers all the main tasks and procedures of all the operational, business and service units, and carries out special review according to the requirements of the management, of which the review results would be given to the Audit Committee. The legal and audit department shall monitor affairs regarding review, and follow up such affairs afterwards so as to facilitate proper implementation thereof, and shall report its progress to the Audit Committee regularly. The legal and audit department of the Company independently reports the implementation and improvement measures of internal control to the Board, the Audit Committee and the administrative management of the Company.

  Besides the annual works arranged, the legal and audit department also conducts other special reviews as required. The Board and the Audit Committee actively supervise the results reported by the legal and audit department, as well as the remedial measures taken by various departments.

14. RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

- Procedures of identification, assessment and management of major risks, and procedures of handling and disclosure of inside information

  The Company has set up the procedures of identification, assessment and management of major risks. All functional departments and the risk management department of the Company shall execute the basic work flows of internal control and risk management of the Company, finish the routine tasks on time, and make and submit feedbacks about the information of routine risk-related works. The leaders of the risk management department shall be responsible for the examination and approval of the final appraisal results, carrying out classification of the risks that the Company finally recognised, and classifying the major risks into business risk, financial risk, operational or other risks. Furthermore, for those major risks already identified, the Company shall make an assessment according to their respective probability of occurrence, seriousness of consequences, order of priority and whether there existed alert(s). Afterwards, the management will adopt appropriate measures for the major risks based on the major risks already identified and their assessment results.

  The capital risk and competition strategy risks were the major risks for 2025. Regarding the capital risk, the trend of the industry in 2025 adversely affected the print media. Companies had to adjust and optimise structures as well as explore new business domains. The capital pressure under this situation on business model driven by capital is apparent. As for the competition strategy risk, the traditional print media was under pressure, competition in new business domains was intense with limited growth potential, and the Company faced significant challenges. In 2025, based on the actual situations of all aspects, the Company has formulated practical proposals to carry out effective management of risks in different ways. For example, the Group actively integrates online and offline resources, accelerates the advancement of optimised industrial and product integration, explores new areas, strengthens the association of integrated media and expands its customer base, while continuing to strengthen operation management, closely follow up and strengthen the supervision of customers' credit risks to reduce their risks, and improve service quality to strive for more market share and enhance the Group's competitiveness.

  In order to further improve the risk and internal control management systems, establish good systems and work procedure, execute and implement monitoring work, fulfill a full work flow risk management from prevention beforehand, monitoring at present and subsequent follow-up and implementation, the Company has organised each functional department to sort out and amend the various management systems of the Group.

  The management workflows of the financial reports, information disclosure of the Company strictly follow the requirements of the Listing Rules and the Company has formulated and set up standard procedures for collection, sorting, examining and disclosure of information. The Company has put great emphasis on the treatment and announcement of inside information and established the Information Disclosure Management Measures and the Inside Information Management Measures. Before disclosing the relevant information to the public, the Company ensures that the information is kept confidential absolutely, and makes registration and filing of the insiders with respect to such inside information. The Audit Committee monitors the management of inside information.

14. RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

- Review of the effectiveness of risk management and internal control

  The Group has set up the internal audit function through which the Board regularly carries out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems. During the year ended 31 December 2025, the Board has made two reviews on the effectiveness of the risk management and internal control systems of the Group through the Audit Committee, and the review period covers the year ended 31 December 2024 and the six months ended 30 June 2025, respectively. In March 2026, the Board also made a review on the effectiveness of the risk management and internal control systems of the Group through the Audit Committee for the year ended 31 December 2025. The scope of the above reviews includes all material control of the Group, including financial, operational and compliance control. In addition, the Board has reviewed the statement made by the management on the effectiveness of risk management and internal control of the Group.

  The Company has been actively taking the following internal control rectification measures:

  1. The Company has established a connected transaction and notifiable transaction management team (the "Management Team") to monitor and implement the approval and disclosure procedures for transactions and matters as required by the Listing Rules;

  2. The Company has appointed a designated person as contact of departments and subsidiaries and engaged the transaction information collection special monitoring personnel, the contact reports the latest specific transactions and major financial expenses to the transaction information collection special monitoring personnel and the Management Team on a regular basis for following-up by the Management Team in a timely manner. The major financial expenses are reviewed and approved by the management of the Company;

  3. The Company continues to provide compliance training to the Directors, Supervisors and senior management of the Company and relevant responsible persons of each department of the Company and at the subsidiary level. The training includes disclosure of connected transactions, notifiable transactions, inside information, etc.;

  4. The Company has sent compliance letters to the relevant personnel of the subsidiaries on a monthly basis;

  5. The members of the board, supervisory committee, senior executives and connected shareholders of the material subsidiaries of the Company shall submit connected transaction declarations and conflict of interest statements at least semi-annually to the board of the subsidiaries of the Company;

  6. The Company has further amended and improved the written management system and make a clear division on the functions and powers of various departments in the transactions;

  7. The Company will seek advice from legal counsel and other external experts on the transactions; and

  8. The Board and the Management Team of the Company are responsible for implementing the relevant reward and punishment mechanism. The legal and audit department and human resources department of the Company are responsible for implementing the compliance assessment and accountability mechanism of departments and subsidiaries.

14. RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

- Review of the effectiveness of risk management and internal control *(Continued)*

  From the above review and with reference to the review report from the internal control advisor, in the Board's view, the Company has set up an internal auditing function. Through a series of rectification measures, the Group has an effective and adequate risk management and internal control system, and no material internal control deficiencies have been found which may affect the Company's financial, operational, compliance control and risk management function. In the course of review, the Board is of the view that the resources, qualifications and experiences of the staff related to the Company's accounting, internal audit, the financial reporting function, and environmental, social and governance performance and reporting, and the training received and budget of the staff are adequate.

15. RULE OF LAW AND COMPLIANCE MANAGEMENT

The Company thoroughly implemented the framework of governing the enterprise in accordance with the rule of law, adhered to the core concept of the rule of law compliance, consolidated the foundation of the rule of law compliance, and systematically constructed a long-term effective mechanism of the rule of law compliance management, so as to build up a firm institutional barrier for the enterprise's high-quality development. The following measures have been taken:

- Establishing a rule of law compliance organisational system, setting up a working group on rule of law construction and a leading group on compliance management to provide unified leadership, organisation and co-ordination, and deploying the implementation of the work of rule of law construction;

- Consolidating the construction of the system framework, reasonably defining management levels, powers and responsibilities, clarifying management procedures and measures, achieving horizontal support and vertical integration, and improving the management system for rule of law construction;

- Improving the risk prevention mechanism, achieving a 100% legal compliance audit rate in respect of rules and regulations, contract audit and important decisions;

- Preventing and resolving legal disputes, establishing a comprehensive case management mechanism, strictly implementing the litigation management process, and preventing and controlling legal risks throughout the litigation process; and

- Establishing a correct concept of legal compliance, launching publicity and education activities on legal compliance, and continuously improving employees' awareness of legal compliance.

16. **CORPORATE GOVERNANCE**

Pursuant to the resolutions passed at the general meeting of the Company, the Board shall be responsible for the following duties in corporate governance:

- develop and review the Company's policies and practices on corporate governance;
- review and monitor the training and continuous professional development of Directors and senior management;
- review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report of the Company; and
- set up Shareholder communication policy and ensure its effectiveness through regular review.

During the Reporting Period, the Board reviewed and supervised from time to time the implementation of a series of corporate governance policies of the Company, including the Articles of Association of Beijing Media Corporation Limited, Rules of Procedures for the Board, Rules of Procedures for the Audit Committee, Rules of Procedures for the Remuneration Committee, Rules of Procedures for the Nomination Committee and the board diversity policy of the Company; reviewed and actively organised training and continuing professional development for Directors and senior management; reviewed and monitored whether there was any violation of laws and regulatory requirements by the Company; and approved the Corporate Governance Report of the Company for the year 2024, and approved the disclosure on the website of the Hong Kong Stock Exchange and the Company's website of the same.

17. **SHAREHOLDERS' COMMUNICATION POLICY (SUMMARY)**

During the Reporting Period, the Company has reviewed and monitored the Shareholders' communication policy to ensure its effectiveness.

The Company has implemented the following policies to provide Shareholders, potential investors, etc. with channels for effective communication and expression of their views:

- Shareholders have the right to attend or appoint their proxies to attend and vote at general meetings;
- Shareholders have the right to supervise and manage the business operations of the Company and to make suggestions or raise questions; and
- the Company has established the corporate website for posting information such as the Company's profile and contact information, and regularly publishes announced information and documents to enable Shareholders and stakeholders to stay informed of the latest information of the Company.

The Company has reviewed the implementation of the above Shareholder communication policy during the Reporting Period and considers the policy and its implementation to be effective.

18. BOARD DIVERSITY POLICY

The Board of the Company adopted the following board diversity policy:

Policy statement: in order to achieve sustainable and balanced development, the Company recognises an increasing diversity at the Board level as a key element in supporting the Company to reach its strategic objectives and maintaining sustainable development. All Board appointments were based on merits, and candidates were considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable objectives and progress towards the objectives: when determining the composition of the Board, the Company will consider board diversity on a range of perspectives, including but not limited to gender, age, cultural and educational background, expertise and experience, skills, knowledge and term of service, based on the specific needs in talents at different stages of the Company's business development and strategic planning, considering the advantage of the candidates and contribution the candidates will bring to the Board, and will formulate measurable targets for realising diversity of the members of the Board combined with the latest requirements of Listing Rules on the composition of the Board, including, among other things, the appointment of at least one female Director and progressive increase in the proportion of female directors by taking the opportunity to identify and promote suitable successors for Directors, and at least three independent non-executive Directors (including that at least one independent non-executive Director shall possess appropriate accounting or relevant financial management expertise). The composition of the Board (including gender, age and term of service) shall be disclosed annually in the Corporate Governance Report. During the Reporting Period and up to the date of this report, the Board of the Company maintained at least one female Director and more than three independent non-executive Directors.

Review of policy: the Nomination Committee of the Board will review this policy, when appropriate, to ensure the effectiveness of this policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

19. CORPORATE CULTURE

Corporate Mission

We innovate and lead, empower brands, capitalize on the value of convergence media, and shape the media ecosystem of the future.

Corporate Vision

We insist on a policy-oriented and customer-centered corporate vision, always keep in mind the mission of a state-owned enterprise, fulfill the responsibility of a state-owned enterprise, and strive to become a media group with cross-media market expansion capabilities and leadership among peers.

In 2025, the Group continued to strengthen and promote corporate culture through various initiatives to ensure that corporate mission and vision can permeate all business fields. Relying on the standardized and mature modern corporate governance system, comprehensive risk prevention and control and effective internal supervision mechanism, the Group has continuously deepened and practiced corporate culture through daily operation, human resources strategy, staff training and close cooperation with business partners to promote the high-quality development of the enterprise, with a view to creating sustainable growth in value for Shareholders. The progress and achievements are set out in the "Chairman's Statement", "Group Business Review" and "Environmental, Social and Governance Report" of this report.

1. ABOUT THE REPORT

The Group considers that sound environmental, social and governance performance is crucial in maintaining the Group's future sustainability in development, achieving long-term objectives and creating long-term value for Shareholders. As a propaganda and cultural media enterprise, the Group takes the responsibility to serve the society and pays close attention to the fulfillment of corporate social responsibility and sustainable development. Concern for the environment, dedication to the society and commitment to corporate governance are not only the Group's response to the support and concern of all parties, but also important guarantee for the Group to achieve sustainable development, realise its development strategy, achieve its goals and enhance quality and efficiency. While steadily improving its financial performance, the Group firmly bears in mind the fundamental attributes of a cultural enterprise and takes an active approach in creating and realising value, striving to expand market and optimising business model. Meanwhile, the Company integrates corporate social responsibilities into its business operation and development, and pursues the common progress and development with its customers, employees, Shareholders and the society.

The Board presents the Group's Environmental, Social and Governance (ESG) report in accordance with the ESG Reporting Code issued by the Hong Kong Stock Exchange, as set out in Appendix C2 of the Listing Rules. The Group proactively undertakes corporate social responsibility, contributes to meeting the environmental, social and governance requirements and challenges faced by society, and has implemented a number of significant initiatives related to environmental protection, employment and labor practices, operating practices and community investment.

The Group considers ESG input as part of our corporate social responsibility and we have pledged to incorporate ESG considerations into our decision-making process. Therefore, we have developed a core governance framework to ensure the alignment of ESG governance with our strategic growth, while advocating the ESG integration into our business operations. Our corporate social responsibility framework is divided into three components, namely the Board, Management and an ESG Working Group. The Board has the ultimate responsibility for overseeing the Group's ESG issues, including ESG management approaches, strategies and policies. In order to better manage the Group's ESG performance and identify potential risks, the Board conducts materiality assessments regularly, and takes into account the views of stakeholders to assess and prioritize material ESG-related issues with the assistance of the Management and ESG Working Group.

The ESG Working Group is composed of core members from various departments, which are coordinated by the office of the Board to assist the Board in overseeing ESG issues. The ESG Working Group is responsible for collecting and analysing ESG data, monitoring and evaluating the Group's ESG performance, ensuring compliance with ESG-related laws and regulations and preparing ESG Report. The ESG Working Group arranges regular meetings to evaluate the effectiveness of current policies and procedures, and formulates appropriate solutions to improve the overall effectiveness of ESG policies. At the meeting, the ESG Working Group discussed the current and future plans to monitor and manage the Group's strategic objectives in terms of sustainable development, reduce potential risks, and minimise the negative impact on the Group's business operations. The Group strives to reduce the impact of its operations on the environment by setting ESG goals and targets. The Group is actively pursuing its commitment to integrating sustainable development into its business operations and fulfilling its corporate responsibility. The ESG Working Group periodically reports to the Board to assist in assessing and identifying ESG risks and opportunities of the Group, evaluate the implementation and effectiveness of internal control mechanisms and review the progress of the targets and indicators set.

1. ABOUT THE REPORT *(Continued)*

Reporting Reference and Scope

This report has been prepared in accordance with Appendix C2 "Environmental, Social and Governance Reporting Code" to the Listing Rules. The scope of this report covers the relevant situation of the Company and its subsidiaries during the period from 1 January 2025 to 31 December 2025. There were no changes to the statistical methods or key performance indicators used in this report from the 2024 Environmental, Social and Governance Report contained in the Company's 2024 Annual Report.

Stakeholder Engagement

Hong Kong Stock Exchange has set forth principles for reporting in the ESG Code: Materiality, Quantitative and Consistency, which should form the basis for preparing the ESG report. As Hong Kong Stock Exchange emphasises, stakeholder engagement is the method by which materiality is assessed. Through stakeholder engagement, companies can obtain different views and identify material environmental and social issues.

The Group believes that effective feedback from stakeholders not only contributes to a comprehensive and impartial assessment of its ESG performance, but also enables it to improve the performance based on the feedback. Therefore, the Group has engaged in open and regular communication with our stakeholders, including shareholders, employees, suppliers, government and regulatory authorities and the general public. Over the years, the Group has continued to refine its sustainability focus to respond to the demands. We have implemented and reviewed our ESG Strategy in five aspects as described below.

Stakeholders and engagement methods

Stakeholder	Interests and concerns	Engagement channels
Shareholders and investors	Return on investment Corporate strategy and governance Information transparency	Announcements, Annual General Meeting and official websites of the Company
Employees	Employee welfare Career development Healthy working environment	Employee satisfaction surveys, employee training and performance review
Suppliers	Long-term business relationship Supplier assessment criteria	Procurement processes, open tender, meetings and other visits
Government and regulatory authorities	Compliance with laws and regulations Business sustainability	Review of compliance with local laws and regulations, and routine reports
General public	Community involvement Environmental awareness	Regular listing reports and announcements, the Company's official website and public welfare activities

The business of the Group affects different stakeholders, and stakeholders have different expectations on the Group. The Group will maintain communication with stakeholders, collect opinions of stakeholders more extensively through different forms, and better improve the substantive analysis. At the same time, the Group will enhance the implementation and commission of the reporting principles of quantification and consistency, and define the content and presentation of the ESG Report in a way that better meets the expectations of stakeholders.

2. ENVIRONMENTAL PROTECTION

The Group belongs to media advertising industry, which does not involve in manufacturing and is thus a low polluting industry. No significant impact has been found in its production and business management, and the Group requires all departments to study and strictly implement the "Environmental Protection Law of the PRC", the "Atmospheric Pollution Prevention and Control Law of the PRC", the "Law of PRC on the Prevention and Control of the Environmental Pollution by Solid Waste", the "Water Pollution Prevention and Control Law of the PRC", the Beijing "Emission Standard of Volatile Organic Compounds for Printing Industry", and other laws, regulations and industry regulations.

The Group regularly assesses the risks of business environment, reviews environmental practices and adopts necessary preventive measures to reduce risks to ensure the compliance with relevant laws and regulations.

2.1 Response to Climate Change

Climate change is one of the most complicated challenges faced by humanity. Global warming has given rise to more frequent extreme weather conditions, including changes in precipitation patterns, droughts, floods, and forest fires. Rising sea levels will displace people in densely populated coastal areas and island countries. Faced with such challenges, individuals, corporations and governments must take immediate actions to tackle climate change.

Addressing climate change is a critical issue in promoting high-quality economic and social development and green transition. The Group continuously monitors the potential impacts of climate change on its business operations and development, regularly identifies and analyzes related risks and opportunities, and integrates climate change considerations into its management and daily operational processes. Focusing on the goals of energy conservation, emission reduction, and improvement of resource efficiency, the Group persistently optimizes its operational approaches, promotes the implementation of relevant management measures in basic work, and continuously strengthens its overall resilience to climate change.

Simultaneously, leveraging its own media resource advantages, the Group helps clients improve resource efficiency through its services, seizes green development opportunities, and promotes synergistic sustainable development between the Group and its clients. To achieve a low carbon economy, the Group is committed to reducing its greenhouse gas emissions through mitigation and adaptation measures. For example, the Group has adopted various environmental policies and measures and promoted energy saving measures and practices in the office to mitigate the risks of climate change. The Group has also considered potential physical risks of climate change to its daily operations, such as high winds and fires, and has implemented relevant protective measures to minimize these risks.

The Group focuses on reducing emissions during its operations, engaging suppliers to reduce emissions in supply chains.

- ***Governance***

  The Group has established a three-level Environmental, Social and Governance (ESG) management structure comprising the "Board — Management — Execution Level", promoting a top-down climate change-related governance model. The Board supervises and provides guidance on climate change-related issues, reviews climate change-related goals and key work arrangements, and regularly receives reports from management on climate risk identification, response measures, and implementation progress. The Board convenes meetings at least once a year to review and evaluate the Group's climate change-related risks, opportunities and response strategies, and proposes improvement suggestions as needed to ensure that climate-related efforts remain aligned with the Group's overall development strategy.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Governance*** *(Continued)*

Meanwhile, in the process of overseeing the formulation and implementation of the Group's strategic planning, major investments, major project arrangements, important business decisions and related risk management policies, the Board will, taking into account the Group's business characteristics, comprehensively consider the potential impact of climate-related risks and opportunities on operational compliance, operating costs, resource allocation, business continuity, market competitiveness and brand reputation. For material matters, the Group will, as the case may be, incorporate climate-related impact analysis into its decision-making and evaluation process, and make comprehensive judgements and trade-offs by taking into account factors such as short-term costs, long-term resilience, regulatory requirements and potential market opportunities. The Group, based on the results of climate scenario analysis, its business characteristics, operational scenarios, relevant policy environment, industry development trends, changes in customer demand and actual management needs, continuously identifies climate-related risks and opportunities that are relevant to its business, and analyses and evaluates them from perspectives including the nature of the risk or opportunity, business relevance, degree of impact, impact horizon, scope of impact, feasibility of implementation and potential operational impact. On this basis, the Group prioritises the relevant climate-related risks and opportunities in light of their business materiality and potential impact on operations and management, and monitors them through day-to-day management, departmental coordination and ongoing tracking mechanisms. For the identified relevant opportunities, the Group will, in light of business development arrangements and management needs, promote their gradual integration into products, services and operational optimisation at an appropriate time. During the reporting period, there were no significant changes to the risk management process compared with the prior period.

To continuously enhance the Group's capabilities in overseeing and decision-making regarding climate change, the Group organizes at least two specialized training sessions on climate change and sustainable development each year. The training covers topics such as climate policy trends, climate risk management, and low-carbon development opportunities, which helps relevant personnel stay informed of the latest regulatory requirements and industry developments, thereby regularly reviewing and strengthening their professional judgement and supervisory capabilities in climate governance.

Authorized by the Board and management, the Environmental, Social and Governance (ESG) Working Group is responsible for coordinating and advancing the Group's low-carbon development initiatives, continuously identifying and managing the risks and opportunities arising from climate change, and overseeing the implementation of relevant management measures. The ESG Working Group is also responsible for executing specific climate-related emission reduction targets and management measures, promoting the deep integration of climate strategy into all aspects of daily operations, and supporting the effective implementation of climate change-related strategies.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Governance*** *(Continued)*

Currently, climate-related work has been fully integrated into the daily operations of various departments of the Company. Relevant measures and targets have been broken down into routine tasks for each department, implemented collaboratively by the relevant departments in accordance with their respective duties and responsibilities and incorporated into the departmental performance appraisal system, so as to support the identification, management, monitoring and disclosure of climate-related risks and opportunities. During the reporting period, the Company has not yet included specific climate change-related indicators in its remuneration and incentive policies, and will continue to assess their applicability in the future in light of the Company's governance arrangements and management needs.

In addition, to further fulfil its social responsibility and obligations in protecting the environment, the Company is in the process of formulating the "Environmental Protection Management Measures" and establishing an administrative penalty ledger for environmental protection, to further strengthen the prevention and control of environmental risks.

- ***Strategy***

The Group actively responds to the national "dual carbon" goals. By leveraging its own business characteristics, we continuously monitor climate change-related risks and opportunities, and incorporate relevant factors into its management and medium-to-long-term development plans. Based on ensuring stable business operations, the Company enhances its operational efficiency, optimizes resource efficiency, and leverages its digital product advantages to support customers' transformation and upgrading, thereby gradually strengthening its business resilience and capability of long-term sustainable development in the context of climate change.

Improve energy efficiency in our operations	In its daily office and operational management, the Group continuously monitors energy usage and promotes energy efficiency improvements by optimizing the management of office equipment usage, reasonably controlling electricity demand, and gradually increasing the proportion of green electricity consumption. The Group continually upgrades office equipment, strictly implements air-conditioning energy-saving measures, enhances awareness of electricity management, and guides employees to reduce unnecessary energy consumption in their daily routines. In addition, we also promote the use of new energy vehicles, improves the efficiency of public transport usage, and actively adopts clean electricity to replace traditional energy sources, thereby supporting the implementation of energy conservation and emission reduction targets at the operational level.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Strategy*** *(Continued)*

Promote low-carbon and resource-efficient operations	The Group actively promotes online and digitalized operational methods. By upgrading its OA office system and electronic filing system, it promotes online communication, remote meetings, and other forms of interaction, thereby reducing the need for offline travel and the circulation of paper documents. In terms of employee commuting and travel management, the Group encourages the adoption of more intensive and efficient ways of transport to reduce the related emission risks arising from transportation and travel activities in daily operations.
Leveraging the strengths of digital products to improve customers resource efficiency	Leveraging its core businesses such as the city culture annual pass and digital outdoor large-screen advertising, the Group aligns itself with environmental concepts including low-carbon travel and carbon inclusion incentives, integrating climate change-related considerations into the provision of its products and services. By promoting the digitalisation and online transition of business processes, the Group reduces its reliance upon traditional offline procedures and paper-based information, thereby supporting customers in advancing green operations and enhancing the long-term adaptability of its business in the context of climate change.

- ***Climate Change Risks and Opportunities***

During the reporting period, with reference to the disclosure framework of the Task Force on Climate-related Financial Disclosures (TCFD), the Group adopted the IPCC AR6 and IEA roadmaps to construct climate scenario analysis models. Considering the Group's business characteristics and operational realities, it systematically identifies and analyses the potential risks and opportunities that climate change may bring to the Group's operations, and assesses their potential impact on the Group's business activities and management development. Based on this, the Group formulates targeted risk response and management measures, and gradually integrates relevant management initiatives into its operational management and strategic planning, to enhance the Group's adaptability and climate resilience in different climate situations, thereby supporting the long-term and stable development of its business.

In the short term, the Group focuses on enhancing its response capacity by optimising operational arrangements, strengthening risk monitoring and improving emergency management. In the medium term, the Group will continue to promote digital upgrades and the optimisation of products and services in light of technological developments, changes in customer demand and regulatory requirements. In the long term, the Group will further enhance the adaptability of its business model to climate change, taking into account its business development direction and resource allocation arrangements.

2. **ENVIRONMENTAL PROTECTION** *(Continued)*

2.1 **Response to Climate Change** *(Continued)*

- ***Climate Change Risks and Opportunities*** *(Continued)*

Climate resilience and climate scenario analysis

Risk and Opportunity Categories	Selected Scenario	Expected Temperature Increase	Scenario Description
Physical Risks	SSP5–8.5	By 2100, the global average temperature is expected to rise by approximately 4.4℃ compared to pre-industrial levels.	This scenario assumes a continued growth in fossil fuel consumption, persistently high GHG emissions intensity and an intensified trend of global warming. Against this backdrop, the frequency and intensity of extreme weather events such as extreme heat and rainstorms have increased, which may impact the placement of outdoor advertising, related resources and the stable operation of office areas of the Group. At the same time, it presents potential risks to business continuity, including the delivery of offline activities services and collaboration with channel partners.
Transition Risks Climate Opportunities	2050 net-zero	limiting global warming to 1.5°C	This scenario assumes the accelerated global low-carbon transition, achieving net-zero emissions target around 2050 through policy restriction, technological innovation and adjustment of the energy structure. Against this backdrop, the increasingly stringent carbon emissions and green compliance requirements may lead to a rise in operating and management costs of the Group.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Climate Change Risks and Opportunities*** *(Continued)*

Climate change related risks

Risk Category	Impacts of the Risk on Business Models and Value Chains	Degree of Impact	Impact Period Note 1	Impact Scope	Countermeasures
Transition Risk Note 2					
Policy and Legal Risk	As carbon reduction and climate governance efforts continue to intensify globally, relevant laws, regulations, supervisory policies, and disclosure requirements related to climate change may become increasingly stringent. Failure by the Group to promptly track policy changes and enhance its relevant management and disclosure mechanisms may have certain impacts on its compliance management, operating costs, and ability to meet disclosure requirements.	Low	Medium term Long term	Corporate Operation	— Continuously monitor policies and regulatory requirements related to climate change, carbon reduction, and disclosure requirements in the country, jurisdictions where the Group operates, and where its shares are listed, promptly assess their impact on the Company's business compliance, operational management, and disclosure obligations; — Continuously improve ESG disclosure and internal management mechanisms, enhance the standardization and transparency of climate related information to ensure compliant operations; — Integrate relevant policy requirements on climate change into the Group's medium term and long term development planning, assess their potential impact on business positioning, operating costs, and long term development, and enhance strategic adaptability.
Market Risk	Amid climate change, the customer and market requirements for green and low carbon products and digital solutions may change over time. Failure by the Group to adjust product strategy or optimize service capabilities in a timely manner may impact its ability to meet customer needs and its market competitiveness.	Low	Medium term	Corporate Operation Downstream Value Chain	— Continuously improve the digital products and service functions, through renovation and upgrading of outdoor advertising media, align with clients' innovation and transformation business needs, enhancing the business resilience in the context of climate change.
Technology Risk	With the continuous development of low carbon technologies and green IT infrastructure, requirements for enterprises in terms of information technology energy efficiency and resource utilization efficiency may gradually increase. If the Group fails to keep pace with relevant trends in areas such as technology architecture, cloud resource management, or system energy efficiency optimization, the operational efficiency and resource utilization efficiency may be affected.	Low	Medium term Long term	Corporate Operation	— Subject to meeting business requirements, strengthen digital upgrades in information management, prioritize the adoption of more energy efficient technical solutions and cloud service resources, and gradually improve the energy efficiency of IT infrastructure.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Climate Change Risks and Opportunities*** *(Continued)*

Climate change related risks *(Continued)*

Risk Category	Impacts of the Risk on Business Models and Value Chains	Degree of Impact	Impact Period Note 1	Impact Scope	Countermeasures
Reputation Risk	As awareness regarding climate change and sustainable development increase across all sectors of society, corporate performance in environmental management, information disclosure, and supply chain responsibility may be subject to ongoing attention from stakeholders. If the Group has deficiencies in climate management or related information disclosure, its brand image and market trust may be affected to a certain extent.	Low	Short term Medium term Long term	The Company's Upstream Value Chain Corporate Operation Downstream Value Chain	— Strict compliance with the relevant laws and regulatory requirements related to sustainable development, further enhance corporate governance level and quality of services of the Group; — Establish smooth communication mechanisms for stakeholders, appropriately disclose the Group's progress in addressing climate change through channels such as ESG report. — Integrate sustainable development concepts into supply chain management, strengthen supplier management through communication and training, establishing a supplier database and other measures and enhance suppliers' awareness and management capabilities regarding environmental and climate issues.
Physical Risk Note3					
Acute Risk	The frequency and intensity of extreme weather events (such as typhoons, rainstorms and floods, etc.) may increase, which could have certain impacts on workplace safety, infrastructure operations, and daily operations.	Low	Short term	Corporate Operation	— Regularly monitor changes in climate related risks in light of potential extreme weather events (such as typhoons, rainstorms, floods, etc.) that may occur at the Group's outdoor advertising setting and resources, offline event venues, and office areas. — Conduct inspections and assessments of the safety of outdoor advertising setting and resources, offline event venues, office areas, and key equipment, improve emergency management and response plans to mitigate the potential impact of extreme weather on daily operations and information system operation.
Chronic Risk	Long term climate change trends (such as continued temperature rise and shifts in climate patterns) may have potential impacts on the energy mix, operating costs, and overall business environment.	Low	Long term	Corporate Operation Downstream Value Chain	— Continuously monitor the development trends of chronic climate related risks and assess their potential impact on the Group's operating environment and cost structure; — Incorporate climate risks into overall risk management and long term development considerations, and comprehensively evaluate their impact in business planning and resource allocation; — Gradually mitigate potential cost and operational pressures through enhancing operational efficiency and optimizing resource utilization methods.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Climate Change Risks and Opportunities*** *(Continued)*

Climate change related risks *(Continued)*

Notes:

1. The classification of climate risk impact period in the above table is defined based on the Group's business characteristics, operating cycles and development plans: short-term: 1–3 years; medium term: 3–10 years; long term: over 10 years. The above time dimensions are aligned with the Group's internal decision-making cycles in respect of operations management, strategic planning, business development and risk assessment, and serve as an important reference framework for the Group in identifying, assessing and responding to climate-related risks and opportunities. Based on these time horizons, the Group will continue to assess the potential impact of climate change on its business layout, operating model and long-term development resilience.

2. During the reporting period, the proportion of the Group's business activities exposed to climate related transition risks was relatively low. Given that the Group's principal operations do not involve high energy consumption or high emission production activities, the related risks mainly arise from changes in policies and market environment, with limited impact on overall business.

3. During the reporting period, the proportion of the Group's business activities exposed to climate related physical risks was relatively low. The Group's operations are primarily concentrated in urban office settings, subway advertising operations, and indoor activity scenarios, without significant physical asset exposure, the impact of extreme weather on overall business is relatively limited.

4. In the future, the Group will, in light of improvements to its data foundation, further assess the amounts and proportions of assets or business activities relating to climate-related opportunities, and, based on the results of identifying climate risks and opportunities, evaluate their potential impact on cash flows, financing channels or cost of capital, and will further refine the relevant disclosures as appropriate.

- ***Seizing the opportunities of green development***

The Group will continue to pay attention to the China's top-level design and related policy orientations on achieving carbon peak and carbon neutrality, closely monitoring regulatory requirements such as Working Guidance for Carbon Emissions Peak and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy and Action Plan for Carbon Emissions Peak before 2030. The Group drawing upon its business development experience and independent innovation capabilities, focuses on principal business and enhances its resource utilization efficiency, achieves cost reduction with efficiency improvement, improve the operation and management standards during the green and low-carbon transition, promotes the steady development of its business, and fulfils its corporate social responsibilities by providing high-quality full-service solutions, cultural annual passes, and other products and solutions. These benefits are expected to be realised on a sustained basis over the medium to long term. The Group will continue to dynamically assess and update the impact periods of the relevant opportunities based on its business development situation.

Case study 1

In 2025, the Group implemented a shell management approach for its subsidiary, BYD Logistics Company Limited and fully phased out its paper trading business. The Company scaled down its printing operations for other publications. By gradually withdrawing from related businesses such as ink procurement, printing of publications, and paper trading, the Company actively promoted low-carbon operations and synergistically advanced pollution reduction and carbon emission mitigation.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Seizing the opportunities of green development*** *(Continued)*

Case study 2

In 2025, the Group fully launched the Beijing City Cultural Annual Pass project. Using the City Cultural Annual Pass as a long-term vehicle, the project integrates low-carbon travel, carbon-inclusive incentive mechanism, and other environmental concepts. By meticulously developing distinctive study tour experiences such as "culture and tourism + technology" and "cultural cycling +", the Company guides the public to adopt long-term green lifestyles, raises awareness of harmonious coexistence between humanity and nature, and continuously enhances environmental consciousness.

At present, the Group has not yet formulated a separate formal climate-related transition plan. Nevertheless, the Group has incorporated low-carbon development, digital upgrading, resource efficiency improvement and related risk response arrangements into its operational management and medium-to-long-term development considerations, and will continue to assess the need to develop more systematic transition arrangements in the future, taking into account regulatory requirements, business development and internal capacity building.

- ***Financial Impacts***

In terms of current financial impact: During the reporting period, in response to climate-related risks and to promote energy conservation and emission reduction, the Group focused on the goals of green operations and low-carbon management, continuously advanced measures such as optimizing energy management, improving equipment energy efficiency, and using clean energy. After assessing the current situation, the Group's climate-related risks and opportunities currently have no material impact on the Group's financial statements for the fiscal year 2025.

In terms of expected financial impact: Based on the climate change risk and opportunity analysis conducted in this report, the Group has identified that certain business areas such as the types of services provided and may be affected in the future by changes in climate-related policies, technologies, and market conditions. To address these potential impacts, the Group will continue to monitor trends in climate-related policies and technological developments, and gradually increase investment in digital upgrades and resource allocation to enhance the adaptability of its products and services, supporting the Group's long-term stable development in the context of climate change. Due to the long-term and uncertain nature of climate risks, the Group has not yet been able to reliably quantify the potential financial impact of these risks over specific future periods. The Group will continue to strengthen scenario simulations, data collection, and internal monitoring systems, with the aim of more comprehensively measuring climate-related financial impacts in future reporting periods.

- ***Indicators and Targets***

The Group is formulating phased management targets to maintain stable per capita emission of greenhouse gas and per capita comprehensive energy consumption in a short-term, based on historical energy usage and business development stages and with reference to the national "dual carbon" goals. The relevant targets primarily cover Scope 2 greenhouse gas emissions and use per capita emission intensity as the core indicator. At the same time, the Group, based on its own business characteristics, current data availability and applicable emission factor data, selects relevant measurement methods, input data and assumptions to reflect its greenhouse gas emissions as truly and reasonably as possible.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Indicators and Targets*** *(Continued)*

In the process of setting targets, using 2025 as the base year, the Group refers to past emission levels and energy usage trends, assesses the future operational scale and energy efficiency improvements, and reviews the execution of targets through a periodic review mechanism.

To ensure the effective execution of climate-related objectives, the Group has established a continuous target monitoring mechanism, regularly tracking key energy usage during operations. During the reporting period, the Group monitored and analyzed electricity consumption and related emissions on a quarterly basis. In 2025, all indicators remained generally stable. From the trend perspective, emission intensity did not show significant fluctuations, which was mainly due to the relatively stable operational scale and the continued advancement of energy-saving measures. The Group will continue to carry out data monitoring and trend analysis, gradually increase investment in greenhouse gas emission reduction, and steadily promote the improvement of climate management levels.

In 2025, the Group's greenhouse gas emissions figures are shown as follows:

Indicator	Unit	**2025**	2024	2023
Direct greenhouse gas emission [Notes 1] (Scope 1)	tCO_2e	**1.85**	7.61	12.33
Indirect greenhouse gas emission [Notes 2] (Scope 2) (by region)	tCO_2e	**0.2**	0.21	0.33
the total Scope 1 and Scope 2 greenhouse gas emissions	tCO_2e	**2.01**	7.82	12.66
Other Indirect greenhouse gas emission [Notes 3] (Scope 3, Category 6 — Business Travel)	tCO_2e	**37.82**	—	—
per-capita emission of greenhouse gas [Notes 4]	tCO_2e/person	**0.01**	0.02	0.04
capital expenditure of climate-related risks and opportunities	RMB0,000	**—**	—	—

Notes:

1. This indicator is calculated using the petrol carbon emission factor designated by the State-owned Assets Supervision and Administration Commission of the Beijing Municipal People's Government, in accordance with the Beijing municipal standard Requirements for CO_2 emission accounting and reporting — Service enterprises (DB11/T 1785–2020) published by the Beijing Municipal Administration for Market Regulation in December 2020.

2. (i) This indicator is calculated in accordance with the 2023 average carbon dioxide emission factor in north China region for electricity of 0.63 kg CO_2/kWh in Statistics' Announcement on the Publication of CO_2 Emission Factors for Electricity in 2023 greenhouse gas emission that issued by Ministry of Ecology and Environment of China and the National Bureau of Statistics of China in December 2025; and (ii) there are currently no contractual documents governing the energy purchased.

3. the Scope 3 greenhouse gas emissions indicator currently only covers Category 6: greenhouse gas emissions related to business travel. These emissions are estimated based on the Group's employee business travel expenses and calculated by using Environmentally Extended Input-Output carbon emission factors. The emission factor data used are from the year 2021. The Group will consider to make statistics and implement control of emissions data for other categories of Group 3 greenhouse gases at an appropriate time in the future.

4. Per-capita greenhouse gas emissions are calculated based on the total Scope 1 and Scope 2 greenhouse gas emissions, excluding Scope 3 greenhouse gas emissions.

5. During the reporting period, the Group has not obtained third-party verification of the relevant targets or the methodology used to set them.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.1 Response to Climate Change *(Continued)*

- ***Indicators and Targets*** *(Continued)*

  Notes: (Continued)

  5: At this stage, the greenhouse gas emission-related targets disclosed by the Group are not net greenhouse gas emission targets, nor has the Company adopted industry decarbonisation approaches in setting the targets, and there is no current plan to achieve the relevant targets through carbon credits. In the future, the Company will continue to refine the scope, definitions and related disclosures of its greenhouse gas emission targets in light of its data foundation, business development and management arrangements.

- ***Internal Carbon Pricing:***

  Based on the business characteristics of the Group, the Group currently has not applied carbon pricing in its decision-making.

2.2 Emission Management

The emission of greenhouse gases and waste gases of the Group is mainly attributable to the use of vehicles for business and travelling purposes during the operating periods. The Group tries to reduce the use of vehicles by telephone and mail instead of in-person meetings, and arranges regular inspections and maintenance for vehicles to ensure their components, including engines and tires, are working properly, so as to improve the efficiency of gasoline consumption and ultimately reduce the emission of greenhouse gases and waste gases.

The Group has always attached great importance to waste management and has implemented green office practice. We use electronic transmission for our daily office documents, promote double-sided photo copying of paper for printing requisite documents, and encourage recycling of paper to reduce the unnecessary use of resources and associated waste generation. We conduct telephone conferences whenever it is possible to reduce waste emissions from physical meetings and long-distance journeys using transportation. The Group follows "Regulations of Beijing Municipality on Domestic Waste Management" and promotes the concept of waste sorting by installing waste sorting and recycling facilities in office area. The Group regularly invites specialised recycling service providers to collect and recycle various used products. The Group has replaced the desktop computers with over 2 laptops during the Reporting Period. By doing so, the Company is not only able to reduce electricity consumption, but also can provide greater flexibility and convenience to its employees, thereby improving work efficiency.

During the Reporting Period, the emission of greenhouse gases of the Group is set out below:

	2025	2024	Changes
The emission of greenhouse gases:			
Direct emission of greenhouse gases (Scope 1) (ton)	**1.85**	7.61	−76.22%
Indirect emission of greenhouse gases (Scope 2) (ton)	**0.2**	0.21	−4.76%
The emission density of greenhouse gases (ton per capita)	**0.01**	0.02	−50.00%
Total emission of greenhouse gases per floor area (KG per square meter)	**0.55**	2.78	−80.22%
Hazardous waste (ton)	**5.52**	4.96	11.29%
Hazardous waste per capita (KG per capita)	**29.06**	14.81	96.22%
Non-hazardous waste (ton)	**0.85**	1.34	−36.57%
Non-hazardous waste per capita (KG per capita)	**4**	4	—

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.2 Emission Management *(Continued)*

Scope 1: direct emission of greenhouse gases incurred from the sources owned and controlled by the Group (gasoline consumption caused by vehicles)

Scope 2: the emission of greenhouse gases indirectly caused by electricity, heating, and cooling (electricity power supply for office and water consumption)

Notes:

1. Hazardous waste produced by the Group's office buildings mainly includes waste toner cartridges and waste ink cartridges from printing equipment. Waste toner cartridges and waste ink cartridges are centrally managed and cover all office buildings of the Group in Mainland China;

2. Non-hazardous waste produced by the Group's office buildings mainly includes domestic waste and non-hazardous office waste. As domestic waste is disposed of by the property management companies and kitchen waste recyclers and cannot be measured separately. Office waste is collected and recycled by professional waste collectors. Therefore, the domestic waste and office waste generated from office buildings were estimated. These statistics cover all the office buildings of the Group; and

3. The number of people used in the calculation of emission density, resource density and domestic waste estimation is the annual average number of people working in office buildings.

2.3 Use and Management of Resources

The Group puts priority on saving during its operation and takes a series of energy saving and emission reduction measures to improve resource utilization efficiency, reduce corporate costs and contribute to environmental protection. For instance, the Group has actively promoted the coordinated office platform to reduce the waste of paper and office consumables. The Group has reused a series of supplies when holding on-site events and exhibitions. The Group strongly advocates the water and electricity saving through various measures, including turning off lights and electrical appliances in idle rooms, placing save water signs in the pantries and lavatories to encourage our employees to conserve water, and promoting reuse of non-edible water, such as watering plants or cleaning floor with the water used for cleaning items, etc.

In 2025, the Company has formally sent out notification letters to shareholders in the form of electronic communications through announcements and despatch, and fully launched the 'paperless' notification mechanism. Through the implementation of the 'paperless' mechanism, the Company will significantly reduce the number of paper versions of announcements, periodic reports and other related materials commissioned for printing and sent to shareholders, avoiding the consumption of large amounts of paper, manpower and material resources, as well as energy consumption, carbon emissions and pollution indirectly caused by commissioning external organisations to print. At the same time, this measure effectively enhances the company's office efficiency, reduces office costs, and further promotes the establishment of a green image of the company and the realisation of high-quality and sustainable development. As a result of the aforesaid measures, during the Reporting Period, the Group has continued to maintain relatively low levels of energy, water and paper consumption.

2. ENVIRONMENTAL PROTECTION *(Continued)*

2.3 Use and Management of Resources *(Continued)*

During the Reporting Period, the utilisation of resources of the Group is as follows:

	2025	2024	Changes
Energy consumption			
Consumption volume of gasoline (Liter)	**825.33**	3,477.4	−76.27%
Consumption density of gasoline (Liter per capita)	**3.89**	10.38	−62.52%
Consumption volume of electricity (kWh)	**313,047.58**	327,185.93	−4.32%
Consumption density of electricity (kWh per capita)	**1,476.64**	976.67	51.19%
Total energy consumption per floor area (kWh per square meter)	**86.38**	83.26	3.75%
Water consumption			
Total water consumption (ton)	**1,896.88**	1,733.83	9.40%
Consumption density of water (ton per capita)	**8.95**	5.18	72.78%
Paper consumption			
Total paper consumption (KG)	**2,167.59**	1,274.73	70.1%
Consumption density of paper (KG per capita)	**10.22**	3.81	168.2%

Notes:

1. Data on packaging does not apply to the Group.

2. Due to the organizational restructuring and personnel adjustments of the Group in the second half of 2025, the number of employees decreased, resulting in an increase in resource consumption density.

The Company did not have any issue in sourcing water that is fit for the purpose. Although the core business of the Group has remote impact on the environment and natural resources, as a good company, the Group promises to endeavor to minimise the negative environmental impact of our business operations and our investment in order to achieve sustainable development.

3. STAFF MANAGEMENT

During the Reporting Period, the Group has strictly followed the requirements of the laws and regulations including the "Labour Law of the PRC", the "Labour Contract Law of the PRC", the "Implementing Regulations of the Labour Contract Law of the PRC", the "Prevention and Control of Occupational Diseases Law of the PRC", the "Law of the PRC on the Protection of Minors", and "Prohibition of Child Labour", and it has formulated certain human resources management systems such as the Attendance and Leave Management Regulations and the Remuneration Administrative Measures, in accordance with the law to thoroughly protect the legal rights of staff, and jointly create a good labour-management relation. We have distributed an Employee Manual to every newly hired employee, so that the employees are aware of their rights and responsibilities in terms of group culture, employment arrangements, code of conduct, and career development, etc.

3. STAFF MANAGEMENT *(Continued)*

3.1 Employment and Labour Standards

During the recruitment process, the overall qualities of applicants were the most important assessment elements for us, and all interviewees must undergo a series of strict selection process before being officially employed, including written tests regarding the related professional skill, comprehensive ability tests and interviews with the supervisors, etc. The Group would strictly keep confidential all the interviewees' data. The Group has strictly followed the requirements of the labour laws and regulations, and shall not allow child labour or forced labour to be involved in its operation. During the recruitment process, the Group strictly inspected the ages and identities of the applicants to ensure that the applicants have the legal working qualifications. During the Reporting Period, the Group did not find any use of child labour or forced labour. At the same time, the Group handles matters such as the termination of employment relations strictly in accordance with the provisions of the Labour Law, and its permanent employees may resign by making resignation applications 30 days in advance; and for those under probation, the resignation applications will need to be 3 days in advance.

As of 31 December 2025, the number of staff of the Group is set out below:

Classification	2025	2024	Changes
Total number of staff	**212**	335	−36.72%
Delineation by gender:			
Female	**135**	213	−39.91%
Male	**77**	122	−31.15%
Delineation by age group:			
Under the age of 30	**58**	104	−44.23%
The age of 30 to 50	**146**	212	−31.13%
Over the age of 50	**8**	19	−57.89%
Delineation by employment types:			
Ordinary staff	**189**	284	−33.45%
Middle management	**17**	37	−54.05%
Senior management	**6**	14	−57.14%
Delineation by area:			
Beijing	**212**	333	−36.34%
Chongqing	**0**	2	−100.00%

The Group is committed to maintaining a diversified development of the working environment, giving female employees the same rights and equal opportunities as male employees in pay, promotion and other aspects. The Group strictly prohibits all forms of discrimination, such as gender, region, religion and nationality, and treats all types of employees equally. In respect of employee remuneration, the remuneration that the Group pays to the employee will not be less than the minimum wage standard specified by the local government, and we have been committed to offering employees competitive remuneration in the industry. At the same time, the Group has strictly followed the relevant national or local labour laws and regulations, and provided employees with welfare. Our employees can enjoy the social insurances required by the state (including pension, unemployment, medical and work injury), housing provident fund, medical subsidy, paid annual leave, paid sick leave, work-related injury leave, long-term sick leave, mourning leave and marriage leave, etc.

3. STAFF MANAGEMENT *(Continued)*

3.2 Health and Safety of Employees

The Group has always been focusing on the health and safety of employees. The Group arranges the employees to conduct comprehensive physical examination every year. The Group regularly cleans the working areas thoroughly and is committed to creating a safe and hygienic working environment for employees. In principle, the Group adopts a working and rest hour system of 8 working hours a day, 40 working hours a week with 2 rest hours at noon a day, and provides lunch subsidy. The working and rest time varies according to different regions and business requirements. The Group does not encourage employees to work overtime, respects the employees' schedule, and encourages the employees to complete their work efficiently within 8 hours. The Group takes care of the interest and needs of female employees according to the "Special Rules on the Labour Protection for Female Employees", and has implemented a special short working hour system for the lactation period. The Group focuses on the physical health of its employees and advocates a green travel lifestyle, and has held many activities such as walking, badminton and football. The Group attaches great importance to the opinions of employees and the labour union and has built a formal monitoring and management channel to maximise the protection for the interest of employees. The Group cares for the employees and has established a system to care for those employees in distress and sickness.

During the past three financial years, the Group did not have any employee death accidents due to work. During the Reporting Period, the number of loss for business day caused by work injury was zero.

3.3 Vocational Development for Employees

The Group attaches great importance to the personal development of employees by motivating the employees to participate in trainings to enhance their expertise, personal skills and their comprehensive abilities to meet the development needs of the Company. The Human Resources Department of the Group was responsible for developing the training programs. Upon completion of the trainings, the employees who took part in the training programs were required to submit the training satisfaction questionnaire or training reports to help the relevant department continue to improve the contents of the training.

The Group actively encouraged the self-development of the employees, and carried out abundant staff training activities. In 2025, the Group carried out various training programs on management skills of middle level cadres, financial management, connected transactions and listing compliance, legal compliance, new media business and metro advertising business, to enhance the overall quality of staff from management, business and compliance perspectives.

During the Reporting Period in 2025, participations in trainings of the employees of the Group are set out below:

	Number of employees participating in trainings	Number of employees	Proportion of trained employees
Delineation by employment types:			
Ordinary staff	178	189	94%
Middle management	17	17	100%
Senior management	5	6	83%

3. **STAFF MANAGEMENT** *(Continued)*

3.3 **Vocational Development for Employees** *(Continued)*

	Average training hours of each employee (hour per capita)
Delineation by gender:	
Female employee	5.5
Male employee	4.25
Delineation by employment types:	
Ordinary staff	5
Middle management	6
Senior management	67.67

The Group respects every employee, and has launched a variety of user-friendly arrangements and leisure activities for the staff to achieve work-life balance. During the Reporting Period, the Group held various cultural and sports activities, such as walking, badminton and football, to promote its corporate culture and enrich the cultural life of its employees.

4. **SUPPLY CHAIN MANAGEMENT**

Pursuant to relevant legislations and regulations, the Group has formalized the Measures for Procurement Management and the Intermediary Agency Service Management Measures and other systems, which, with procedures of suppliers' admittance included, rules the behavior in purchasing, to standardize the Group's purchasing events and build up refined purchasing management system. The work of building the supplier database has been completed to achieve centralized and standardized management of supplier information. The Purchasing Department seeks for qualified suppliers in the market and carries out regular assessment on their overall ability, assets' condition, business nature, reputation in the industry, quality of the products, delivery of the products and compliance with the laws and regulations. We will conduct investigations (including qualification reviewing and onsite inspection) on the suppliers' background before engagement. Participants in the investigations come from departments in the demand end and professional team (if applicable). We typically offer price consultation to not less than three suppliers. Other factors such as the delivery time, and the technical capability of the suppliers, are also taken into consideration in choosing suppliers. The adverse effect of the services or products provided by suppliers on environment is one of the main considerations when the Group looks for new suppliers. Suppliers are the Group's joint development partners. As customers are increasingly concerned about environmental problems and emphasize the importance of applying environment-friendly materials, the Group will continue to shoulder its responsibility as an enterprise citizen to communicate and highlight relevant environmental issues to our suppliers. Cooperation and contract will be terminated with those suppliers which fail to meet the applicable compliance standard. We believe that, through the above assessment process, we can minimise the potential environmental and social risks associated with the supply chain management.

4. SUPPLY CHAIN MANAGEMENT *(Continued)*

As of 31 December 2025, the number of suppliers of the Group is set out below:

	Number of suppliers
Delineation by area:	
Beijing	619
Hebei	14
Guangdong	3
Shanghai	16
Tianjin	5
Zhejiang	10
Shandong	6
Anhui	1
Hubei	1
Sichuan	4
Shanxi	3
Jiangxi	1
Shaanxi	1
Fujian	1
Shenzhen	5
Chongqing	2
Hainan	2
Jiangsu	2
Hong Kong	3
Japan	1

Note: The area refers to the place of registration of suppliers

5. PRODUCT RESPONSIBILITY MANAGEMENT

Followed by the spirit of undertaking responsibility for consumers, the advertiser requiring to publish an advertisement shall have an identity of legal operating entity, while advertisement reviewer shall conduct affirmation on the identity of legal operating advertiser. Upon the affirmation of the advertisers' legal identity, more reviews shall be carried out on the contents of advertisement provided by advertisers in accordance with the relevant laws and regulations, including the "Advertising Law of the PRC" and the "Anti-Unfair Competition Law of the PRC". The Group also follows the applicable laws governing health and safety standards, advertising and labeling. We uphold the principles of truth, objectiveness and fairness, reject compensated news and false news, and ensure the quality of production services without producing, endorsing or disseminating false advertisement, in order to spread positive energy, and pursue a healthy and progressive cultural taste. If there are complaints against the content of advertisements from readers, the department of advertisement review will, in coordination with the department of advertisement business, actively compensate the loss of readers based on specific situation.

During the Reporting Period, the Group did not receive any complaints about advertising due to violations of the regulations of the press, publication, radio, film and television industry and applicable advertising laws and regulations.

5. PRODUCT RESPONSIBILITY MANAGEMENT *(Continued)*

The Group attaches great importance to customers' privacy management in strict compliance with the "Law of the PRC on Guarding State Secrets" and other applicable laws and regulations in the PRC. In order to ensure that the data and privacy of clients are adequately safeguarded, the Group formulates systems such as the Provisions on Confidentiality of Employee Information and the Measures for File Management, and relevant responsible persons shall strictly keep confidentiality of all the confidential materials and information, and shall not expand the scope of insiders without authorisation. Meanwhile, they shall do proper work in keeping the confidential materials and information, and shall not allow confidential materials and information to be leaked out due to poor management. Without authorisation, they shall not duplicate, copy, make copies by writing of confidential documents and data.

6. PROTECTION OF INTELLECTUAL PROPERTY AND CONSUMER'S PRIVACY

The Group understands how important it is to protect intellectual property and consumer's privacy. The Group has obtained relevant licenses for the software and data used in business operations. The Group only purchases genuine products. We have formulated the "Intellectual Property Management Measures" to strengthen the management of intellectual property.

Meanwhile, the Group will process all information provided by customers, employees and business partners in accordance with the "Civil Code of the People's Republic of China" and relevant laws and regulations to ensure that such data is properly protected.

7. ANTI-CORRUPTION MANAGEMENT

The Group adopts a zero-tolerance approach to corruption in any form and strives to maintain an ethical corporate culture. We have strictly abided by Hong Kong's relevant anti-corruption and anti-money laundering laws and regulations, including Prevention of Bribery Ordinance and Anti-Money Laundering and Counter-Terrorist Financing Ordinance. We have also formulated the Anti-fraud System and the Measures for Investigating Liability for Irregular Business Operations in accordance with the relevant laws and regulations. Any employee who engages in any form of corruption or money laundering will be subject to disciplinary action; and those with serious cases, will be dismissed. Should such conduct constitute a criminal offence, it will be referred to the judicial authorities for handling in accordance with the law. The Group has established a whistle-blowing channel for employees and the public to report any misconduct to the Audit Committee. The Audit Committee will investigate any suspicious activity or illegal act to safeguard the interests of the Group. All investigations are conducted in a confidential manner and management will take corrective action to address the proven fraud. The Audit Committee will report misconduct to the Board, and if the misconduct is in breach of the relevant laws, it will forward the relevant report to the law enforcement agency for follow-up.

The Group plans to conduct regular training for all directors and employees on anti-corruption and anti-fraud policies and procedures to maintain employees' awareness of anticorruption.

During the Reporting Period, the Group has complied with the relevant anti-corruption and anti-money laundering laws and regulations and there have been no concluded corruption proceedings against the Group or its employees (2024: Nil).

8. COMMUNITY INVESTMENT

Over the years, the Group has been committed to corporate social responsibility and has spared no effort to build a cohesive and caring society. During the Reporting Period, our corporate social responsibility team organized diversified community caring activities and our employees actively participated in these activities in the hope of helping the needy. We believe that these community caring activities can enhance our staffs' sense of responsibility, interpersonal skills, and team collaboration skills. During the Reporting Period, the Group's community caring activities were as follows:

Practising public welfare

In 2025, the Company actively undertook its social responsibility, effectively played the function of media publicity. Leveraging its core business of outdoor advertising and fully utilising its communication capabilities, the Company produced carefully crafted public service announcements and short videos. Through high-quality content and innovative formats, it promoted new trends in social civility and contributed to the development of the capital. In particular, taking advantage of the resources of outdoor metro advertising media, the Company published more than 10 public welfare brand advertisements, including Beijing Municipal Commission of Urban Management, Beijing Gas, Beijing Book Fair (北京圖書市集), Healthy China Initiative, Water Purification Plan, World Hepatitis Day, World Mental Health Day, College Student Employment and Entrepreneurship (大學生就業創業), Panda Public Welfare (熊貓公益), World Tuberculosis Day, the National Health Commission, and the Sunshine Starting Point Initiative (陽光起點行動) on Beijing Metro Line 4, Daxing Line and Beijing Metro Line 17, thereby fulfilling our social responsibilities. Leveraging its exceptional innovation capabilities and high-quality brand services, the Company was honored as one of the "2025 China Top 100 Innovative Outdoor Media Enterprises (二零二五年度中國戶外媒體企業創新TOP100強)" at the 7th Gold Jade Awards • China Outdoor Media Innovation Conference organised by the Organising Committee of the China Outdoor Media Innovation Conference (中國戶外媒體創新大會組委會). Additionally, at the launching forum of the 2025 Beijing International Creative Festival (2025年北京國際創意節啟動論壇) hosted by the Beijing Advertising Association, the Company was also awarded the "2025 Beijing 5A Grade Credit Enterprise for Advertising (2025年北京市廣告企業5A級信用企業)".

In 2025, Beiqing Community Media, a subsidiary of the Company, used volunteer services and community cultural festivals as platforms to innovatively explore grassroots practices for green development. On the one hand, volunteer service teams have been established to carry out themed activities such as "Building Our Homeland with Children (童行築家園)" and "Little Guardians of the Grand Canal (運河小衛士)", promoting environmental protection and jointly building a green home. The concept of environmental protection is integrated into community education, thereby strengthening the public foundation for green home construction. On the other hand, community cultural festivals serve as an offline entry point to deeply develop a closed-loop model that integrates "agricultural support, public welfare, culture, and low-carbon initiatives", closely aligning with the goals of carbon peaking and carbon neutrality. On the supply chain side, Beijing Media promoted direct sourcing from production areas and short-chain circulation, supporting farmers while reducing emissions. On the event operation side, Beijing Media practiced zero-carbon festival organisation, guiding low-carbon consumption and green lifestyles. This approach not only helped increase farmers' incomes and enriched community cultural life but also served the urban dual-carbon strategy through quantifiable low-carbon actions, achieving a synergistic integration of economic, public welfare, and ecological benefits.

8. COMMUNITY INVESTMENT *(Continued)*

Practising public welfare *(Continued)*

In 2025, Beiqing Community Media, a subsidiary of the Company, contributed to the development of adolescents and their integration into the community by organising a series of specialised practical activities for the "Youth League (小青團)" adolescent group in Nanbeili Community, Tuanjiehu Subdistrict. These activities included guiding adolescents in learning the craft of making Song Brocade Pearl Fans (宋錦珍珠扇), and subsequently presenting the beautifully crafted fans to senior citizens in the community, thereby promoting warmth and respect for the elderly through the transmission of intangible cultural heritage. Beiqing Community Media also planned a "Low-Carbon Practice Day", which enabled adolescents to gain direct experience with environmental protection initiatives through community clean-up efforts, educational sessions on environmental knowledge, and the creation of creative lamps using discarded materials. Furthermore, in commemoration of the 80th anniversary of the victory in the War of Resistance Against Fascism, Beiqing Community Media organised a thematic educational activity featuring stories of revolutionary artifacts, interactive Q&A sessions, and artistic creations, guiding adolescents to remember history and cherish peace.

In 2025, the Company hosted the 17th Financial Stars List and the Awards Ceremony for Model Units of High-Quality Development in Elderly Care (老愛老高品質發展示範單). As a pioneer in the media industry with deep roots in the capital, the Company has focused on the senior care sector, partnering with benchmark companies in the capital's pension industry to establish the Beiqing Elderly Service Brand Alliance (北青養老服務品牌聯盟). Together, they sought to foster the coordinated development of finance and elderly care. Through organising industry forums, conducting rankings, promoting the establishment of the alliance, and creating its own new media column, "New Line of Elderly Care (養老新一線)", the Company advanced the production and dissemination of high-quality content, helping to realise a new vision of high-quality elderly care characterised by "meaningful engagement, joyful living, and secure support" for the elderly.

Low Carbon and Environmental Protection

In 2025, leveraging its advantages in content promotion and event planning, the Company co-hosted the "2025 Rainbow Run in Beijing (2025彩色跑北京站)" event under the theme of "Shine Bright • Enjoy Be Young (躍出彩•悦有YOUNG)". Nearly 20,000 participants from across the country completed a 5-kilometer run focused not on speed but on joy, jointly witnessing a national carnival brought by this international brand event. The event advocated a healthy and joyful lifestyle, bringing more healthy, happy, and innovative sports experiences to the public, continuously enhancing the Company's brand influence and industrial value.

In 2025, Beiqing Innovation Cultural, a subsidiary of the Company, collaborated with the Yili Public Welfare Foundation (億利公益基金會) to launch the "Green Movement for the Future" Kubuqi Desert Research Camp. As the Company's first "eco+" student travel product launched during the summer vacation, the event fully integrated the unique ecological environment and desertification control achievements of the Kubuqi Desert and carefully designed a curriculum system around the concept of "ecology + education + tourism". Through diverse activities such as visiting the xerophytic plant germplasm bank, inspecting the photovoltaic three-dimensional ecological model, hiking in the desert to identify sand fixation techniques, and practicing minimally invasive airflow tree planting, campers immersively perceived the fragility and resilience of desert ecosystems, deeply understood the path of scientific desertification control and sustainable development concepts, the student travel product achieved the transformation and sublimation of ecological education from the classroom to the field.

In 2025, the Company held a "Welcoming Newcomers Run (迎新跑)" event at Nanhaizi Park to convey the concept of green development through healthy and active sports, enhancing team cohesion. More than 100 employees participated in the event. The Company actively organised employees to participate in civilised creation and voluntary service activities, conducting tree-planting activities to deepen employees' understanding of the importance of improving the ecological environment and promoting ecological balance through social practice, and enhancing their sense of responsibility for "planting, protecting and cherishing greenery".

"2026 Exclusive Concession Rights Agreements"	The 2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and the 2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement dated 11 December 2025 that the Company entered into with Beijing MTR and Beijing MTR17 respectively in relation to the grant of the exclusive rights by Beijing MTR to the Company to use and operate the major advertising resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR, and the grant of the exclusive rights by Beijing MTR17 to the Company to use and operate the major advertising resources in the entire Beijing Metro Line 17 operated by Beijing MTR17, with an operating period of one year effective from 1 January 2026 to 31 December 2026
"Beijing MTR"	北京京港地鐵有限公司 (Beijing MTR Corporation Limited*), a company established in the PRC with limited liability
"Beijing MTR17"	北京京港十七號線地鐵有限公司 (Beijing Jinggang Line 17 Metro Co., Ltd.*), a wholly-owned subsidiary of Beijing MTR, established in the PRC with limited liability
"Beijing Rural Exchange"	Beijing Rural Area Equity Exchange Co., Ltd. (北京農村產權交易所有限公司)
"Beiqing Community Media"	Beiqing Community Media Technology (Beijing) Co., Ltd., a subsidiary of the Company
"Beiqing Innovation Cultural"	Beijing Beiqing Innovation Cultural Industry Development Co., Ltd., a subsidiary of the Company
"Beiqing Long Teng"	Beiqing Long Teng Investment Management (Beijing) Co., Limited, a subsidiary of the Company
"Beiqing Network Culture"	Beiqing Network Culture Communication Co., Ltd., a subsidiary of the Company
"Beiqing Outdoor"	Beijing Beiqing Outdoor Advertisement Co., Ltd., a subsidiary of the Company
"BJAI"	Beijing Agricultural Investment Co., Ltd. (北京市農業投資有限公司)
"BYDA Building"	Beijing Youth Daily Agency Building located in Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing
"BYD Logistics"	BYD Logistics Company Limited, a subsidiary of the Company
"Capital Group"	Beijing Capital Group Company Limited
"Capital Securities"	Capital Securities Co., Ltd. (首創證券股份有限公司), a subsidiary of Capital Group
"Chongqing Media"	Chongqing Youth Media Company Limited
"Company Law"	The Company Law of the PRC
"Custodian Bank"	Beijing Branch of Bank of Communications Co., Ltd.
"Director(s)"	The director(s) of the Company
"Domestic Share(s)"	The ordinary share(s) of RMB1.00 per share in the share capital of the Company
"Entrusted Assets"	The entrusted assets managed by Capital Securities for the Company under the Scheme pursuant to the Single Asset Management Contract

"Group"	The Company and its subsidiaries
"H Share(s)"	The foreign share(s) listed overseas of RMB1.00 per share in the ordinary share capital of the Company
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Jingjian Media"	Jingjian (Beijing) Culture Media Co., Ltd. (鏡鑑(北京)文化傳媒有限公司), a subsidiary of the Company
"Listing Rules"	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"Main Board"	The main board of the Hong Kong Stock Exchange
"Model Code"	The Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix C3 to the Listing Rules
"Nomination Committee"	The nomination committee under the Board
"Parent Group" or "BYDA Group"	Beijing Youth Daily Agency and its subsidiaries (excluding the Group)
"Parent" or "BYDA"	Beijing Youth Daily Agency, the controlling shareholder of the Company
"PRC" or "China"	The People's Republic of China, for the purpose of this report, excluding Hong Kong, Macau Special Administrative Region and Taiwan
"Remuneration Committee"	The remuneration committee under the Board
"Reporting Period"	The year ended 31 December 2025
"RMB"	Renminbi, the lawful currency of the PRC
"Scheme"	The open-end, fixed-income single asset management scheme provided by Capital Securities to the Company under the Single Asset Management Contract
"SFO"	Securities and Futures Ordinance, Chapter 571 of Hong Kong Laws
"Shareholder(s)"	The shareholder(s) of the Company
"Single Asset Management Contract"	The single asset management contract for Capital Securities — Beijing Media Single Asset Scheme entered into by the Company, Capital Securities and Beijing Branch of Bank of Communications Co., Ltd. dated 19 April 2022 and extended on 25 April 2023 pursuant to its supplemental agreement
"Supervisor(s)"	The supervisor(s) of the Company
"Supervisory Committee"	The supervisory committee of the Company

信永中和
ShineWing

To all shareholders of Beijing Media Corporation Limited:

I. OPINION

We have audited the financial statements of Beijing Media Corporation Limited (hereafter referred to as "Beijing Media"), which comprise the consolidated and the Parent's balance sheets as at 31 December 2025, the consolidated and the Parent's statements of income, the consolidated and the Parent's statements of cash flows and the consolidated and the Parent's statements of changes in equity for the year 2025, and notes to the related financial statements.

In our opinion, the accompanying financial statements have been prepared in accordance with Accounting Standards for Business Enterprises in all material aspects, which give a fair view of the consolidated and the Parent's financial position of Beijing Media as at 31 December 2025, and of its consolidated and the Parent's results of operations and cash flows for the year 2025.

II. BASIS FOR OPINION

We conducted our audit in accordance with Chinese Certified Public Accountants Auditing Standards. Our responsibilities under those standards are further described in the section headed "Auditor's Responsibilities for the Audit of the Financial Statements" of our report. We are independent of Beijing Media in accordance with the independence requirements applicable to audits of financial statements of public interest entities under the Chinese Standards on Independence for Certified Public Accountants and the Chinese Code of Ethics for Certified Public Accountants, and have fulfilled our other responsibilities in accordance with the independence and professional ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

A. Revenue recognition

1. The Matter

For policies and disclosures on revenue recognition and classification, please refer to notes "V.(23)" and "VIII.(33)". Operating income is a key performance indicator of Beijing Media, and there is an inherent risk that the management manipulates the timing of revenue recognition to achieve specific goals or expectations. Therefore, we identified the recognition of revenue as a key audit matter.

2. *Audit response*

The audit procedures we performed in respect of revenue recognition mainly include:

(1) understanding and evaluating the effectiveness of the design of the internal control related to the recognition of revenue and testing whether such controls have been implemented effectively;

(2) understanding the business models and the corresponding policies of revenue recognition of the company and sampling the contracts and revenue recognition methods under different business models, to evaluate whether those methods comply with the requirements of Accounting Standards for Business Enterprises;

(3) implementing analysis procedures on operating revenues and gross profit margin, to identify and analyse material or abnormal fluctuations;

(4) sampling the sales contracts, identifying the contract terms and conditions that related to the transfer of control and evaluating whether method and timing for revenue recognition is compliant with the requirements of Accounting Standards for Business Enterprises;

(5) selecting samples for current year's revenue-generating transactions by sampling, checking the revenue-related sales contracts, sales invoices, dispatch list, placing order, advertising spaces, customer receipts and other documents, and verifying authenticity, accuracy and completeness of the revenue recognition;

(6) enquiring transaction amounts during the reporting period from significant clients;

(7) for the revenue recognised before and after the balance sheet date, selecting samples and checking the related sales contracts, sales invoices, dispatch list, placing order, advertising spaces, customer acceptance reports and other documents, in order to evaluate whether the revenue was recognised during the proper accounting period.

IV. OTHER INFORMATION

The management of Beijing Media (hereafter referred to as "the management") are responsible for the other information. The other information comprises all of the information included in the 2025 annual report of Beijing Media other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management is responsible for the preparation of financial statements that give a true and fair view in accordance with Accounting Standards for Business Enterprises, and design, implement and maintain the necessary internal control, so that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing Beijing Media's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate Beijing Media or to cease operations or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Beijing Media's financial reporting process.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

(3) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(4) conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Beijing Media's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Beijing Media to cease to continue as a going concern.

(5) evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Beijing Media to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that are of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

SHINEWING CERTIFIED PUBLIC ACCOUNTANTS, LLP

Certified Public Accountant of China:
(Project partner)

Certified Public Accountant of China:

China • Beijing

20 March 2026

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

For the year ended 31 December 2025

RMB'000

Items	*Notes*	**As at 31 December 2025**	As at 31 December 2024
Current assets:			
Bank balances and cash	*VIII.1*	**37,089**	81,523
Financial assets held for trading	*VIII.2*	**124,783**	114,270
Notes receivable	*VIII.3*	**342**	636
Accounts receivable	*VIII.4*	**31,624**	28,235
Prepayments	*VIII.5*	**5,368**	6,061
Other receivables	*VIII.6*	**12,407**	28,712
Inventories	*VIII.7*	**512**	5,282
Other current assets	*VIII.8*	**26,420**	29,595
Total current assets		**238,545**	294,314
Non-current assets			
Long-term equity investment	*VIII.9*	**—**	—
Investment in other equity instruments	*VIII.10*	**351,168**	341,253
Investment properties	*VIII.11*	**85,065**	53,633
Fixed assets	*VIII.12*	**1,349**	1,432
Right-of-use assets	*VIII.13*	**—**	1,390
Intangible assets	*VIII.14*	**8,068**	16,450
Long-term deferred expenses	*VIII.15*	**4,743**	4,281
Total non-current assets		**450,393**	418,439
Total assets		**688,938**	712,753

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

RMB'000

Items	*Notes*	As at 31 December 2025	As at 31 December 2024
Current liabilities:			
Notes payable	*VIII.19*	—	1,365
Accounts payable	*VIII.20*	**28,847**	21,184
Contract liabilities	*VIII.21*	**12,009**	9,674
Employee benefits payable	*VIII.22*	**18,718**	6,981
Taxes payable	*VIII.23*	**505**	1,528
Other payables	*VIII.24*	**18,064**	18,006
Non-current liabilities due within one year	*VIII.25*	—	1,106
Other current liabilities	*VIII.26*	**685**	3,274
Total current liabilities		**78,828**	63,118
Non-current liabilities:			
Leased liabilities	*VIII.27*	—	—
Deferred income tax liabilities	*VIII.16*	**706**	706
Total non-current liabilities		**706**	706
Total liabilities		**79,534**	63,824
Shareholders' equity:			
Share capital	*VIII.28*	**197,310**	197,310
Capital reserves	*VIII.29*	**911,291**	918,976
Other comprehensive income	*VIII.30*	**275,371**	231,238
Surplus reserves	*VIII.31*	**130,931**	130,931
Undistributed profits	*VIII.32*	**(913,544)**	(840,719)
Total equity attributable to shareholders of the Company		**601,359**	637,736
Non-controlling interest		**8,045**	11,193
Total shareholders' equity		**609,404**	648,929
Total liabilities and shareholders' equity		**688,938**	712,753
Net current assets		**159,717**	231,196
Total assets less current liabilities		**610,110**	649,635

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

For the year ended 31 December 2025

RMB'000

Items	Notes	For the year ended 31 December 2025	For the year ended 31 December 2024
Total operating income	*VIII.33*	**137,606**	209,192
Total operating costs		**216,737**	243,148
Operating costs	*VIII.33*	**152,992**	185,108
Taxes and surcharges	*VIII.34*	**1,843**	2,129
Selling expenses	*VIII.35*	**4,859**	13,310
Administrative expenses	*VIII.36*	**57,538**	43,337
Finance costs	*VIII.37*	**(495)**	(736)
Including: Interest expenses		**107**	172
Interest income		**635**	975
Add: Other income	*VIII.38*	**20**	65
Investment income (Loss represented in "—")	*VIII.39*	**8,998**	17,820
Including: Gain from investments in associates		**—**	(3,041)
Gain on the changes in fair value (Loss represented in "—")	*VIII.40*	**(6,881)**	3,163
Credit impairment losses (Loss represented in "—")	*VIII.41*	**401**	11,645
Impairment loss of assets (Loss represented in "—")	*VIII.42*	**(5)**	—
Gain on disposal of assets (Loss represented in "—")	*VIII.43*	**1**	1
Operating profit		**(76,597)**	(1,262)
Add: Non-operating income	*VIII.44*	**382**	1,602
Less: Non-operating expenses	*VIII.45*	**564**	53
Total profit		**(76,779)**	287
Less: Income tax expenses	*VIII.46*	**(783)**	2,952
Net profit		**(75,996)**	(2,665)
Net profit attributable to:			
Net profit from continuing operations		**(75,996)**	(2,665)
Net profit from discontinued operations		**—**	—
Shareholders of the Company		**(72,825)**	(2,042)
Non-controlling shareholders		**(3,171)**	(623)

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

RMB'000

Items	*Notes*	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Other comprehensive income, net of tax	*VIII.30*	**44,156**	37,961
Other comprehensive income, net of tax attributable to shareholders of the Company		**44,133**	37,912
Including: Other comprehensive income unqualified for subsequent reclassification into profit or loss		**9,915**	37,839
Including: Change in fair value of investment in other equity instruments		**9,915**	37,839
Including: Other comprehensive income subsequently reclassified into profit or loss	*VIII.30*	**34,218**	73
Including: Changes in fair value of investment properties		**34,183**	—
Including: Exchange differences from retranslation of financial statements		**35**	73
Other comprehensive income, net of tax attributable to non-controlling shareholders		**23**	49
Total comprehensive income		**(31,840)**	35,296
Total comprehensive income attributable to shareholders of the Company		**(28,692)**	35,870
Total comprehensive income attributable to non-controlling shareholders		**(3,148)**	(574)
Earnings per share:			
Basic earnings per share (RMB)		**(0.37)**	(0.01)
Diluted earnings per share (RMB)		**(0.37)**	(0.01)

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

For the year ended 31 December 2025

RMB'000

Items	*Notes*	**For the year ended 31 December 2025**	For the year ended 31 December 2024
1. Cash flows from operating activities:			
Cash received from the sale of goods and provision of services		**136,941**	190,278
Tax refund received		**3,224**	679
Other cash received from operating activities		**18,316**	10,468
Subtotal of cash inflows from operating activities		**158,481**	201,425
Cash paid for goods purchased and services received		**94,203**	144,278
Cash paid to and on behalf of employees		**83,890**	80,588
Payments of taxes and surcharges		**7,870**	5,801
Other cash payments relating to operating activities		**15,785**	24,710
Subtotal of cash outflows from operating activities		**201,748**	255,377
Net cash flow from operating activities	*VIII.47*	**(43,267)**	(53,952)
2. Cash flows from investment activities:			
Cash received from sales of investments		**19,048**	47,082
Cash received from returns on investments		**18,351**	13,638
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		**2**	20,665
Net cash received from disposal of subsidiaries and other business units		**—**	—
Other cash received from investing activities		**—**	—
Subtotal of cash inflows from investing activities		**37,401**	81,385
Cash paid to acquire fixed assets, intangible assets and other long-term assets		**3,159**	4,239
Cash paid on investment		**27,000**	—
Net cash paid to acquire subsidiaries and other business units		**—**	2,089
Other cash payments relating to investing activities		**46**	—
Subtotal of cash outflows from investing activities		**30,205**	6,328
Net cash flow from investing activities		**7,196**	75,057

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

RMB'000

Items	*Notes*	**For the year ended 31 December 2025**	For the year ended 31 December 2024
3. Cash flows from financing activities:			
Cash received from investors		**—**	—
Including: Cash investments from non-controlling shareholders of subsidiaries		**—**	—
Cash received from borrowings obtained		**2,000**	—
Other cash received from financing activities		**—**	—
Subtotal of cash inflows from financing activities		**2,000**	—
Cash paid for repayment of borrowings		**2,000**	—
Cash paid for distribution of dividends or profits or interest expenses		**7**	—
Including: Dividends or profits paid to non-controlling shareholders by subsidiaries		**—**	—
Other cash payments relating to financing activities		**7,030**	1,624
Subtotal of cash outflows from financing activities		**9,037**	1,624
Net cash flows from financing activities		**(7,037)**	(1,624)
4. Effect of exchange rate changes on cash and cash equivalents		**66**	—
5. Net increase in cash and cash equivalents	*VIII.47*	**(43,042)**	19,481
Add: Opening balance of cash and cash equivalents		**79,795**	60,314
6. Closing balance of cash and cash equivalents	*VIII.47*	**36,753**	79,795

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

RMB'000

Items	Share capital	Capital reserve	Other comprehensive income	Surplus Reserves *(note)*	Undistributed profits	Subtotal	Non-controlling interest	Total owners' equity
	For the year ended 31 December 2025							
	Equity attributable to shareholders of the Company							
Balance as at 31 December 2024	**197,310**	**918,976**	**231,238**	**130,931**	**(840,719)**	**637,736**	**11,193**	**648,929**
Balance as at 1 January 2025	**197,310**	**918,976**	**231,238**	**130,931**	**(840,719)**	**637,736**	**11,193**	**648,929**
Net profit	—	—	—	—	(72,825)	(72,825)	(3,171)	(75,996)
Other comprehensive income	—	—	44,133	—	—	44,133	23	44,156
Others	—	(7,685)	—	—	—	(7,685)	—	(7,685)
Subtotal of the changes during the year	—	(7,685)	44,133	—	(72,825)	(36,377)	(3,148)	(39,525)
Balance as at 31 December 2025	**197,310**	**911,291**	**275,371**	**130,931**	**(913,544)**	**601,359**	**8,045**	**609,404**

Items	Share capital	Capital reserve	Other comprehensive income	Surplus Reserves *(note)*	Undistributed profits	Subtotal	Non-controlling interest	Total owners' equity
	For the year ended 31 December 2024							
	Equity attributable to shareholders of the Company							
Balance as at 31 December 2023	197,310	934,606	193,326	130,931	(832,966)	623,207	11,767	634,974
Effects of business combination under the same control	—	—	—	—	(5,711)	(5,711)	—	(5,711)
Balance as at 1 January 2024 (Restated)	197,310	934,606	193,326	130,931	(838,677)	617,496	11,767	629,263
Net profit	—	—	—	—	(2,042)	(2,042)	(623)	(2,665)
Other comprehensive income	—	—	37,912	—	—	37,912	49	37,961
Others	—	(15,630)	—	—	—	(15,630)	—	(15,630)
Subtotal of the changes during the year	—	(15,630)	37,912	—	(2,042)	20,240	(574)	19,666
Balance as at 31 December 2024	197,310	918,976	231,238	130,931	(840,719)	637,736	11,193	648,929

Note: In accordance with the People's Republic of China ("PRC") regulations and the Articles of Association of the Company, each subsidiary of the Group is required to transfer 10% of the profit after tax, determined in accordance with the PRC Accounting Standards, to statutory surplus reserves each year until the balance reaches 50% of the registered share capital. Such reserves can be used to offset any losses to be incurred and to increase share capital. Except for the purpose of reduction of losses, no other usage shall result in the balance of surplus reserve falling below 25% of the registered share capital.

(Amounts expressed in thousands of RMB unless otherwise stated

I. GENERAL INFORMATION

Beijing Media Corporation Limited (hereinafter referred to as the "Company") was incorporated in the PRC on 28 May 2001 as a joint stock company with limited liability under the PRC Company Law. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange").

The Parent and ultimate holding company of the Company is Beijing Youth Daily Agency ("BYDA") which is a state-owned entity established in the PRC. The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section in this annual report.

The consolidated financial statements are presented in Renminbi ("RMB") which is the functional currency of the Company.

The Company and its subsidiaries are collectively referred to as the Group hereinafter (the "Group"). The Group is principally engaged in the provision of the sales of multi-interface convergence media advertising, sales of cultural annual pass, cultural and sports event operations, event planning, new media operation and maintenance, printing and trading of printing-related materials and youth student travel services in the PRC.

II. SCOPE OF CONSOLIDATED FINANCIAL STATEMENTS

The subsidiaries which are included in the scope of consolidated financial statements for the year ended 31 December 2025 of the Group are as follows:

	Shareholding (%)	
Name of units	**Direct**	**Indirect**
Beijing Beiqing Outdoor Advertisement Co., Ltd. ("Beiqing Outdoor")	100	—
Beiqing Network Culture Communication Co., Ltd. ("Beiqing Network")	100	—
BYD Logistics Company Limited ("BYD Logistics")	92.84	—
Beiqing Community Media Technology (Beijing) Co., Ltd. ("Beiqing Community Media")	74.12	1.7
Beijing Beiqing Innovation Cultural Industry Development Co., Ltd. ("Beiqing Innovation Cultural")	100	—
Chongqing Youth Media Company Limited ("Chongqing Media")	60	—
CHONG QING YOUTH (AMERICA) LLC (Chong Qing America)	—	60
Jingjian (Beijing) Culture Media Co., Ltd. (Jingjian Media)	100	—

III. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

1. Basis of preparation

The financial statements of the Group are prepared based on actual transactions and events according to the "Accounting Standards for Business Enterprises — Basic Standards" and its application guidelines, interpretations and other relevant regulations (hereinafter referred to collectively as the "Accounting Standards for Business Enterprises") issued by the Ministry of Finance, the "Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 — General Provisions on Financial Reports" (Revised in 2023) and relevant provisions issued by the China Securities Regulatory Commission ("CSRC"), as well as applicable disclosure requirements of the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and the Hong Kong Companies Ordinance; and as stated in "3. Significant accounting policies and accounting estimates".

2. On a going concern basis

The Group has evaluated its ability to continue as a going concern for the next twelve months since 31 December 2025, and has found no events or circumstances that cast significant doubt on its ability to continue as a going concern. The financial statements are presented on a going concern basis.

IV. STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

These financial statements, prepared in accordance with the Accounting Standards for Business Enterprises, give a true, accurate and complete view of the financial position of the Company and the Group as at 31 December 2025 and their operating results, cash flows and other related information for the year 2025.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Accounting Period

The accounting period of the Group is from 1 January to 31 December of each calendar year.

2. Reporting currency

The reporting currency of the Group is RMB.

The financial statements of the Group are expressed in RMB.

3. Basis of preparation and principle of measurement

The Group's financial statements have been prepared on an accrual basis. Except for financial assets held for trading and investment properties which are measured at fair value, the financial statements are prepared under the historical cost convention.

4. Methodology for determining materiality criteria and basis for selection

(1) Significance of financial statement items

The Group determines the materiality of financial statement items based on the principle of whether it affects the financial statement users in making economic decisions, and considers both nature and amount. The significance of financial statement items in terms of amount is based on the proportion of the relevant items to total assets, total liabilities, total owners' equity, operating revenues and net profit; the significance of financial statement items in terms of nature is based on factors that have a significant impact on financial position and operating results, such as whether they are part of daily operating activities, whether they lead to changes in profit or loss, and whether they affect regulatory indicators.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

4. Methodology for determining materiality criteria and basis for selection *(Continued)*

(2) Significance of line items in the notes to the financial statements

The Group determines the materiality of line items in the notes to the financial statement items on the basis of the materiality of the financial statement items, determined as a percentage of the specific item, or a combination of amounts, taking into account the nature of the specific item. Certain items that are not material to the financial statements may be material to the notes and still require separate disclosure in the notes. The materiality criteria related to the notes to the financial statement items are:

Item	Disclosure sections of matters in the notes to the financial statements	Materiality criteria
Significant individually bad debt provisioned receivables	There were no significant individually bad debts provisioned receivables during the period	Accounting for 15% or more of the amount of the corresponding receivable, and the amount exceeds RMB10 million, or the provision for bad debts in the current period affects the change of profit or loss
Recovery or reversal of bad debt provision for significant receivables	VIII.4	Affecting the reversal of bad debt provision of more than 10% of the current bad debt provision reversal and amounting to more than RMB5 million, or affecting the change in profit or loss for the period
Significant receivable write-offs	There were no significant receivable write-offs during the period	Accounting more than 10% of the amount of receivables write-offs during the period and the amount exceeds RMB1 million
Significant changes in the carrying value of contract liabilities and contract assets	There were no significant changes in the carrying values of contract liabilities and contract assets during the period	Variation range surpasses 30% and the amount exceeds RMB1 million
Significant accounts payable and other payables aged over 1 year	There were no significant accounts payable and other payables aged over 1 year during the period	Accounting more than 20% of the balance of accounts payable or other accounts payable and the amount exceeds RMB1 million

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

4. Methodology for determining materiality criteria and basis for selection *(Continued)*

(2) Significance of line items in the notes to the financial statements (Continued)

Item	Disclosure sections of matters in the notes to the financial statements	Materiality criteria
Subsidiaries with significant minority interests	X.1	Minority shareholders hold more than 5% of the equity, and the total assets, net assets, operating revenues and net profits account for more than 10% of the corresponding items in the consolidated financial statements
Significant joint ventures or associates	X.3	Carrying value accounts for 10% or more of long-term equity investments, or investment income (loss in absolute amount) derived from joint ventures or associates accounts for 10% or more of net profits in the consolidated financial statements
Significant asset swaps and asset transfers and disposals	VIII.12	Total assets, net assets, operating revenues, and net profits account for more than 10% of the corresponding items in the consolidated financial statements, and the absolute amount exceeds RMB10 million (the absolute amount of net profits exceeds RMB1 million)
Significant contingencies	There were no significant contingencies during the period	Amounts is larger than RMB10 million and accounts for 10% or more of the absolute value of net assets in the consolidated financial statements

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

5. Business Combination

(1) Business combination involving entities under common control

In a business combination involving enterprises under common control, if the acquirer pays the consideration in cash, transfers non-cash assets or assumes liabilities, the carrying amounts of the ownership interests held by the Company in the acquiree in the ultimate controlling party's consolidated financial statements at the acquisition date should be deemed as the original investment costs of the long-term equity. If the acquirer pays consideration by issuing equity instruments for the business combination, the acquirer measures the share capital by the par value of the shares issued. The difference between the original investment costs of long-term equity investment and the carrying amounts (or the total par value of shares issued) will be adjusted to the capital reserves. If the capital reserves are insufficient to absorb the difference, the retained earnings shall be adjusted.

(2) Business combination involving entities not under common control

In a business combination involving enterprises not under common control, the combination costs are the aggregate of the fair values of the assets paid, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control over the acquiree at the acquisition date. At the acquisition date, the acquired identifiable assets, liabilities and contingent liabilities of the acquiree that meet the recognition criteria are measured at their fair value. The Company shall recognise the difference of the combination costs in excess of its interest portion in the fair value of the net identifiable assets acquired from the acquiree as goodwill. The Company shall recognise the difference of the combination costs less than its interest portion in the fair value of the net identifiable assets acquired from the acquiree in the non-operating income for current period after reassessment.

6. Criteria for judging control and preparation of consolidated financial statements

(1) Criteria for judging control

The scope of consolidation of the consolidated financial statements is determined on the basis of control. An investee is recognised as being controlled if the following three elements are present: power over the investee, a variable return as a result of participating in the relevant activities of the investee, and the ability to use the power over the investee to affect the amount of the return.

(2) Uniform accounting policies, balance sheet date and accounting period

If the subsidiaries adopt different accounting policies or accounting period from those of the Company, the Company shall make necessary adjustments to the subsidiaries' financial statements according to its accounting policies or accounting period in preparing the consolidated financial statements.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

6. Criteria for judging control and preparation of consolidated financial statements *(Continued)*

(3) Eliminations in the consolidated financial statements

The consolidated financial statements are prepared based on the individual financial statements of the Company and the subsidiaries, after elimination of the transactions incurred among the Company and the subsidiaries. The shares of owners' equity of subsidiaries that are not attributable to the Company and the shares of net profit or loss, other comprehensive income, and total comprehensive income for the period that are attributable to non-controlling interests are presented in the consolidated financial statements under "non-controlling interests, gains or losses on non-controlling interests, other comprehensive income attributable to non-controlling interests and total comprehensive income attributable to non-controlling interests", respectively. The long-term equity investment of the Company held by one subsidiary shall be treated as the Company's treasury shares and a deduction of the shareholder's equity which is presented as "less: treasury shares" under owners' equity in the consolidated balance sheet.

(4) The accounting treatment for obtaining subsidiaries through a business combination

Where a subsidiary has been acquired through a business combination involving enterprises under common control, the combination shall be deemed to take place from the date when the ultimate controlling party commences exercising control over the obtained subsidiary, and its assets, liabilities, operating results and cash flows are included in the consolidated financial statements from the beginning of the accounting period in which the acquisition occurred. For a subsidiary acquired through a business combination not involving enterprises under common control, its individual financial statements are adjusted based on the fair value of identifiable net assets at the acquisition date when preparing the consolidated financial statements.

(5) Accounting treatment for disposal of subsidiaries

In respect of disposal of long-term equity investment in subsidiaries without losing control, the difference between disposal consideration and the net assets of subsidiaries attributable to the long-term equity investment continuously calculated since the date of acquisition or combination shall be adjusted to capital reserve (capital premium or share capital premium) in the consolidated financial statements. In case the capital reserve is insufficient for offset, retained earnings will be adjusted.

When the control over the investee is lost due to reasons such as disposal of part of the equity investment, the remaining equity investment shall be remeasured at its fair value as at the date of loss of control when preparing the consolidated financial statements. The difference between the sum of disposal consideration and fair value of the remaining equity less the net assets attributable to the original shareholding calculated from the date of acquisition or combination shall be recorded into the investment income for the period when the control is lost, and goodwill will be written off at the same time. Other comprehensive income related to the original equity investment in the subsidiary will be transferred to investment income for the period when control is lost.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

7. Classification of joint arrangements and accounting treatment of joint operations

(1) Classification of joint arrangements

Joint arrangements are classified as joint operations or joint ventures. A joint arrangement not structured through a separate entity is classified as a joint operation. A separate entity is an entity with individual identifiable financial structure, including single legal entity and entity unqualified as legal entity but qualified as lawful entity. A joint arrangement is usually classified as joint venture when the joint arrangement achieves through incorporating a separate entity. When changes of relevant events or environment cause changes of the cooperative parties' rights and obligations in the joint arrangements, the cooperative parties shall reassess the classification of the joint arrangements.

(2) The accounting treatment of joint operation

The Group, as the party participating in joint operations, recognises the following items relating to interests in the joint operations and accounts for them in accordance with related requirements of Accounting Standards for Business Enterprises: solely-held assets and solely-assumed liabilities, and share of any assets and liabilities held jointly; revenue from the sale of its share of the output arising from the joint operation; share of the revenue from the sale of the output by the joint operation; its own expenses; and share of any expenses incurred jointly.

If the Group is a participant in a joint operation without joint control and is entitled to assets related to the joint operation and bears liabilities related to the joint operation, it shall account for them in accordance with the provisions for participants in joint operations; otherwise, it shall account for them in accordance with the relevant Accounting Standards for Business Enterprises.

(3) The accounting treatment of joint ventures

The Group, as a party participating in a joint venture, accounts for its investment in accordance with Accounting Standards for Business Enterprises No.2 Long-term Equity Investment. If the Group is not a party involved in joint ventures, it accounts for its investments according to its influence extent on the joint ventures.

8. Recognition standard for cash and cash equivalents

Cash recognised by the Group in preparing statement of cash flows represents cash on hand and deposits that can be readily drawn on demand. Cash equivalents recognised by the Group in preparing statement of cash flows represent investments which are held for less than three months, highly liquid and are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

9. Foreign currency transaction and translation of foreign currency financial statements

(1) Foreign currency transaction

The Group records foreign currency transactions in RMB for accounting purpose using the spot exchange rate prevailing on the date when the transactions occur. As at the balance sheet date, monetary items denominated in foreign currency are translated to RMB by adopting the prevailing exchange rate on that date. Foreign exchange difference between the prevailing exchange rate on that date and the prevailing exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss for the current period, except for foreign exchange difference arising from specific loan denominated in foreign currency qualified as capital expenditure and included in the cost of related assets. Non-monetary items denominated in foreign currency that are measured at historical cost are still translated at amount in functional currency exchanged at the prevailing exchange rate at the transaction date. Non-monetary items denominated in foreign currency that are measured at fair value are translated using the exchange rate at the date when fair value was determined and the differences between the translated functional currency amount and the prior translated amount are treated as changes in fair value (including change in exchange rate) and recorded in profit or loss for the current period or other comprehensive income.

(2) The translation of financial statements denominated in foreign currency

If, among others, the Group's subsidiaries, joint ventures and associates adopt different reporting currencies from those of the Company, their financial statements denominated in foreign currency shall be translated to financial statements in RMB when preparing consolidated financial statements. The assets and liabilities are translated to RMB amounts using the spot exchange rate at the balance sheet date. Items of the shareholder's equity, except for "undistributed profits", are translated at the spot exchange rate at the dates on which such items occurred. The revenue and expenditures in the statement of income are translated using the spot exchange rate at the transaction date. The difference arising from foreign currency financial statements translation is presented in other comprehensive income in the consolidated balance sheet within shareholder's equity. Foreign currency cash flows are translated at the spot exchange rate prevailing on the date when the cash flow occurs. Effect arising from changes of exchange rates on cash is presented separately in the statement of cash flows. When disposing of foreign operations, exchange differences of foreign currency financial statements attributable to the foreign operations are transferred to profit or loss for the current period entirely or in proportion with the disposal portion of the foreign operations.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

10. Financial instruments

(1) Classification and reclassification of financial instruments

A financial instrument is a contract that forms the financial assets of a party and forms the financial liabilities or equity instruments of other parties.

1) Financial assets

The Group will recognise its financial assets as financial assets measured at amortised cost if both of the following conditions are met: ① Where the Group's business model for managing financial assets is aimed at collecting contractual cash flows; ② the contractual terms of the financial assets stipulate that the cash flow generated on a specific date is only the payment of the principal and the interest based on the outstanding principal amount.

The Group will recognise its financial assets as financial assets at fair value through other comprehensive income if both of the following conditions are met: ① Where the Group's business model for managing financial assets is aimed at both collecting contractual cash flows and selling the financial assets; ② the contractual terms of the financial assets stipulate that the cash flows generated on a specific date are only the payment of the principal and interest based on the outstanding principal amount.

For investments in non-trading equity instruments, the Group may irrevocably designate them at initial recognition as financial assets measured at fair value through other comprehensive income. This designation is made on the basis of individual investments, and the relevant investment conforms to the definition of equity instruments from the issuer's perspective.

Financial assets other than those classified as measured at amortised cost and measured at fair value through other comprehensive income are classified by the Group as financial assets measured at fair value through profit or loss. At initial recognition, if accounting mismatch can be eliminated or reduced, the Group may irrevocably designate financial assets as financial assets at fair value through profit or loss.

When the Group changes the business model for managing financial assets, it reclassifies all affected related financial assets on the first day of the first reporting period after the business model changes, and the reclassification is applied prospectively from the reclassification date. The Group does not retroactively adjust any previously recognised gains, losses (including impairment losses or gains) or interests.

2) Financial liabilities

On initial recognition, financial liabilities are classified as financial liabilities at fair value through profit or loss; financial liabilities arising from the transfer of financial assets that do not meet derecognition conditions or by continuing involvement in the transferred financial assets; financial liabilities measured at amortised cost. All financial liabilities are not reclassified.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

10. Financial instruments *(Continued)*

(2) Measurement of financial instruments

On initial recognition, the Group's financial instruments are measured at fair value. For financial assets and financial liabilities at fair value through profit or loss, the related transaction expenses are directly recognised in profit or loss for the current period. For financial assets or financial liabilities of other classes, the related transaction expenses are included in the amount of initial recognition. Accounts receivable or notes receivable arising from sales of goods or rendering services, without significant financing component, are initially recognised based on the transaction price expected to be entitled by the Group. Subsequent measurement of financial instruments depends on their classifications.

1) Financial assets

① Financial assets at amortised cost. After initial recognition, such financial assets are measured at amortised cost using the effective interest method. Gains or losses arising from financial assets at amortised cost that are not parts of any hedging relationships are included in profit or loss in the period in which they incurred when derecognised, reclassified, amortised or recognised the impairment under the effective interest method.

② Financial assets at fair value through profit or loss. After initial recognition, gain or loss (including interest and dividend income) arising from subsequent measurement of the financial assets (excluding the financial assets that are parts of the hedging relationships) at fair value is included in profit or loss in the period in which they incurred.

③ Debt instruments investment at fair value through other comprehensive income. After initial recognition, such financial assets are subsequently measured at fair value. Interest, impairment loss or gain and exchange gain and loss calculated using the effective interest method is included in profit or loss in the period in which they incurred, and other gains or losses are recognised in other comprehensive income. When derecognised, the accumulated gains or losses previously recognised in other comprehensive income are transferred out from other comprehensive income and included in profit or loss in the period in which they incurred.

④ Investment in non-trading equity instruments designated at fair value through other comprehensive income. After initial recognition, such financial assets are subsequently measured at fair value. Except that dividend income received (excluding the parts recovered as investment costs) is included in profit or loss, other relevant gains or losses are included in other comprehensive income, and would not be transferred to profit or loss in the period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

10. Financial instruments *(Continued)*

(2) Measurement of financial instruments (Continued)

2) Financial liabilities

① Financial liabilities at fair value through profit or loss. Such financial liabilities include financial liabilities for trading purpose (including derivatives that are financial liabilities) and financial liabilities designated at fair value through profit or loss. After initial recognition, the financial liabilities are subsequently measured at fair value. Except for those involving the hedge accounting, the gains or losses (including interest expenses) arising from changes in fair value of financial liabilities for trading purpose are included in profit or loss in the period which they incurred. The changes in fair value of financial liabilities designated at fair value through profit or loss that are attributable to changes of that financial liabilities' credit risk to be recognised in other comprehensive income, while other changes in fair value are included in profit or loss in the period. If the inclusion of the impact of changes in credit risk of such financial liabilities causes or increases the accounting mismatch of profit or loss, the Group will include all gains or losses of such financial liabilities in profit or loss in the period.

② Financial liabilities at amortised cost. After initial recognition, such financial liabilities are measured at amortised cost by using the effective interest method.

(3) Recognition method of financial instruments' fair value

For financial instruments in active markets, the Group determines their fair value using the quoted prices in active markets. If there is no active market, the Group determines their fair value using valuation techniques. The valuation techniques mainly include market approach, income approach and cost approach. In limited cases, if there is insufficient information used to determine the fair value, or if the range of possible estimated fair values is broad, and the cost represents the best estimate of the fair value in such a range, then such costs can represent the proper estimate of the fair value in that range. The Group determines whether the cost represents the fair value based on all information in relation to the results and operations of the investees available since the date of initial recognition.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

10. Financial instruments *(Continued)*

(4) Recognition and measurement of transfer of financial assets and financial liabilities

1) Financial assets

Financial assets of the Group are derecognised where: ① the contractual rights to receive cash flows from such financial assets have terminated; ② the Group has transferred substantially all the risks and rewards associated with ownership of such financial assets; ③ the Group has neither transferred nor retained substantially all the rewards associated with ownership of such financial assets, and has not retained control of such financial assets.

In the case that the Group has neither transferred nor retained substantially all the rewards associated with ownership of such financial assets and has retained control of such financial assets, the Group will continue to recognise such financial assets according to the extent of transfer of such financial assets, and will recognise relevant liabilities accordingly.

When the transfer of financial assets as a whole qualifies for derecognition, the Group will include the difference of the following two amounts in profit or loss in the period: ① the carrying amount of the transferring financial assets on the derecognition date; ② the sum of the consideration obtained from transferring the financial assets, and the amount of derecognised part in the accumulated changed amount of fair value directly included in other comprehensive income (the related transferring financial assets are the financial assets at fair value through other comprehensive income).

When a partial transfer of financial assets qualifies for derecognition, the carrying amount of the transferring financial assets is allocated between the part subject to and the part not subject to derecognition, in proportion to the respective fair values of those parts. The difference between: ① the carrying amount of the part derecognised on date of derecognition; and ② the sum of the consideration obtained from the part derecognised and the cumulative changed amount of fair value for the part derecognised (the related transferring financial assets are classified as the financial assets at fair value through other comprehensive income) is included in profit or loss in the period.

When derecognising the investment in non-trading equity instruments at fair value through other comprehensive income designated by the Group, the accumulated gains or losses previously included in other comprehensive income are transferred out from other comprehensive income and included in retained earnings.

2) Financial liabilities

Once the present obligation of financial liabilities (or parts of them) has been lifted, the Group derecognises the financial liabilities (or parts of them).

When financial liabilities (or parts of them) are derecognized, the difference between the carrying amount of financial liabilities (or part thereof) and the consideration paid (including transferred non-cash assets or liabilities) is recognised in profit or loss.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

11. Determination and accounting treatment methods of expected credit loss

(1) Scope of expected credit loss

Based on the expected credit loss, the Group made the impairment accounting for financial assets at amortised cost (including accounts receivable), financial assets (including financing of accounts receivable) at fair value through other comprehensive income, and rental receivable, and recognised the provision for such losses.

(2) Determination method for expected credit loss

The general approach to expected credit loss means that the Group assesses whether the credit risk of relevant financial instruments since its initial recognition is significantly increased on each balance sheet date, and divides the process of credit impairment of financial instruments into three stages, with different accounting treatment methods for impairment of financial instruments in different stages: (1) first stage, where the credit risk of financial instruments is not significantly increased since its initial recognition, the Group measures the provision for loss based on the expected credit loss of such financial instruments in the next 12 months, and calculates the interest income based on its book balance (that is, without deduction for credit allowance) and effective interest; (2) second stage, where the credit risk of financial instruments is significantly increased since its initial recognition but no impairment of credits existed, the Group measures the provision for loss based on the expected credit loss of such financial instruments over the lifetime, and calculates the interest income based on its book balance and effective interest; (3) third stage, where impairment of credits existed since its initial recognition, the Group measures the provision for loss based on the expected credit loss of such financial instruments over the lifetime, and calculates the interest income based on its amortised cost (book balance minus provision made for impairment) and effective interest.

The Group applies a simplified approach whereby the loss allowance is always measured at an amount equal to the lifetime expected credit losses.

(3) Accounting treatment for expected credit losses

In order to reflect the changes in the credit risk of financial instruments since its initial recognition, the Group re-measures the expected credit loss on each balance sheet date and the increase or reversal of the loss provision resulting therefrom shall be deemed as impairment loss or gain to be included in profit or loss in the current period, and based on the types of financial instruments, offsetting against the carrying amount of the financial asset shown on the balance sheet or included in estimated liabilities (loan commitments or financial guarantee contracts).

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

11. Determination and accounting treatment methods of expected credit loss *(Continued)*

(4) Method of measuring loss allowance for accounts receivable and rental receivables

① Accounts receivable that do not contain significant financing elements. For accounts receivable that do not contain significant financing elements arising from the transactions regulated under the Accounting Standards for Business Enterprises No. 14 — Revenue, the Group adopts a simplification approach which always measures the provision for loss based on the expected credit loss over the lifetime.

Based on the nature of financial instruments, the Group assesses whether credit risk has increased significantly on the basis of a single financial asset or combination of financial assets. According to the credit risk characteristics, the Group divides the notes receivable and accounts receivable into several combinations, and calculates the expected credit losses on a combined basis. The basis for determining the combination is as follows:

Accounts receivable group 1:	Aging portfolio
Accounts receivable group 2:	Related party
Notes receivable group 1:	Bank acceptance bill
Notes receivable group 2:	Trade acceptance bill

For accounts receivable designated to a group, the Group makes the comparison based on the aging of accounts receivable and the corresponding lifetime expected credit loss rates to calculate the expected credit losses by taking into account the historical credit losses experience, and the existing and forecast of future economic conditions. For notes receivable designated to a combination, the Group applies exposure at default and lifetime expected credit losses rate to calculate the expected credit losses by taking into account the historical credit losses experience, and the existing and forecast of future economic conditions.

② Accounts receivable and rental receivable containing significant financing elements

For accounts receivable containing significant financing elements and lease receivable regulated by the Accounting Standards for Business Enterprises No. 21 — Lease, the Group measures loss provision using the general approach, i.e. the "three stages" model.

(5) Method of measuring loss allowance for other financial assets

For financial assets other than those mentioned above, e.g. debt investment, other debt investment, other receivables, long-term receivables other than rental receivable, etc., the Group measures loss provisions with the general method, i.e. the "three-stage" model.

The Group divides other receivables into several groups based on the nature of the payment, and calculates the expected credit loss on the basis of the groups. The basis for determining the groups is as follows:

Other receivables group 1:	Aging group
Other receivables group 2:	Related party payments

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

12. Inventories

Inventories of the Group mainly include goods in stock.

The Group maintains a perpetual inventory system. Inventories are recorded at actual cost of purchase when received. Actual cost is calculated using weighted average method when the inventories are consumed or issued. Low value consumables are amortised in full when received for use.

At the end of the period, inventories are measured at the lower of costs and net realisable value. Where the inventories are expected not to be recoverable as they become damaged, partially or wholly obsolete or whose selling price is lower than its cost, provision for inventory impairment is made for the excess of its cost and net realisable value.

Net realisable value of the available-for-sale finished goods are determined by its estimated selling price less estimated selling expenses and related taxes.

13. Contract assets and contract liabilities

(1) Contract assets

A contract asset is the Group's right to receive consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time and the provision for impairment of a contract asset is recognised by reference to the expected credit loss method for financial instruments. For contract assets that do not contain significant financing components, the Group adopts a simplified method to measure provision for loss. For contract assets that contain significant financing components, the Group uses general methods to measure provision for loss.

If there is an impairment loss on contract assets, the Group will debit "asset impairment loss" and credit "provision for impairment of contract assets" based on amounts to be written down; if there is a reversal on provision for asset impairment which has been provided, the Group makes the opposite accounting record.

(2) Contract liabilities

The obligation of the Group to transfer goods or to provide services for consideration received or to be received is presented as contract liabilities.

Contract assets and contract liabilities under the same contract are presented on a net amount basis by the Group.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

14. Long-term equity investment

(1) Determination of initial investment cost

Long-term equity investment acquired through a business combination: For a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment shall be the share of the carrying amount of the owner's equity of the acquired party in the consolidated financial statements of the ultimate controlling party at the combination date. For a business combination not involving enterprises under common control, the initial investment cost of a long-term equity investment is the cost of acquisition determined at the date of acquisition. For a long-term equity investment acquired in cash, the initial investment cost is the amount of cash paid. For a long-term equity investment acquired by issuing equity securities, the initial investment cost is the fair value of the equity securities issued. For a long-term equity investment acquired by debt restructuring, the initial investment cost is determined according to related requirements of Accounting Standards for Business Enterprises No.12 — Debt Restructuring. For a long-term equity investment acquired by exchange of non-cash assets, the initial investment cost shall be determined according to related requirements of Accounting Standards for Business Enterprises No.7 — Non-monetary Asset Exchange.

(2) Subsequent measurement and recognition of profit or loss

Where the Group is able to exercise control over an investee, the long-term equity investment is accounted for using the cost method. Where the Group has investment in associates and joint ventures, the long-term equity investment is accounted for using the equity method. Where portion of the long-term equity investment in an associate is indirectly held through venture capital organizations, mutual funds, trust companies or similar entities including investment-linked insurance funds, regardless of whether these entities have significant influence over this portion of investment, the Group accounts for this portion in accordance with Accounting Standards for Business Enterprises No. 22 — Recognition and Measurement of Financial Instruments, and accounts for the remaining portion using the equity method.

(3) Basis for recognition of joint control or significant influence over an investee

Joint control over an investee is that the decision of activities that can significantly affect the arrangement's returns must require the unanimous consent of the parties sharing control, including sale and purchase of goods or services, financial assets management, purchase and disposal of assets, research and development activities, and financing activities, etc.; significant influence over an investee means that when holding 20% or more but not more than 50% of the voting rights in the investee, significant influence exists; or, even if less than 20%, significant influence exists if one of the following conditions is met: having representatives on the investee's board of directors or similar governing body; participating in the investee's policy-making process; dispatching management personnel to the investee; the investee relying on the investor's technology or technical materials; significant transactions occurring between the investor and the investee.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

15. Investment properties

The investment properties of the Group are buildings leased for rental income. Investment property is measured at cost. The cost for investment properties purchased from outsiders includes purchase price, related taxes and other expenses directly related to the assets. The cost of investment properties constructed by the Group includes the required construction expenses incurred to bring the assets to the condition of intended use.

Investment properties of the Group are subsequently measured using fair value model. Gain or loss on changes in fair value of investment properties is recognised directly in profit or loss for the current period.

The fair value of the investment properties of the Group is determined by the management of the Group on an open market basis by reference to properties of the same location and similar usage.

Where an investment property is changed for owner-occupied purpose, it is transferred to a fixed asset or intangible asset at the date of the change. Where the owner-occupied property is changed for earning rentals or for capital appreciation, the fixed asset or intangible asset is transferred to an investment property at the date of the change. On conversion, the carrying amount immediately before conversion is taken as the cost of the asset.

An investment property is derecognised on disposal or retirement when it is expected that there shall be no economic benefit through disposal. Where the investment properties are sold, transferred, retired or damaged, the proceeds from disposal after deducting the carrying amount and related taxes are recognised in profit or loss for the current period.

16. Fixed assets

(1) Recognition criteria of the fixed assets

Fixed assets are tangible assets that are held for the purpose of producing goods, providing labour services, leasing or operating management, with a useful life exceeding one accounting year. They are recognised when the following conditions are met: it is probable that the economic benefits associated with the fixed asset will flow to the enterprise; and the cost of the fixed asset can be measured reliably.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

16. Fixed assets *(Continued)*

(2) Classification and depreciation methods of fixed assets

The Group's fixed assets are mainly classified as buildings, plant and machinery, electronic equipment, motor vehicles and others. Fixed assets are depreciated using the average life method. The Group determines the useful life and estimated net residual value of a fixed asset based on the nature and utilization of the fixed asset. The Group reassesses the estimated useful life and estimated net residual value of a fixed asset and the depreciation method at the end of each year. Any changes on original estimates will be adjusted. Depreciation is provided for all fixed assets, except for the fixed assets that are fully depreciated and remain in use and the land that is accounted for separately.

Category	Estimated useful life (years)	Estimated residual value rate (%)	Annual depreciation (%)
Buildings	20	0.00	5.00
Plant and machinery	10	0.00	10.00
Motor vehicles	5	0.00	20.00
Office furniture	5	0.00	20.00
Electronic equipment	3	0.00	33.33

17. Construction in progress

The Group's construction in progress is classified into two types: self-operated construction and contracted construction. Construction in progress is carried forward to fixed assets when the construction work is completed and reaches its intended useable condition. The criteria for determining the intended useable status shall be one of the following: the physical construction (including installation) of the fixed assets has been completed or substantially completed; production or trial run has been conducted and the results indicate that the assets are capable of normal operation or stable production of qualified products, or the trial run results indicate that they are capable of normal operation or business; the amount of expenditure on the fixed assets constructed is minimal or almost non-recurring; the fixed assets acquired have met the design or contractual requirements, or are basically in conformity with the design or contractual requirements.

18. Borrowing costs

(1) Principle for recognition of capitalising borrowing costs

The Group's borrowing costs are capitalised when they are directly attributable to the acquisition, construction or production of a qualifying asset and included in the cost of related assets. Other borrowing costs are recognised as expenses and recorded in profit or loss for the current period when incurred. Qualifying assets that meet conditions for capitalization are fixed assets, investment property, inventory or other assets that take over 1 year for construction or production in order to get ready for their intended use or sale.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

18. Borrowing costs *(Continued)*

(2) Calculation of capitalisation cost

Capitalisation period refers to the period from commencement of capitalization of borrowing costs to its termination. The period during which capitalization is suspended is excluded. Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally and when the suspension is for a continuous period of more than 3 months.

For designated borrowings, the amount of interest to be capitalised is the actual interest expense incurred on that borrowing less any bank interest earned from unused funds of the designated borrowings or any investment income on the temporary investment of those funds. For funds borrowed for general purpose, the amount of interest to be capitalised on such borrowings is calculated by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of designated borrowings. Capitalisation rate is determined by calculating weighted average interest rate of general borrowings. If there is any discount or premium of the borrowings, the interest cost shall be adjusted in every accounting period by the amortised amount of premium or discount calculated by effective interest method.

Effective interest method is the method to calculate the amortisation amount of discount or premium or interest expenses by the effective interest rate of the borrowings. The effective interest rate is the interest rate to discount the future cash flow of the borrowing during its expected duration to the present carrying amount of the borrowing.

19. Intangible assets

(1) Calculation of intangible assets

The Group's intangible assets are initially measured at cost. The actual cost of the purchased intangible assets is measured at the actual payment and other related expenses. The actual cost of intangible assets acquired by an investor is measured at the agreed considerations as specified in the investment contracts or agreements. In the case where the agreed consideration of the contracts or agreements is not justified, the assets are measured at fair value. The cost of a self-developed intangible asset is the total amount of expenditures incurred before reaching its intended use.

The Group's subsequent measurement methods for intangible assets are as follows: intangible assets with finite useful lives are amortised using the straight-line method, and at the end of each financial year, the useful lives and amortisation methods of intangible assets are re-assessed and will be adjusted accordingly if they differ from the original estimates; intangible assets with indefinite useful lives are not amortised, but at the end of each financial year, the useful lives are re-assessed and when there is conclusive evidence that the useful lives are finite, the useful lives are estimated and amortised using the straight-line method.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

19. Intangible assets *(Continued)*

(2) Judgment basis for uncertainty of useful life

The Group identifies an intangible asset with an indefinite useful life if an asset cannot be foreseen to provide economic benefits to the Company or has an indefinite useful life. The uncertain useful life is determined based on the following criteria: the intangible asset is derived from contractual rights or other legal rights, but the contractual or legal provisions do not specify the useful life; the intangible asset cannot be judged to bring economic benefits to the Company after taking into account industry conditions or relevant experts' opinions.

At the end of each financial year, the estimated useful lives of Intangible assets with uncertain useful lives are reassessed mainly through the bottom-up method by the department concerned with the use of intangible assets, to evaluate whether there are changes in the basis of indefinite useful life judgment, etc.

20. Impairment of long-term assets

At each balance sheet date, if there are impairment indications for the long-term assets including long-term equity investments, investment property subsequently measured at cost model, fixed assets, construction in progress, productive biological assets measured at cost, oil and gas assets, intangible assets, etc., the Group shall perform an impairment test. If the outcome of impairment test indicates the recoverable amount of the asset is lower than its carrying amount, the Group shall recognise the provision for impairment based on the amount of the shortfall.

The recoverable amount of an asset is determined by the higher of the net amount after deducting the disposal costs from the asset's fair value and the present value of the asset's estimated future cash flow. The provision for impairment of an asset is estimated and recognised on individual basis. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the asset group to which the asset belongs. The asset group is the minimum portfolio of assets that could generate cash inflow independently.

The impairment losses of assets, once recognised, shall not be reversed in subsequent periods for the portion where the value has been recognised.

21. Long-term deferred expenses

Long-term deferred expenses of the Group are expenditures which have incurred but shall be amortised over a period of more than 1 year of benefit period (excluding 1 year). The long-term deferred expenses are amortised over the benefit period of the expense item. If long-term deferred expense is not able to benefit the Group in the subsequent periods, the remaining balance of the long-term deferred expense shall be recognised as expense in profit or loss for the current period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

22. Employee benefits

Employee benefits are all forms of rewards or compensation provided by the Group in exchange for services rendered by employees or for the termination of employment. Employee benefits mainly include short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits.

(1) Short-term benefits

In the accounting period in which employees have rendered services, the Group recognises the short-term benefits actually incurred as a liability, and charges it to current profit or loss, except where the same is included in the cost of relevant assets as required or permitted by the Accounting Standards for Business Enterprises. Welfare benefits are charged to current profit or loss or included in the cost of relevant assets when incurred. Non-monetary welfare benefits are measured at fair value. Contributions to social security schemes, including medical insurance, work injury insurance, and maternity insurance and housing provident fund for employees, as well as appropriation to trade union funds and employee education funds, are calculated on required basis and at required percentage, recognised as relevant liability and charged to current profit or loss or included in the cost of relevant asset over the period when employees provide services.

(2) Post-employment benefits

During the accounting period in which employees provide the service, the Group recognises a liability based on the amount payable under the defined contribution plan and records it in current profit or loss or in the cost of relevant asset. Benefit obligations arising under the defined benefit plan are attributed to the period over which employees provide services using the projected accumulated benefit unit credit method, and recorded in current profit or loss or in the cost of related asset.

(3) Termination benefits

Termination benefits provided by the Group to employees are recognised as an employee benefit liability and charged to current profit or loss at the earlier of the following dates: the Group cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; when the Group recognises costs or expenses related to the restructuring that involves the payment of termination benefits.

(4) Other long-term employee benefits

If other long-term employee benefits provided by the Group to the employees meet the conditions for classifying as a defined contributions plan, those benefits are accounted for in accordance with the above requirements relating to the defined contribution plan. Besides, net obligations or net assets of other long-term employee benefits are recognised and measured in accordance with the above requirements relating to the defined benefits plan.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

23. Revenue

When the Group has implemented the performance obligation in the contract, namely, when the customer obtains the right to control relevant goods or services, revenues will be recognised as per transaction prices allocated to such performance obligation. Obtaining the right to control the relevant goods means that it is able to dominate the use of the goods and derive almost all economic benefits therefrom. Performance obligation represents the Group's commitment to transfer distinct goods to the customer in the contract. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties and amounts expected to be refunded to a customer.

The satisfaction of performance obligation over time or at a point in time is determined by contractual terms or relevant law. For performance obligation satisfied over time, the Group recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, the Group recognises revenue at the point in time at which the customer obtains control of relevant assets.

The business revenues of the Group are mainly generated from sale of advertising spaces, printing, trading of print-related materials, travel services and leasing services. The principles of revenue recognition are as follows:

(1) Revenue from sale of advertising spaces

Revenue from advertising spaces is generally recognised pro rata over the period in which the advertisement is published (net of VAT).

(2) Revenue from printing

Revenue from printing, net of VAT, is recognised when the service is provided.

(3) Revenue from trading of printing-related materials

Revenue from trading of printing-related materials, net of VAT, is recognised upon the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

(4) Rental income

Rental income is recognised in accordance with the Group's accounting policy for lease.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

24. Government grants

(1) Category and accounting treatment of government grants

Government grants are the monetary assets and non-monetary assets received from the government without consideration (excluding the capital invested by the government as the owner). As monetary assets, government grants are measured based on the actual received or receivable amounts. As nonmonetary assets, government grants are measured based on their fair value; if the fair value cannot be estimated reliably, it will be measured based on nominal amount.

Government grants related to daily activities are included in other income according to the substance of the economic activities. Government grants unrelated to daily activities are included in nonoperating income.

The government grants which are clearly defined in the government documents to be used for acquisition, construction or other projects that form a long-term asset are recognised as asset-related government grants. Regarding the government grant that is not clearly defined in the government documents and can form long-term assets, the part of government grant which can be referred to the value of the assets is classified as government grant related to assets and the remaining part is government grant related to income. For the government grant that is difficult to distinguish, the entire government grant is classified as government grant related to income. Any government grants related to assets are recognised as deferred income, the amount of which shall be recorded in the current profit or loss in installments with a reasonable and systematic method over the useful lives of relevant assets.

The government grants other than those related to assets are recognised as government grants related to income. The income-related government grants used to compensate relevant expenses or losses to be incurred by the enterprise in subsequent periods are recognised as deferred income and recorded in profit or loss for the current period when such expenses are recognised while those used to compensate relevant expenses or losses that have been incurred by the enterprise are recorded directly in profit or loss for the current period.

Where the Group obtains an interest subsidy for policy-related preferential loans, the government either appropriates an interest subsidy to the lending bank, allowing the latter to provide loans at a preferential interest rate to the Group that shall recognise the loan amount received as the book-entry value of such loans, and calculate the relevant loan expenses according to the loan principal and the preferential interest rate.

(2) The recognition time point for government grants

The governmental grants would be recognised upon satisfaction of the conditions attached and such amount of grants is sure to be received. Specifically, the governmental grants measured at the amount receivable will be recognised when there is unambiguous evidence suggesting the conformance to related conditions as provided in financial support policies and financial support fund is expected to be received at the end of financial year. Other government grants other than those measured at the amount receivable will be recognised at the actual time of receiving such grants.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

25. Deferred income tax assets and deferred income tax liabilities

(1) Recognition of deferred income tax

Deferred income tax assets or deferred income tax liabilities are calculated and recognised based on the difference between the carrying amount and tax base of assets and liabilities (for items not recognised as assets and liabilities but with their tax base being able to be determined according to tax laws, tax base is recognised as the difference) and in accordance with the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

(2) Measurement of deferred income tax

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. At the balance sheet date, if there is any conclusive evidence that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized, the deferred tax assets unrecognised in prior accounting periods are recognised. The carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of the deferred tax asset to be utilized.

The taxable temporary differences associated with investments in subsidiaries and associates shall be recognised deferred tax liabilities; except the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The deductible temporary differences associated with investments in subsidiaries, associates, the corresponding deferred tax asset is recognised when it is probable that the temporary difference will reverse in the foreseeable future and it is probable that taxable profits will be available in the future against which the temporary difference can be utilised.

(3) Basis for net offsetting of deferred income tax

Deferred income tax assets and deferred income tax liabilities are presented net of offset when the following conditions are met: the enterprise has the legal right to settle the current income tax assets and current income tax liabilities on a net basis; deferred income tax assets and deferred income tax liabilities are related to income taxes levied by the same tax administration department on the same taxable entity or different taxable entities, however, in the future period when each significant deferred income tax asset and deferred income tax liability are reversed, the taxable entities involved intend to settle the current income tax assets and current income tax liabilities on a net basis or acquire assets and settle debts simultaneously.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

26. Lease

(1) The accounting treatment for leased assets

At the beginning of the lease term, the Group recognises the right-of-use assets and lease liabilities for leases other than short-term leases and leases of low-value assets, and depreciation and interest expenses are recognised during the lease term.

The Group includes lease payments for short-term leases and leases of low-value assets into current expenses on a straight-line basis in each period of the lease term.

1) Right-of-use assets

The right-of-use assets refer to the right of the lessee to use the leased asset during the lease term. On the commencement date of the lease term, right-of-use assets are initially measured at cost. The cost includes: ① the amount of the initial measurement of the lease liability; ② the lease payment made on or before the commencement date of the lease term, less any lease incentive received if any; ③ the initial direct costs incurred by the lessee; ④ an estimate of costs to be incurred by the lessee in dismantling and removing the leased assets, restoring the site on which it is located or restoring the leased asset to the condition required by the terms and conditions of the lease.

The depreciation for right-of-use assets of the Group is categorised and provided using the average life method. For those leased assets which can be reasonably determined that their ownership will be acquired at the expiration of the lease term, depreciation will be provided within the estimated remaining useful life of the leased assets; for those which cannot be reasonably determined that their ownership will be acquired at the expiration of the lease term, depreciation will be provided within the shorter of the lease term and the remaining useful life of the leased assets.

The Group determines whether the right-of-use assets have been impaired and treats any impairment in accordance with the relevant provisions under the Accounting Standards for Business Enterprises No. 8 — Asset Impairment.

2) Lease liabilities

Lease liabilities are initially measured based on the present value of outstanding lease payment on the commencement date of the lease term. Lease payment include: ① fixed payments (including in-substance fixed payments), less any relevant lease incentives if any; ② variable lease payments subject to an index or a rate; ③ estimated payables based on the residual value of the guarantee provided by the lessee; ④ the exercise price under the purchase option if the lessee is reasonably certain to exercise; ⑤ payments for exercising the option of termination of a lease if the lease term reflects the lessee exercising the option to terminate.

The Group uses the inherent interest rate of the lease as the discount rate; if the inherent interest rate of the lease cannot be determined, the incremental borrowing interest rate of the Group should be used as the discount rate. The Group calculates the interest expenses of lease liabilities for each period over the lease term based on the fixed periodic rate and recognises them in finance costs. Such periodic rate is the discount rate or revised discount rate adopted by the Company.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

26. Lease *(Continued)*

(1) The accounting treatment for leased assets (Continued)

2) Lease liabilities *(Continued)*

The variable lease payments that are excluded in the measurement of lease liabilities are recognised in the current profit or loss when they actually occur.

If there are any changes in the Group's evaluation of the lease renewal option, the lease termination option or the purchase option, the lease liabilities shall be remeasured at the present value calculated based on the changed lease payments and the revised discount rate, and the book value of the right-of-use assets shall be adjusted accordingly. If there are any changes in actual lease payments, the estimated payables of guaranteed residual value or the variable lease payments subject to an index or a rate, the lease liabilities are remeasured at the changed lease payments and the present value calculated at the original discount rate, and the book value of the right-of-use assets shall be adjusted accordingly.

(2) Accounting treatment of leased assets

1) Accounting treatment of operating leases

During each period of the lease term, the Group recognises the lease payments from operating leases as rental income on a straight-line basis. The initial direct costs incurred by the Group in relation to the operating leases are capitalised, and are accounted for in current income based on the same recognition basis as the rental income during the lease term.

2) Accounting treatment of finance leases

At the commencement date of lease term, the Group recognises the difference between the sum of finance lease receivables and the unguaranteed residual value, and the present value thereof as unrealised finance income, and recognises the same as rental income over the periods when rent is received in the future. The Group's initial direct costs associated with rental transactions shall be included in the initial measurement of the finance lease receivables.

27. Held-for-sale and discontinued operations

Non-current assets or disposal groups are classified as held-for-sale assets when all the following conditions are met: a) the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups); b) the sale must be highly probable, i.e. an enterprise has signed an irrevocable transfer agreement with the transferee and the transfer is expected to be completed within one year. If related regulations require pre-approval for the sale, the sale transaction has been approved.

On initial measurement or remeasurement on the balance sheet date of a non-current asset or a disposal group held for sale, where the book value is higher than the fair value less cost of disposal, the book value is written down to the fair value less cost of disposal. The amount of write-down is recognised as an impairment loss of the asset and charged to profit or loss of the period. At the same time, provision is made for impairment of assets held for sale.

Non-current asset held for sale in balance sheet or asset within disposal group held for sale is presented as asset held for sale, and liabilities within disposal group held for sale are presented as liabilities held for sale.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

27. Held-for-sale and discontinued operations *(Continued)*

Discontinued operation refers to a component that meets one of the following conditions and can be distinguished separately and has been disposed of or classified by the Group as held for sale:

(1) represents a separate major line of business or geographical area of operations;

(2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations;

(3) is a subsidiary acquired exclusively with a view to resale.

28. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates

In the application of accounting policies, the Group is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These judgements, estimates and assumptions are based on historical experience of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates of the Group. The key assumptions and uncertainties in accounting estimates of the Group that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods are as follows:

(1) Fair value of investment properties

Investment properties are measured at fair value estimated by the management. The management will determine the fair value on an open market basis by reference to properties of the same location and condition. Should there be any changes in assumptions due to the change in market condition, the fair value of the investment properties will be adjusted accordingly.

(2) Accounts receivable and expected credit loss

As stated in Note V.(11), the Group calculates expected credit loss of accounts receivable by assessing the default risk exposure of accounts receivable and expected credit loss rate, which is determined based on probability of default and default loss rate. When determining the expected credit loss rate, the Group refers to the experience of historical credit loss, and makes adjustments considering the current situation and forward-looking information, which is measured with indicators including the risk of economic downturn, external market environment, industrial risks and customers.

(3) Impairment of interests in joint ventures and associates

The Group tests annually whether the interests in joint ventures and associates have suffered any impairment in accordance with the Group's accounting policy. The entire carrying amount of the investment (including goodwill) is tested for impairment as a single asset by comparing the difference of its recoverable amount (higher of value-in-use and fair value less cost to sell) with its carrying amount. The value-in-use calculation requires the use of estimates and judgments including estimation of the future cash flows, determination of applicable discount rate, estimation of exchange rate and future industry trends and market condition and makes other assumptions. Changes in these estimates and assumptions could affect the determination of recoverable amounts.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES *(Continued)*

28. Critical judgements in applying accounting policies and key assumptions and uncertainties in accounting estimates *(Continued)*

(4) Impairment for inventories

The management of the Group determines the aging of the inventories at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use or saleable in the market. The management estimates the net realizable value for such items based primarily on the latest invoice prices and current market condition. The Group carries out an inventory review on a product basis at the end of each reporting period and makes allowance for obsolete items. Where the actual future cash flows are less than expected, impairment provisions will be made accordingly.

(5) Building ownership

Certain buildings and investment properties of the Group have not been granted with Building Ownership Certificates by relevant government authorities. In the opinion of the Directors of the Group, the absence of Building Ownership Certificates of these buildings will not impair the value of the buildings and investment properties of the Group.

(6) Depreciation of fixed assets

Fixed assets are depreciated on a straight-line basis over their estimated useful lives and estimated residual values. The determination of the useful lives and residual values involve the estimates of the management. The Group assesses annually the residual value and useful life of the fixed asset and if the expectation differs from the original estimate, such a difference may affect the depreciation charge in the interim of the year and in the future period.

VI. EXPLANATION OF CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

1. Changes in accounting policies and their effect

There are no changes in the Group's accounting policies for current period.

2. Changes in significant accounting policies and accounting estimates

There are no changes in the Group's accounting estimates for current period.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VII. TAXATION

1. Main types of taxes and corresponding tax rates

Taxes	Tax basis	Tax rate
Value added tax	The VAT payable shall be the balance of the output tax for the period after deducting the input tax for the period	13%, 9%, 6%
Cultural construction fee	Taxable revenue from advertising	3%
Urban maintenance and construction tax	Turnover tax payable	7%
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%
Enterprise income tax	Taxable income	25%

2. Significant tax incentives and official approvals

According to the requirements of the Notice on Several Tax Policies for the Transformation of Operating Cultural Institutions into Enterprises for Continuous Implementation of Cultural System Reform (Cai Shui [2019] No. 16) issued by the MoF, State Administration of Taxation and Publicity Department of the Communist Party of China (《財政部、國家稅務總局、中央宣傳部關於繼續實施文化體制改革中經營性文化事業單位轉制為企業若干稅收政策的通知》(財稅[2019]16號)), enterprises which completed the transformation prior to 31 December 2018 may continue to be exempted from a five-year enterprise income tax since 1 January 2019. The tax policies stipulated in this announcement shall be implemented until 31 December 2027.

In accordance with the Announcement of the Ministry of Finance and the State Administration on Tax and Fee Policies to Further Supporting the Development of Small and Micro Enterprises and Individual Businesses (Announcement of MOF and SAT [2023] No. 12) (《財政部稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告》(財政部稅務總局公告2023年第12號)), for the part of small and low-profit enterprises, the portion of annual taxable income not exceeding RMB1 million is to be included in taxable income at a reduced rate of 25% and the enterprise income tax shall be paid at the tax rate of 20%; the portion of annual taxable income exceeding RMB1 million but not exceeding RMB3 million is to be included in taxable income at a reduced rate of 50%, and the enterprise income tax shall be paid at the tax rate of 20%. These policies shall continue to be implemented until 31 December 2027.

According to the Announcement of the State Administration on Tax and Fee Policies to Further Supporting the Development of Small and Micro Enterprises and Individual Businesses (《稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告》), for small-scale VAT taxpayers, small and low-profit enterprises, and Individual Businesses, the levy of resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities trading stamp tax), cultivated land occupation tax, education surcharge, and local education surcharge shall be reduced by 50%. These policies shall continue to be implemented until 31 December 2027.

According to the Announcement on the Tax Policies for the Transformation of Profit-making Cultural Institutions into Enterprises during the Cultural System Reform (Announcement of MoF, SAT and Publicity Department of CPC [2024] No. 20) issued by MoF, State Administration of Taxation and Publicity Department of the Communist Party of China (《財政部、稅務總局、中央宣傳部關於文化體制改革中經營性文化事業單位轉制為企業稅收政策的公告》(財政部、稅務總局、中央宣傳部公告2024年第20號)), the units of the operative cultural institutions that have been converted into enterprises before 31 December 2022 are exempted from EIT from the date of registration of the conversion until 31 December 2027.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Monetary fund

Items	**As at 31 December 2025**	As at 31 December 2024
Bank balances and cash:	**36,753**	79,795
Bank deposits	**36,753**	79,784
Other monetary fund	**—**	11
Restricted bank deposits:	**336**	1,728
Other monetary fund	**336**	1,728
Total	**37,089**	81,523

Note: The balances of the Group's restricted bank deposits at the end of the period represent marginal deposit for bank acceptance notes and carry market interest rates of 0.05% (The previous year: 0.1%) per annum.

The Group's bank balances are deposited at banks in the PRC and carry interest at market interest rates ranging from 0.01% to 0.35% (The previous year: 0.05% to 1.95%) per annum.

2. Financial assets held for trading

Items	**As at 31 December 2025**	As at 31 December 2024
Financial assets at fair value through profit or loss	**124,783**	114,270
Including: Securities companies' asset management products	**124,783**	114,270
Total	**124,783**	114,270

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

3. Notes receivable

Items	As at 31 December 2025	As at 31 December 2024
Bank acceptance notes	**342**	636
Less: Provision for bad debts	**—**	—
Total	**342**	636

4. Accounts receivable

Items	As at 31 December 2025	As at 31 December 2024
Accounts receivable	**360,144**	361,354
Less: Provision for bad debts	**328,520**	333,119
Net accounts receivable	**31,624**	28,235
For reporting purpose, analysis as:	**—**	—
Current assets — accounts receivable	**31,624**	28,235
Total	**31,624**	28,235

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

Items	As at 31 December 2025	As at 31 December 2024
0–90 days	**13,128**	19,995
91–180 days	**5,843**	1,241
181–365 days	**5,787**	1,499
1–2 years	**5,858**	3,325
Over 2 years	**1,008**	2,175
Total	**31,624**	28,235

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

4. Accounts receivable *(Continued)*

(2) Disclosure of accounts receivable

Types	As at 31 December 2025			
	Book balance		Provision for bad debts	
	Amount	Percentage (%)	Amount	Percentage (%)
Accounts receivable with bad debt provision made on individual basis	**202,939**	**56.35**	**202,939**	**100.00**
Accounts receivable with bad debt provision made on group basis	**157,205**	**43.65**	**125,581**	**79.88**
Including: Aging group	**128,816**	**35.77**	**110,309**	**85.63**
Related party group	**28,389**	**7.88**	**15,272**	**53.80**
Total	**360,144**	**100.00**	**328,520**	**91.22**

Types	As at 31 December 2024			
	Book balance		Provision for bad debts	
	Amount	Percentage (%)	Amount	Percentage (%)
Accounts receivable with bad debt provision made on individual basis	208,031	57.57	208,031	100.00
Accounts receivable with bad debt provision made on group basis	153,323	42.43	125,088	81.58
Including: Aging group	129,398	35.81	108,836	84.11
Related party group	23,925	6.62	16,252	67.93
Total	361,354	100.00	333,119	92.19

Accounts receivable with bad debt provision made on group basis

Aging	As at 31 December 2025			As at 31 December 2024		
	Book balance	Expected credit losses rate (%)	Provision for bad debts	Book balance	Expected credit losses rate (%)	Provision for bad debts
Within 1 year	**27,439**	**9.77**	**2,682**	25,438	10.63	2,704
1–2 years	**7,326**	**20.04**	**1,468**	5,046	34.11	1,721
2–3 years	**1,471**	**63.36**	**932**	1,873	66.68	1,249
Over 3 years	**120,969**	**99.61**	**120,499**	120,966	98.72	119,414
Total	**157,205**	**79.88**	**125,581**	153,323	81.58	125,088

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

4. Accounts receivable *(Continued)*

(3) Provision for bad debts

Type	As at 31 December 2024	Movement: Provision	Movement: Recovered or reversed	Movement: Written off	Movement: Other changes	As at 31 December 2025
Provision for bad debts	333,119	4,674	4,033	—	(5,240)	328,520
Total	333,119	4,674	4,033	—	(5,240)	328,520

1) The significant amount of provision for bad debts recovered or reversed during the year

Name of units	Amount recovered or reversed	Reason for reversal	Method of recovery	Basis for determining the proportion of the original provision for bad debts and its reasonableness
Beijing Shangyou International Travel Agency Limited	1,141	Recoveries	Bank transfer	Calculation of bad debts provision based on the migration rate of accounts receivable

(4) There was no accounts receivable actually written off during the year.

(5) The balance of the top five accounts receivable as at 31 December 2025 was RMB184,361 thousand, representing 51.19% of the total accounts receivable, and the balance of provision for bad debts was RMB184,361 thousand.

(6) As at 31 December 2025, there were no accounts receivable that were past due but not impaired.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

5. Prepayments

Items	**As at 31 December 2025**	As at 31 December 2024
Prepayments	**5,368**	6,061

(1) Prepayments by aging

Aging	**As at 31 December 2025 Amount**	**Percentage (%)**	As at 31 December 2024 Amount	Percentage (%)
Within 1 year	**5,311**	**98.94**	5,978	98.63
1–2 years	**7**	**0.13**	34	0.56
2–3 years	**1**	**0.02**	27	0.45
Over 3 years	**49**	**0.91**	22	0.36
Total	**5,368**	**100.00**	6,061	100.00

(2) The balance of the top five prepayments as at 31 December 2025 was RMB3,964 thousand, representing 73.85% of the total prepayments.

6. Other receivables

Items	**As at 31 December 2025**	As at 31 December 2024
Dividends receivable	—	8,196
Other receivables	**204,252**	221,806
Less: Provision for bad debts	**191,845**	201,290
Total	**12,407**	28,712

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

6. Other receivables *(Continued)*

(1) Dividends receivable

1) Classification of dividends receivable

Items	As at 31 December 2025	As at 31 December 2024
Investment bonus	—	8,196
Less: Provision for bad debts	—	135
Total	—	8,061

2) Provision for bad debts

Provision for bad debts	First stage Expected credit losses for the next 12 months	Second stage Lifetime expected credit losses (no credit impaired)	Third stage Lifetime expected credit losses (credit impaired)	Total
As at 31 December 2024	135	—	—	135
Provision for this period	—	—	—	—
Reversal of this period	135	—	—	135
Written off during this period	—	—	—	—
Other changes	—	—	—	—
As at 31 December 2025	—	—	—	—

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

6. Other receivables *(Continued)*

(2) Other receivables

1) Disclosure by nature

Nature	**As at 31 December 2025**	As at 31 December 2024
Related-party current account	**2,695**	2,473
Deposit and margin	**9,947**	9,635
External unit current	**190,333**	205,446
Reserve funds	**1,277**	1,580
Other	**—**	2,672
Less: Provision for bad debts	**191,845**	201,155
Total	**12,407**	20,651

2) Disclosure by aging

Aging	**As at 31 December 2025**		As at 31 December 2024	
	Book balance	**Percentage (%)**	Book balance	Percentage (%)
Within 1 year	**2,243**	**1.10**	15,085	6.80
1–2 years	**9,846**	**4.82**	5,221	2.35
2–3 years	**41**	**0.02**	676	0.30
3–4 years	**416**	**0.20**	3,715	1.67
Over 4 years	**191,706**	**93.86**	197,109	88.88
Total	**204,252**	**100.00**	221,806	100.00

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

6. Other receivables *(Continued)*

(2) Other receivables *(Continued)*

3) Provision for bad debts

Provision for bad debts	First stage Expected credit losses for the next 12 months	Second stage Lifetime expected credit losses (no credit impaired)	Third stage Lifetime expected credit losses (credit impaired)	Total
Balance at 31 December 2024	7,290	—	193,865	201,155
Provision for this period	739	—	—	739
Reversal of this period	1,224	—	505	1,729
Written off during this period	—	—	—	—
Other changes	(2,120)	—	(6,200)	(8,320)
Balance at 31 December 2025	4,685	—	187,160	191,845

(3) The balance of the top five other receivables as at 31 December 2025 was RMB194,637 thousand, representing 95.29% of the total other receivables, and the balance of provision for bad debts was RMB188,199 thousand.

7. Inventories

(1) Classification of inventories

Category of inventories	As at 31 December 2025 Book balance	Provision for impairment	Book value	As at 31 December 2024 Book balance	Provision for impairment	Book value
Goods in stock	**1,658**	**1,146**	**512**	6,661	1,379	5,282
Total	**1,658**	**1,146**	**512**	6,661	1,379	5,282

As at 31 December 2025, there were goods in stock sold which had been written down to net realizable value in prior years (2024: existed).

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

7. Inventories *(Continued)*

(2) Changes in provision for inventory impairment and impairment provision for contract performance costs

Category of inventories	As at 31 December 2024	Provision amount in current period	Amount decreased in current period: Transfer	Amount decreased in current period: Others	As at 31 December 2025
Goods in stock	1,379	10	238	5	1,146
Total	1,379	10	238	5	1,146

8. Other current assets

Items	**As at 31 December 2025**	As at 31 December 2024
VAT to be deducted	**26,420**	29,595
Total	**26,420**	29,595

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

9. Long-term equity investment

(1) Types for long-term equity investment

Type	**As at 31 December 2025**	As at 31 December 2024
Investments in associates — under equity method	—	—
Less: Provision for impairment for investments in associates	—	—
Total	—	—

(2) Investments in associates

Investees	As at 31 December 2024	Changes in the current year: 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	As at 31 December 2025	Impairment provision as at 31 December 2025
I. Associates											
Beijing Shengyi Automobile Technology Co., Ltd.	—	—	—	—	—	—	—	—	—	—	—
Beijing Beisheng United Insurance Agency	—	—	—	—	—	—	—	—	—	—	—
BY Times Consulting Co., Ltd.	—	—	—	—	—	—	—	—	—	—	—
Beijing Beiqing Top Advertising Limited	—	—	—	—	—	—	—	—	—	—	—
Beijing Shangyou Network Technology Co. Ltd.	—	—	—	—	—	—	—	—	—	—	—
Total	—	—	—	—	—	—	—	—	—	—	—

Investments of the Group in associates including Beijing Shengyi Automobile Technology Co., Ltd., Beijing Beisheng United Insurance Agency, BY Times Consulting Co., Ltd., Beijing Beiqing Top Advertising Limited and Beijing Shangyou Network Technology have been written down to nil under the equity method.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

10. Investment in other equity instruments

(1) Information on investment in other equity instruments

Item	As at 31 December 2024	Changes during the current year: Additions to investments	Decrease in investments	Gain included in other comprehensive income	Loss included in other comprehensive income	Others	As at 31 December 2025	Dividend income recognised during the year	Gain accumulated in other comprehensive income at the end of the year	Loss accumulated in other comprehensive income at the end of the year	Reasons for designation at fair value through other comprehensive income
Beijing International Advertising & Communication Group Co., Ltd.	36,853	—	—	—	361	—	**36,492**	—	3,374	—	Strategic investment
Beiyang Publishing & Media Co., Ltd.	264,379	—	—	11,576	—	—	**275,955**	8,843	172,955	—	Strategic investment
Beijing Keyin Media Culture Co., Ltd.	36,444	—	—	212	—	—	**36,656**	1	30,096	—	Strategic investment
Beijing Youth Daily New Media Co., Ltd. (北京青年報新媒體有限公司)	3,577	—	—	—	1,512	—	**2,065**	—	1,565	—	Strategic investment
Total	341,253	—	—	11,788	1,873	—	**351,168**	8,844	207,990	—	—

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

Type	**As at 31 December 2025**	As at 31 December 2024
Unlisted equity investments, PRC	**351,168**	341,253
Total	**351,168**	341,253

Note: The basis for recognising the fair value of investments in other equity instruments is described in detail in "XI, Fair value".

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

11. Investment properties

(1) Investment properties measured at fair value

Items	Buildings	Total
1. As at 31 December 2024	53,633	53,633
2. Changes during the period	31,432	31,432
Add: Additions	42,110	42,110
Less: Changes in fair value	10,678	10,678
3. As at 31 December 2025	85,065	85,065

Note: The increase in investment properties reflects the effect of reclassifying the Group's fixed assets to investment properties measured at fair value.

The fair value of the Group's investment properties as at 31 December 2025 was determined on the basis of recent active market prices for similar properties in the same location and condition, adjusted to reflect the specific circumstances of the subject property.

During the year, the rental income generated from investment properties was RMB2,964 thousand (2024: RMB2,292 thousand).

(2) Investment properties are analysed by the place where they locate and years of period as follows:

Items	**Fair value as at 31 December 2025**	Fair value as at 31 December 2024
Located within the PRC		
Medium term (10–70 years)	**85,065**	53,633
Total	**85,065**	53,633

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

11. Investment properties *(Continued)*

(3) Investment properties are detailed as follows:

No.	Area	Subdivision name	Quantity	Usage
1	Beijing	Yuelianghe Chengbaogongyu	3	Residential
2	Beijing	Jinyufenglinzhou	3	Office
3	Weihai, Shandong	Zhuoda Scotland City	5	Residential
4	Wuqing, Tianjin	Evergrande Splendor	6	Residential
5	Wuqing, Tianjin	Evergrande Splendor	12	Residential
6	Haikou, Hainan	Jinwanwei, Boao	1	Residential
7	Huludao, Liaoning	ShanhaiTongwan	7	Residential
8	Qingdao, Shandong	Xihu Huafu	1	Residential
9	Haikou, Hainan	Guanlan Hu Saishi Apartment	3	Residential
10	Qinhuangdao, Hebei	Daihehai Park	1	Residential
11	Beijing	Beijing Youth Daily Building	3	Office

(4) Investment properties with outstanding title deeds

Items	Fair value as at 31 December 2025	Reasons for non-completion of title deeds
Zhuoda Xiangshuihai Scotland City 5 units	3,623	The real estate developer was in abnormal operation and could not apply for certificate

As at 31 December 2025, the carrying amount of the Group's investment properties for which no formal title had been granted was RMB3,623 thousand. The Group is of the view that the lack of formal title for these investment properties will not result in an impairment of the value of the related properties. The directors of the Company are also of the opinion that the Group will obtain the formal title of these properties in due course.

12. Fixed assets

Category	As at 31 December 2025	As at 31 December 2024
Fixed assets	**1,349**	1,432
Less: Provision for impairment	**—**	—
Total	**1,349**	1,432

(Amounts expressed in thousands of RMB unless otherwise stated

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

12. Fixed assets *(Continued)*

(1) Fixed assets

Items	Buildings	Plant and machinery	Motor vehicles	Office equipment	Electronic equipment	Total
i. Cost						
1. As at 31 December 2024	15,775	3,672	1,980	292	8,004	29,723
2. Increase during the period	—	—	—	368	403	771
(1) Purchase	—	—	—	368	403	771
3. Decrease during the period	7,645	—	306	85	151	8,187
(1) Disposal or scrapping	7,645	—	306	85	151	8,187
4. As at 31 December 2025	8,130	3,672	1,674	575	8,256	22,307
ii. Accumulated depreciation						
1. As at 31 December 2024	15,775	3,672	1,637	212	6,995	28,291
2. Increase during the period	—	—	76	60	645	781
(1) Provision	—	—	76	60	645	781
3. Decrease during the period	7,645	—	281	57	131	8,114
(1) Disposal or scrapping	7,645	—	281	57	131	8,114
4. As at 31 December 2025	8,130	3,672	1,432	215	7,509	20,958
iii. Provision for impairment						
1. As at 31 December 2024	—	—	—	—	—	—
2. Increase during the period	—	—	—	—	—	—
3. Decrease during the period	—	—	—	—	—	—
4. As at 31 December 2025	—	—	—	—	—	—
iv. Carrying amount						—
1. Carrying amount at the end of the period	—	—	242	360	747	1,349
2. Carrying amount at the beginning of the period	—	—	343	80	1,009	1,432

For the year ended 31 December 2025, the depreciation of fixed assets recognised in the consolidated income statement amounted to RMB781 thousand (2024: RMB587 thousand).

For the year ended 31 December 2025, the net gain on disposal of fixed assets recognised in the consolidated income statement amounted to RMB1 thousand (2024: RMB1 thousand).

For the year ended 31 December 2025, the rental income generated from fixed assets recognised in the consolidated income statement amounted to RMB0 thousand (2024: RMB4,515 thousand).

(2) Fixed assets leased-out through operating lease

As at 31 December 2025, there were no fixed assets leased-out through operating lease (2024: carrying amount of RMB0 (original amount of RMB8,093 thousand)).

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

13. Right-of-use assets

(1) Breakdown of right-of-use assets

Items	Buildings	Total
i. Cost		
1. As at 31 December 2024	4,169	4,169
2. Increase during the period	—	—
(1) New leases	—	—
3. Decrease during the period	—	—
4. As at 31 December 2025	4,169	4,169
ii. Accumulated depreciation		
1. As at 31 December 2024	2,779	2,779
2. Increase during the period	1,390	1,390
(1) Provision	1,390	1,390
3. Decrease during the period	—	—
4. As at 31 December 2025	4,169	4,169
iii. Provision for impairment		
1. As at 31 December 2024	—	—
2. Increase during the period	—	—
3. Decrease during the period	—	—
4. As at 31 December 2025	—	—
iv. Carrying amount		
1. Carrying amount at the end of the period	—	—
2. Carrying amount at the beginning of the period	1,390	1,390

For the year ended 31 December 2025, the depreciation of right-of-use assets recognised in the consolidated income statement amounted to RMB1,390 thousand (2024: RMB1,405 thousand).

(2) The net value of buildings in the right-of-use assets by region is analysed as follows:

Item	**As at 31 December 2025**	As at 31 December 2024
Located within the PRC	—	1,390
Total	—	1,390

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

14. Intangible assets

(1) Breakdown of intangible assets

Items	Land use rights	Software	Operation rights	Total
i. Cost				
1. As at 31 December 2024	40,226	1,889	10,800	52,915
2. Increase during the period	—	20	—	20
3. Decrease during the period	19,494	—	—	19,494
4. As at 31 December 2025	20,732	1,909	10,800	33,441
ii. Accumulated amortisation				—
1. As at 31 December 2024	23,869	1,796	2,340	28,005
2. Increase during the period	852	18	—	870
(1) Provision	852	18	—	870
3. Decrease during the period	11,962	—	—	11,962
4. As at 31 December 2025	12,759	1,814	2,340	16,913
iii. Provision for impairment				—
1. As at 31 December 2024	—	—	8,460	8,460
2. Increase during the period	—	—	—	—
3. Decrease during the period	—	—	—	—
4. As at 31 December 2025	—	—	8,460	8,460
iv. Carrying amount				—
1. Carrying amount at the end of the period	7,973	95	—	8,068
2. Carrying amount at the beginning of the period	16,357	93	—	16,450

For the year ended 31 December 2025, the amortisation of intangible assets recognised in the consolidated income statement was RMB870 thousand (2024: RMB897 thousand).

15. Long-term deferred expenses

Category	As at 31 December 2024	Increase during the period	Amortisation during the period	As at 31 December 2025
Renovation costs	2,678	2,818	1,980	3,516
Broad Group parking fee	22	—	22	—
Beijing Channel of YNET.com	1,474	—	295	1,179
Cloud Dreams Star Camp (雲夢星空營地)	107	(46)	61	—
Shunxin Camp (順鑫營地)	—	145	97	48
Total	4,281	2,917	2,455	4,743

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

16. Deferred income tax assets and deferred income tax liabilities

(1) Deferred income tax assets and liabilities before offsetting

Items	As at 31 December 2025		As at 31 December 2024	
	Deferred income tax assets/ liabilities	**Deductible/ taxable temporary differences**	Deferred income tax assets/ liabilities	Deductible/ taxable temporary differences
Deferred income tax assets:				
Lease liabilities	—	—	347	1,390
Subtotal	—	—	347	1,390
Deferred income tax liabilities:				
Changes in fair value of financial assets included in other comprehensive income	**706**	**2,823**	706	2,823
Right-of-use assets	—	—	347	1,390
Subtotal	**706**	**2,823**	1,053	4,213

(2) Deferred income tax assets and liabilities, net after offsetting

Item	**Offset amounts of deferred tax assets and liabilities at 31 December 2025**	**Balance of deferred tax assets and liabilities after offset at 31 December 2025**	**Offset amounts of deferred tax assets and liabilities at 31 December 2024**	**Balance of deferred tax assets and liabilities after offset at 31 December 2024**
Deferred income tax assets	—	—	347	—
Deferred income tax liabilities	—	706	347	706

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

16. Deferred income tax assets and deferred income tax liabilities *(Continued)*

(3) Breakdown of unrecognised deferred income tax assets

Items	As at 31 December 2025	As at 31 December 2024
Deductible temporary difference	**553,971**	568,248
Deductible loss	**232,521**	150,396
Total	**786,492**	718,644

(4) The deductible losses for which no deferred income tax assets have been recognised will expire in the following years

Year	As at 31 December 2025	As at 31 December 2024
2025	—	19,134
2026	**34,236**	34,236
2027	**38,775**	38,775
2028	**26,676**	26,676
2029	**31,575**	31,575
2030	**101,259**	—
Total	**232,521**	150,396

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

17. Other non-current assets

Items	As at 31 December 2025	As at 31 December 2024
Prepayments for film project	**24,000**	24,000
Less: Provision for impairment	**24,000**	24,000
Total	**—**	—

Prepayments for film project represent project prepayment for the film and television production of "Oriental King of Soccer" (《東方球王》) in which the Group is involved. The project settlement period exceeds one year. The Group 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 31 December 2025, the balances of prepaid expenses related to "Oriental King of Soccer" were RMB24,000 thousand. "Oriental King of Soccer" has not been released.

18. Breakdown of provision for asset impairment

		Increase during the period		Decrease during the period		
Items	As at 31 December 2024	Provision	Other transfer-in	Reversal	Other transfer-out	As at 31 December 2025
Provision for bad debts	534,409	5,414	—	5,898	13,560	520,365
Provision for impairment of inventories	1,379	10	—	238	5	1,146
Provision for impairment of investments in associates	—	—	—	—	—	—
Provision for impairment of intangible assets	8,460	—	—	—	—	8,460
Provision for impairment of other non-current assets	24,000	—	—	—	—	24,000
Total	568,248	5,424	—	6,136	13,565	553,971

(Amounts expressed in thousands of RMB unless otherwise stated

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

19. Notes payable

Items	As at 31 December 2025	As at 31 December 2024
Bank acceptance notes	—	1,365
Total	**—**	1,365

As at 31 December 2025, the above notes payable were aged within 6 months.

20. Accounts payable

(1) The aging analysis of accounts payable based on the invoice date is as follows:

Items	As at 31 December 2025	As at 31 December 2024
0–90 days	**20,409**	7,180
91–180 days	**788**	8,954
181–365 days	**50**	10
Over one year	**7,600**	5,040
Total	**28,847**	21,184

(2) Material accounts payable aged over 1 year or overdue

There were no material accounts payable aged over 1 year or overdue during the period.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

21. Contract liabilities

Items	As at 31 December 2025	As at 31 December 2024
Contract receipts in advance	**12,009**	9,674
Total	**12,009**	9,674

(1) Breakdown of contract receipts in advance by nature is as follows:

Items	As at 31 December 2025	As at 31 December 2024
Advertising amount	**11,139**	9,033
Trading amount of printing materials	**2**	17
Others	**868**	624
Total	**12,009**	9,674

22. Employee benefit payables

(1) Employee benefit payables presented by category

Items	As at 31 December 2024	Increase during the period	Decrease during the period	As at 31 December 2025
Short-term remuneration	6,468	69,019	69,360	6,126
Post-employment benefit — defined contribution plan	513	8,059	7,746	827
Termination benefits	—	18,549	6,784	11,765
Total	6,981	95,627	83,890	18,718

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

22. Employee benefit payables *(Continued)*

(2) Short-term employee remuneration

Items	As at 31 December 2024	Increase during the period	Decrease during the period	As at 31 December 2025
Salaries, bonuses, allowances and subsidies	3,036	56,729	57,360	2,405
Staff benefits	—	975	967	8
Social insurance	304	5,054	4,853	505
Including: Medical insurance	294	4,857	4,675	476
Work-related injury insurance	10	183	164	29
Maternity insurance	—	14	14	—
Housing provident fund	1	5,252	5,221	32
Trade union fund and staff education fund	3,127	1,008	959	3,176
Total	6,468	69,018	69,360	6,126

(3) Defined contribution plan

Items	As at 31 December 2024	Increase during the period	Decrease during the period	As at 31 December 2025
Basic pension insurance	481	7,820	7,519	782
Unemployment insurance	32	240	227	45
Total	513	8,060	7,746	827

The Group participated in the social insurance plans set up by the government according to the regulations. According to the plans, the Group makes deposits into the plans according to the regulations of local government. Other than the deposits mentioned above, the Group does not assume any obligation for further payments. The corresponding expenses shall be charged to the profit or loss in the period or cost of related assets as and when incurred.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

23. Taxes payable

Items	As at 31 December 2025	As at 31 December 2024
Individual income tax	**289**	233
Value added tax	**151**	366
Cultural construction fee	**60**	43
Urban maintenance and construction tax	**2**	13
Education surcharge	**1**	6
Local education surcharge	**1**	4
Stamp duty	**1**	1
Corporate income tax	**—**	862
Total	**505**	1,528

24. Other payables

Items	As at 31 December 2025	As at 31 December 2024
Other payables	**18,064**	18,006
Total	**18,064**	18,006

(1) Other payables are classified by nature:

Nature of payment	As at 31 December 2025	As at 31 December 2024
Current account	**15,201**	15,789
Margin and deposit	**939**	1,200
Collection and payment for other persons	**1,056**	383
Others	**868**	634
Total	**18,064**	18,006

(2) Material other payables aged over 1 year or overdue

There were no material other payables aged over 1 year or overdue during the period.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

25. Non-current liabilities due within one year

Items	As at 31 December 2025	As at 31 December 2024
Lease liabilities due within one year	—	1,106
Total	**—**	1,106

26. Other current liabilities

Items	As at 31 December 2025	As at 31 December 2024
Output VAT to be transferred	**685**	3,274
Total	**685**	3,274

27. Lease liabilities

Items	As at 31 December 2025	As at 31 December 2024
Lease payments	—	1,109
Less: Unrecognised finance costs	—	3
Less: Lease liabilities due within one year	—	1,106
Total	**—**	—

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

28. Share capital

Items	As at 31 December 2025	As at 31 December 2024
Domestic shares	**142,409**	142,409
H shares	**54,901**	54,901
Total	**197,310**	197,310

The ordinary shares of RMB1.00 each are registered, issued and fully paid.

29. Capital reserves

Category	As at 31 December 2024	Increase during the period	Decrease during the period	As at 31 December 2025
Share premiums	918,976	—	7,685	911,291
Total	918,976	—	7,685	911,291

The decrease in capital reserves during the period was mainly due to the capital reduction by non-controlling interests of Community Media and the acquisition of non-controlling interests in Community Media by Beijing Media.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

30. Other comprehensive income

Items	As at 1 January 2025	Amount for the period: Amount before income tax for the period	Amount for the period: Less: Included in other comprehensive income in prior period and transferred to profit or loss in current period	Amount for the period: Less: Included in other comprehensive income in prior period and transferred to retained earnings in current period	Amount for the period: Less: Income tax expenses	Amount for the period: Amount after tax attributable to the Parent	Amount for the period: Amount after tax attributable to non-controlling shareholders	As at 31 December 2025
1. Other comprehensive income subsequently unable to be reclassified into profit or loss	230,487	9,915	—	—	—	9,915	—	240,402
Changes in fair value of investments in other equity instruments	230,487	9,915	—	—	—	9,915	—	240,402
2. Other comprehensive income will be subsequently reclassified into profit or loss	751	34,241	—	—	—	34,218	23	34,969
Including: The share of other comprehensive income in the investee that will subsequently be reclassified to profit or loss under the equity method	550	—	—	—	—	—	—	550
Transfer of investment properties	—	34,183	—	—	—	34,183	—	34,183
Translation differences on foreign currency financial statements	201	58	—	—	—	35	23	236
Total other comprehensive income	231,238	44,156	—	—	—	44,133	23	275,371

31. Surplus reserves

Item	As at 31 December 2024	Increase during the period	Decrease during the period	As at 31 December 2025
Statutory surplus reserves	130,931	—	—	130,931
Total	130,931	—	—	130,931

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

32. Undistributed profits

Items	As at 31 December 2025	As at 31 December 2024
Undistributed profits at the end of the previous period before adjustment	**(840,719)**	(832,966)
Adjustments to the total undistributed profits at the beginning of the period (upward +, downward −)	—	(5,711)
Of which: Change in scope of consolidation under common control	—	(5,711)
Undistributed profits at the beginning of the period after adjustment	**(840,719)**	(838,677)
Add: Net profit attributable to owners of the Parent for the current period	**(72,825)**	(2,042)
Merger of enterprises under common control	—	—
Less: Withdrawal of statutory surplus reserves	—	—
Withdrawal of discretionary surplus reserves	—	—
Ordinary share dividends payable	—	—
Capitalized ordinary share dividends	—	—
Undistributed profit at the end of the period	**(913,544)**	(840,719)

33. Operating income and operating costs

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Principal operating income	**131,322**	180,714
Other operating income	**6,284**	28,478
Total operating income	**137,606**	209,192
Principal operating costs	**152,992**	171,884
Other operating costs	—	13,224
Total operating costs	**152,992**	185,108
Gross profit	**(15,386)**	24,084

(Amounts expressed in thousands of RMB unless otherwise stated

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

33. Operating income and operating costs *(Continued)*

(1) Principal operating income for the period by business

Items	For the year ended 31 December 2025 Principal operating income	For the year ended 31 December 2025 Principal operating costs	For the year ended 31 December 2024 Principal operating income	For the year ended 31 December 2024 Principal operating costs
Advertising	**105,051**	**124,685**	117,494	112,816
Printing	**38**	**11**	4	2
Trading of print-related materials	**8,654**	**9,745**	42,451	39,002
Other revenue	**17,579**	**18,551**	20,765	20,064
Total	**131,322**	**152,992**	180,714	171,884

(2) Principal operating income for the period by timing of recognition

Timing of revenue recognition	Advertising	Printing	Trading of print-related materials	Other revenue	Other operating income
Recognised at a point in time	105,051	38	8,654	17,579	3,321
Total	105,051	38	8,654	17,579	3,321

(3) For the year ended 31 December 2025, the amount of revenue recognised in the period and included in the carrying amount at the beginning of the period of the contract liability was RMB3,487 thousand.

(4) For the year ended 31 December 2025, the sum of operating income from the top five customers was RMB19,526 thousand, representing 14.19% of total operating income.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

34. Taxes and surcharges

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Property duty	**1,025**	1,281
Cultural construction fee	**605**	461
Urban maintenance and construction tax	**86**	163
Education surcharge	**43**	64
Stamp duty	**36**	100
Local education surcharge	**29**	41
Land use tax	**15**	15
Vehicle and vessel tax	**4**	4
Total	**1,843**	2,129

35. Selling expenses

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Employee benefits	**4,066**	11,240
Rental expenses	**225**	290
Depreciation charge	**140**	108
Storage and warehousing expenses	**125**	214
Repair costs	**66**	43
Business entertainment expenses	**8**	419
Loading and unloading fees	**7**	25
Sale service fees	**—**	673
Others	**222**	298
Total	**4,859**	13,310

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

36. Administrative expenses

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Employee benefits	**40,986**	27,057
Agency fees	**7,879**	7,950
Office expenses	**5,042**	4,112
Depreciation and amortisation expenses	**2,722**	2,939
Insurance premiums	**133**	102
Travelling expenses	**79**	199
Repair costs	**71**	29
Business entertainment expenses	**56**	225
Litigation costs	**19**	11
Others	**551**	713
Total	**57,538**	43,337

37. Finance costs

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Interest expenses	**107**	172
Less: Interest income	**635**	975
Exchange loss	**(8)**	5
Commissions and other expenses	**41**	62
Total	**(495)**	(736)

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

38. Other income

Items	For the year ended 31 December 2025	For the year ended 31 December 2024	Related to asset/related to income
Government grants from routine activities	**20**	65	Related to income
Total	**20**	65	—

39. Investment income

Category	For the year ended 31 December 2025	For the year ended 31 December 2024
Share of profit of associates	—	(3,041)
Investment income received from the disposal of financial assets at fair value through profit or loss	**(124)**	12,002
Investment income received from holding investments in other equity instruments	**8,844**	8,859
Others	**278**	—
Total	**8,998**	17,820

40. Gain or loss on changes in fair value

Source of gain from change in fair value	For the year ended 31 December 2025	For the year ended 31 December 2024
Financial assets at fair value through profit or loss	**3,798**	(3,866)
Investment properties at fair value	**(10,679)**	7,029
Total	**(6,881)**	3,163

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

41. Credit impairment losses

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Credit impairment loss of accounts receivable	**(641)**	10,760
Credit impairment loss of other receivables	**1,042**	885
Total	**401**	11,645

42. Asset impairment losses

Item	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Loss due to decline in value of inventories	**(5)**	—
Total	**(5)**	—

43. Gain on disposal of assets

Item	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Gains on disposal of fixed assets	**1**	1
Total	**1**	1

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

44. Non-operating income

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Gains on disposal of fixed assets	**1**	16
Others	**381**	1,586
Total	**382**	1,602

45. Non-operating expenses

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Retirement of assets	**115**	—
Compensation and late payment charges and fines	**446**	14
Others	**3**	39
Total	**564**	53

46. Income tax expenses

(1) Breakdown of income tax expenses

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Current income tax expenses calculated based on tax law and relevant regulations	**(783)**	896
Deferred income tax expenses	**—**	2,056
Total	**(783)**	2,952

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

46. Income tax expenses *(Continued)*

(2) Current income tax expenses

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Current income tax — PRC	—	895
Under-provision in prior years — PRC	(783)	1
Total	**(783)**	896

There was no provision for Hong Kong profits tax of the Group during the year, as there was no profit generated from Hong Kong.

(3) Adjustment process of accounting profits and income tax expenses

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Total profit	(76,779)	287
Income tax expenses calculated at statutory/applicable tax rates	(19,195)	72
Adjustments in respect of income tax of previous periods	(783)	1
Effect of non-taxable income	320	(5,204)
Influence of non-deductible costs, expenses and losses	157	518
Effect of using the deductible temporary differences or deductible losses related to deferred income tax assets unrecognised in previous period	—	(666)
Effect of deductible temporary differences or deductible losses from deferred income tax assets unrecognised in the current period	18,718	8,231
Income tax expenses	**(783)**	2,952

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

47. Supplementary information to the statement of cash flow

(1) Supplementary information to the statement of cash flow

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
1. Reconciliation of net profit to cash flows from operating activities		
Net profit	**(75,996)**	(2,665)
Add: Provision for impairment of assets	**5**	—
Credit impairment loss	**(401)**	(11,645)
Depreciation of fixed assets	**781**	587
Depreciation of right-of-use assets	**1,390**	1,405
Amortisation of intangible assets	**870**	897
Amortisation of long-term deferred expenses	**2,455**	1,964
Losses on disposal of fixed assets, intangible assets and other long-term assets ("−" for gains)	**(1)**	(1)
Losses on retirement of fixed assets ("−" for gains)	**115**	(8)
Losses on changes in fair value ("−" for gains)	**6,881**	(3,163)
Finance costs ("−" for gains)	**107**	172
Investment losses ("−" for gains)	**(8,998)**	(17,820)
Decreases in deferred income tax assets ("−" for increases)	**—**	—
Increases in deferred income tax liabilities ("−" for decreases)	**—**	(2,458)
Decreases in inventories ("−" for increases)	**5,003**	(1,255)
Decreases in operating receivables ("−" for increases)	**36,936**	(14,821)
Increases in operating payables ("−" for decreases)	**(12,414)**	(5,141)
Others	**—**	—
Net cash flow from operating activities	**(43,267)**	(53,952)

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

47. Supplementary information to the statement of cash flow *(Continued)*

(2) Cash and cash equivalents

Items	As at 31 December 2025	As at 31 December 2024
I. Cash	**36,753**	79,795
Including: Cash on hand	**—**	—
Demand bank deposit	**36,753**	79,784
Demand other monetary funds	**—**	11
II. Cash equivalents	**—**	—
III. Closing balance of cash and cash equivalents	**36,753**	79,795

48. Leasing

(1) The Group as lessee

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Interest expense on lease liabilities	**26**	78
Short-term lease payments with simplified processing included in profit or loss for the period	**889**	591
Lease payments of low-value assets with simplified processing included in profit or loss for the period (other than short-term leases)	**—**	—
Variable lease payments that are not included in the lease liabilities	**—**	—
Including: Portion arising from sale-and-leaseback transactions	**—**	—
Income from subletting of right-of-use assets	**—**	—
Total cash outflows relating to leases	**794**	799
Related gains and losses arising from sale-and-leaseback transactions	**—**	—
Cash inflows from sale-and-leaseback transactions	**—**	—
Cash outflows from sale-and-leaseback transactions	**—**	—

VIII. EXPLANATORY NOTES TO SIGNIFICANT ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

48. Leasing *(Continued)*

(2) The Group as lessor

Item	Rental income	Including: Income related to variable lease payments not included in lease receipts
Premises leasing	2,964	—
Total	2,964	—

IX. CHANGES IN CONSOLIDATED SCOPE

1. Disposal of Subsidiaries

There were no changes in the consolidation scope resulting from the disposal of subsidiaries.

2. Other Reasons for the Change of the Consolidation Scope

(1) Transactions or events involving loss of control over subsidiaries during the period

Name of the subsidiary	Disposal price at the point of loss of control	Percentage disposed at the point of loss of control	Means of disposal at the point of loss of control	The point of loss of control	Basis for determining the point of loss of control	The difference between the disposal price and the share of the net assets of the subsidiary at the consolidated financial statement level corresponding to the disposed investment	Remaining shareholding as of the date of loss of control	Carrying amount of remaining shareholding as of the date of loss of control as per consolidated financial statements	Fair value of remaining shareholding as of the date of loss of control as per consolidated financial statements	Gain or loss in fair value of remaining shareholding	Determination and key assumption of fair value of remaining shareholding as of the date of loss of control as per consolidated financial statements	Relevant other comprehensive income of former subsidiary transferred to profit or loss or retained profit
Beiqing Long Teng Investment Management (Beijing) Co., Limited	/	/	Bankruptcy liquidation	2025.1.10	The First Intermediate People's Court of Beijing ruled that the case of compulsory liquidation of Beiqing Long Teng Investment Management (Beijing) Co., Limited was accepted pursuant to the petition of the Group, and Beijing Tian Tai Law Firm* (北京天馳君泰律師事務所) was confirmed as the liquidation team upon random balloting by the Beijing High People's Court.	4,999	/	/	/	/	/	/

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group

Name of subsidiary	Place of registration	Principal place of operation	Business nature	Shareholding percentage (%) Direct	Indirect	Acquisition methods
BYD Logistics Company Limited	Beijing, the PRC	Beijing, the PRC	Logistics and warehousing	92.84	—	Establishment
Beijing Beiqing Outdoor Advertisement Co., Ltd.	Beijing, the PRC	Beijing, the PRC	Advertising services	100.00	—	Business combinations under common control
Beiqing Network Culture Communication Co., Ltd.	Beijing, the PRC	Beijing, the PRC	Advertising services	100.00	—	Establishment
Chongqing Youth Media Company Limited	Chongqing, the PRC	Chongqing, the PRC	Newspaper distribution, advertising services	60.00	—	Establishment
CHONG QING YOUTH (AMERICA) LLC	United States	United States	Travel and rental	—	60.00	Establishment
Beijing Beiqing Innovation Cultural Industry Development Co., Ltd.	Beijing, the PRC	Beijing, the PRC	Education and culture	100.00	—	Establishment
Beiqing Community Media Technology (Beijing) Co., Ltd.	Beijing, the PRC	Beijing, the PRC	Advertising services	74.12	1.70	Establishment
Jingjian (Beijing) Culture Media Co., Ltd.	Beijing, the PRC	Beijing, the PRC	Advertising services	100.00	—	Business combinations under common control

Note: During the Reporting Period, none of the above subsidiaries had issued any share capital and debt securities.

(2) Significant non-wholly owned subsidiaries

No.	Name of subsidiaries	Percentage of non-controlling interest	Profit or loss attributable to non-controlling shareholders in the current period	Dividend declared for distribution to non-controlling shareholders in the current period	Accumulated interests of non-controlling shareholders at the end of period
1	BYD Logistics Company Limited	7.16%	(413)	—	(1,086)
2	Beiqing Community Media Technology (Beijing) Co., Ltd.	24.18%	(2,512)	—	12,341

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES *(Continued)*

1. Interests in subsidiaries *(Continued)*

(3) Key financial information of significant non-wholly owned subsidiaries (other than those classified as held for sale)

Name of subsidiaries	As at 31 December 2025						As at 31 December 2024					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
BYD Logistics Company Limited	**1,924**	**6**	**1,930**	**17,098**	**—**	**17,098**	21,679	9	21,688	31,083	—	31,083
Beiqing Community Media Technology (Beijing) Co., Ltd.	**30,031**	**186**	**30,217**	**11,533**	**—**	**11,533**	42,513	242	42,755	7,432	—	7,432

Name of subsidiaries	As at 31 December 2025				As at 31 December 2024			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
BYD Logistics Company Limited	**14,104**	**(5,773)**	**(5,773)**	**(10,318)**	50,752	2,973	2,973	(1,035)
Beiqing Community Media Technology (Beijing) Co., Ltd.	**21,204**	**(9,608)**	**(9,608)**	**(3,896)**	43,843	(973)	(973)	(5,384)

2. Transactions that led to changes in the ownership interest in, but without losing of control of the subsidiary

On 30 December 2024, Hangzhou Shineng Investment Consulting Co., Ltd.* (杭州勢能投資諮詢有限公司) and Chongqing Huilin Equity Fund (Limited Partnership) (重慶慧林股權投資基金合夥企業(有限合夥), minority shareholders of Community Media, a subsidiary of Beijing Media, entered into a tripartite agreement to withdraw from Community Media through capital reduction. As a result, Beijing Media's shareholding in Community Media increased from 57.95% to 74.12%, with the equity change taking effect on 11 March 2025. The impact of this matter on capital surplus amounts to RMB2,063,000.

On 26 September 2024, the partner of Beijing Beiqing Community Culture Media Investment Centre Limited Partnership* (北京北青社區文化傳媒投資中心(有限合夥), a minority shareholder of Community Media, a subsidiary of Beijing Media, exited through litigation. Beijing Media repurchased the partner's 1.7% indirect stake in Community Media. The equity transfer date is 26 June 2025. This matter resulted in a decrease of RMB435,100 in minority interest and a decrease of RMB219,300 in capital surplus.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES *(Continued)*

3. Interests in associates

(1) Basics of associates

Company name	Place of registration	Principal place of operation	Business nature	Shareholding (%) Direct	Shareholding (%) Indirect	Accounting treatment for investments
Beijing Shengyi Automobile Technology Co., Ltd.	Beijing	Beijing	Provision of car decoration services, market research, marketing planning	20.00	—	Equity method
Beijing Beisheng United Insurance Agency Co., Limited	Beijing	Beijing	Provision of car insurance agency services	20.00	—	Equity method
BY Times Consulting Co., Ltd.	Beijing	Beijing	Economic information consulting, organizing cultural activities	30.00	—	Equity method
Beijing Beiqing Top Advertising Limited	Beijing	Beijing	Design, production, and provision of agency service of advertisements	41.60	—	Equity method
Beijing Shangyou Network Technology Co., Ltd.	Beijing	Beijing	Design, production, and provision of agency service of advertisements	—	30.00	Equity method

The accounting method for the investment in associates adopted by the Group is equity method.

(2) Combined financial information of associates

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Total book value of investments	—	—
Aggregated amounts per shareholding percentage for the following items:	—	—
Net profit	(3,799)	(3,799)
Other comprehensive income	—	—
Total comprehensive income	(3,799)	(3,799)

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES *(Continued)*

3. Interests in associates *(Continued)*

(3) Excess losses from associates

Names of associates	Unrecognised losses in the period (or net profits shared in the period)	Accumulated unrecognised losses at the end of the period
Beijing Beisheng United Insurance Agency Co., Limited	—	(728)
Beijing Shengyi Automobile Technology Co., Ltd.	—	(1,333)
Beijing Beiqing Top Advertising Limited	—	(12,619)
BY Times Consulting Co., Ltd.	(10)	(198)
Beijing Shangyou Network Technology Co., Ltd.	—	(20)

As of the date of this report: Beijing Beisheng United Insurance Agency Co., Limited, Beijing Shengyi Automobile Technology Co., Ltd., Beijing Beiqing Top Advertising Limited and Beijing Shangyou Network Technology Co., Ltd. have not yet provided the Group with their 2025 financial statements.

4. Equity in investment in other equity instruments

(1) Basic information of relevant investees in relation to investment in other equity instruments

Company name	Place of registration	Principal place of operation	Business nature	Shareholding (%)	Fair value at the end of the period	Proportion of total assets (%)
Beiyang Publishing & Media Co., Ltd.	Shijiazhuang	Shijiazhuang	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	275,955	40.06
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	36,656	5.32
Beijing Youth Daily New Media Co., Ltd. (北京青年報新媒體有限公司)	Beijing	Beijing	Internet information service	5.00	2,065	0.30
Beijing International Advertising & Communication Group Co., Ltd.	Beijing	Beijing	Design, production and provision of agency service of advertisements	11.44	36,492	5.30

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES *(Continued)*

4. Equity in investment in other equity instruments *(Continued)*

(2) Major financial information of significant investee among other equity instruments investment:

Company name	Net profit attributable to owners of the Parent for the year	Accumulated undistributed profits at the end of the year	Dividend income recognised for the year
Beiyang Publishing & Media Co., Ltd.	889,020	8,318,132	8,843
Beijing Keyin Media and Culture Co., Ltd.	468	168,040	1
Beijing International Advertising & Communication Group Co., Ltd.	(3,155)	(374,667)	—

Note: As of the date of this report, Beiyang Publishing & Media Co., Ltd., Beijing International Advertising & Communication Group Co., Ltd. and Beijing Keyin Media and Culture Co., Ltd.'s 2025 financial report has not yet been released to the public.

(3) Investment strategies for major investments in other equity instrument:

Beiyang Publishing and 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 in 2011 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.

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 in 2012 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.

Beijing International Advertising & Communication Group Co., Ltd. (hereinafter referred to as "BIAC") is mainly engaged in design, production and provision of agency service of advertisements, etc. Currently, the Company holds 20,000,000 shares of BIAC, representing 11.44% of the aggregate share capital of BIAC. The Company invests in BIAC to obtain investment returns in 2016; Based on the Company's business transformation strategy and the recent business situation of BIAC after investment, the Company may consider gradually advancing our exit plan.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

X. INTERESTS IN OTHER ENTITIES *(Continued)*

5. Interest in financial assets held for trading

(1) Basic information of financial assets held for trading

Company name	Types of products	Investment cost as at the end of the period	Unrealised gains and losses for the period	Changes in fair value for the period	Fair value as at the end of the period	Proportion to total assets (%)
Capital Securities Co., Ltd.	Fixed-income wealth management products	114,590	10,193	10,193	124,783	18.11

(2) Investment strategies for financial assets held for trading

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

XI. FAIR VALUES

1. Analysis of assets and liabilities measured at fair value by fair value level

Items	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	As at 31 December 2025
I. Fair value measurement on recurring basis				
(I) Financial assets held for trading	—	**124,783**	—	**124,783**
(II) Investment in other equity instruments	—	—	**351,168**	**351,168**
(III) Investment properties	—	**85,065**	—	**85,065**
1. Leased buildings	—	**85,065**	—	**85,065**
Total assets at fair value on recurring basis	—	**209,848**	**351,168**	**561,016**

The Group's financial assets held for trading consist of bond-type securities investment funds; their fair value as at 31 December 2025 is determined on the basis of the fair value of the underlying assets, as determined using the market approach, subject to certain adjustments in accordance with the characteristics of those assets, and is classified as Level 2.

The fair value of the Group's investment in other equity instruments as at 31 December 2025 was determined using the asset-based approach or by reference to the net assets of the investees; the principal inputs used in the valuation were the assessed values of the assets and liabilities of the investee's constituent entities or their net assets, and is classified as Level 3. For every 10% increase/decrease in the net assets or the appraised net assets of the investee, it will result in an increase/decrease of approximately RMB 35,117 thousand in the fair value of the investee.

The fair value of the Group's investment properties as at 31 December 2025 was determined on the basis of recent active market prices for similar properties in the same location and condition, adjusted to reflect the specific circumstances of the subject property, and is classified as Level 2.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS

Major financial instruments of the Group include bank balances and cash, financial assets held for trading, notes receivable, accounts receivable, other receivables, other current assets, other non-current financial assets, notes payable, accounts payable, other payables, non-current liabilities due within one year and lease liabilities, etc. Details of the financial instruments are disclosed in their respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Classification of financial instruments

Items	**As at 31 December 2025**	As at 31 December 2024
Financial assets:		
Financial assets at fair value through profit or loss	**124,783**	114,270
Financial assets at fair value through other comprehensive income	**351,168**	341,253
Financial assets at amortised cost	**107,882**	168,701
Financial liabilities:		
At amortised cost	**65,629**	47,536

Objective and policies of risk management

The Group engages in risk management with the aim of achieving an appropriate balance between risks and returns, where the negative effects of risks against the operating results of the Group are minimised, in order to maximise the benefits of shareholders and other stakeholders. Based on such objective in risk management, the underlying strategy of risk management of the Group is to ascertain and analyse all types of risks exposures of the Company, establish appropriate risk tolerance thresholds, carry out risk management procedures and perform risk monitoring on all kinds of risks in a timely and reliable manner, thus confining risk exposures within a prescribed scope.

1. Currency risk

The Group's functional currency is RMB in which most of the transactions are denominated. However, certain other payables of the Group are denominated in foreign currencies.

2. Interest rate risk

The Group is exposed to fair value interest rate risk through bank fixed deposits. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to variable interest rate bank balances due to the fluctuation of the prevailing market interest rate. The management will continuously monitor interest rate fluctuation and will consider hedging significant interest rate risk should the need arises.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of base rate published by the People's Bank of China arising from the Group's RMB bank balances.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS *(Continued)*

Objective and policies of risk management *(Continued)*

3. Credit risk

As at 31 December 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from: The carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet.

In order to minimise the credit risk, the Group's management continuously monitors the level of exposure to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each year to ensure that adequate provision for impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on current assets is limited because the majority of the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group is subject to concentration risk on geographical location as its business is mainly operated in the PRC. However, the Group has no significant concentration of credit risk as the Group's credit exposure spreads over a wide range of different counterparties and customers.

4. Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuation in cash flows. The management monitors the utilisation of bank loans and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate curve at end of the year.

	Less than 1 year		**1–5 years**	
Items	**31 December 2025**	31 December 2024	**31 December 2025**	31 December 2024
Notes payable	**—**	1,365	**—**	—
Accounts payable	**28,847**	21,184	**—**	—
Other payables	**18,064**	18,006	**—**	—
Non-current liabilities due within one year	**—**	1,106	**—**	—

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XII. RISKS RELATED TO FINANCIAL INSTRUMENTS *(Continued)*

Objective and policies of risk management *(Continued)*

4. *Liquidity risk* *(Continued)*

Items	Total undiscounted cash flows		Carrying amount	
	31 December 2025	31 December 2024	**31 December 2025**	31 December 2024
Notes payable	—	1,365	—	1,365
Accounts payable	**28,847**	21,184	**28,847**	21,184
Other payables	**18,064**	18,006	**18,064**	18,006
Non-current liabilities due within one year	—	1,132	—	1,106

5. *Fair value*

The fair values of financial assets and liabilities are determined as follows:

The fair values of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively;

The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments;

The fair value of financial guarantee contracts is determined by professional appraiser using default valuation model where the values of the liabilities associated with the guarantees are estimated based upon an analysis of the guaranteed companies' ability to repay their debts and the potential financial loss for the guarantors, assuming future defaults happen in different time periods.

The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the consolidated balance sheet approximate their fair values.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION

1. The Company's Parent

Name	Type of enterprise	Place of registration	Business nature	Legal representative	Unified social credit code
BYDA	State-owned enterprise	Beijing	Media and publishing	Tian Kewu	91110105MA008QJ53Y

(1) Parent's registered capital and its changes

Name	As at 31 December 2024	Increase in this period	Decrease in this period	As at 31 December 2025
BYDA	22,439	—	—	22,439

(2) Shares or equity held by Parent and its changes

	Shareholding amount		Shareholding percentage (%)	
Name	**As at 31 December 2025**	As at 31 December 2024	**As at 31 December 2025**	As at 31 December 2024
BYDA	**124,840**	124,840	**63.27**	63.27

3. The Company's ultimate controller

Name	Type of enterprise	Place of registration	Business nature	Legal representative	Unified social credit code
Beijing Capital Group Co., Ltd.	State-owned enterprise	Beijing	Business services	Liu Yongzheng	91110000101138949N

4. The Company's subsidiaries

For details of the Company's subsidiaries, see Note "X. Interests in Other Entities".

5. The Group's associates

For details of the Group's associates, see Note "X. Interests in Other Entities"

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

6. The Group's related parties

Relationship	Names of related parties
Subsidiary of BYDA	Beiqing International Investment Consultancy (Beijing) Co., Limited
Subsidiary of BYDA	Beiqing M-Media (Beijing) Culture Media Co., Ltd.
Subsidiary of BYDA	Beijing United Communication Media Technology (Beijing) Co., Ltd.
Subsidiary of BYDA	Beijing Youth Journal Agency
Subsidiary of BYDA	Legal Evening Agency
Subsidiary of BYDA	Beijing Science and Technology News Agency
Subsidiary of BYDA	Beijing Beiqing Education and Media Co., Ltd.
Subsidiary of BYDA	Beiqing Film & Television (Beijing) Co., Ltd.
Subsidiary of BYDA	Beijing Beiqing Culture and Arts Company
Subsidiary of BYDA	Beijing China Open Promotion Co., Ltd.
Subsidiary of BYDA	Beijing Youth Daily Network Communication Technology Co., Ltd.
Subsidiary of BYDA	Beijing Youth Travel Service Co., Ltd.
Subsidiary of BYDA	Ding Lin Tai He Trade (Beijing) Limited Company* (鼎麟泰和貿易(北京)有限公司)
Subsidiary of BYDA	Beijing Youth Camp Education Technology Co., Ltd.* (北京青年營教育科技有限責任公司)
Subsidiary of BYDA	Beijing Daily Printing Co., Ltd.* (北京日報印務有限責任公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing MTR Corporation Limited (北京京港地鐵有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Jinggang Line 17 Metro Co., Ltd. (北京京港十七號線地鐵有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital City Development Group Co., Ltd.* (北京首創城市發展集團有限公司)

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

6. The Group's related parties *(Continued)*

Relationship	Names of related parties
Subsidiary of Beijing Capital Group Co., Ltd.	Capital Securities Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing East Ring Xinrong Investment Management Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Chuangyue Xinke Real Estate Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Agriculture Guaranty Co., Ltd.* (北京市農業融資擔保有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Kangyuan Real Estate Management Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Rural Area Equity Exchange Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Agricultural Investment Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Municipal Economic Development and Investment Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Zhicheng Xinda Property Management Limited* (北京致誠鑫達物業管理有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Tianjin Ruitai Property Co., Ltd.* (天津瑞泰置業有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Green Buffer Zone Infrastructure Development & Construction Company Limited* (北京市綠化隔離地區基礎設施開發建設有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Hengsheng Huaxing Investment Management Co., Ltd.* (北京恒盛華星投資管理有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Group Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Eco-Environment Protection Group Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Shouchuang Financing Guarantee Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Lanhai Chuangying Township Construction and Development Co. (北京藍海創盈城鎮建設開發有限責任公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Outlets Fangshan Property Investment Co., Ltd.* (北京首創奧特萊斯房山置業有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Huaye Real Estate Development Co., Ltd. (北京首創華業房地產開發有限公司)

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

6. The Group's related parties *(Continued)*

Relationship	Names of related parties
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Chao Yang Real Estate Development Co., Ltd.* (首創朝陽房地產發展有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Hainan Jintai Tourism Development Co., Ltd.* (海南金泰旅業開發有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Tianjin Xingtai Jihong Real Estate Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Shou Chuang Heyuan Housing Leasing Co., Ltd.* (北京首創和園住房租賃有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Jiachuang Hongye Real Estate Development Co., Ltd.* (北京嘉創鴻業房地產開發有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Jinping Hotel Co., Ltd.* (北京金平大酒店有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Shouchuang Dongheng Investment Co., Ltd.* (北京首創東恒投資有限公司)
Subsidiary of Beijing Capital Group Co., Ltd.	Beijing Capital Construction Co., Ltd.
Subsidiary of Beijing Capital Group Co., Ltd.	Tianjin Capital Tianye Real Estate Development Co., Ltd. (天津首創天業房地產開發有限公司)
Associate of the Group	Beijing Beiqing Top Advertising Limited
Associate of the Group	Beijing Beisheng United Insurance Agency Co., Limited
Associate of the Group	Beijing Shengyi Automobile Technology Co., Ltd.
Associate of the Group	BY Time Consulting Co., Ltd.
Associate of the Group	Beijing Shangyou International Travel Agency Limited
Other related parties	Beijing Beiqing Community Culture Media Investment Centre Limited Partnership* (北京北青社區文化傳媒投資中心(有限合夥))
Key Management Personnel of the Company	Directors, supervisors and senior management personnel

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

7. Related party transactions

(1) Related party transactions involving the purchase and sale of goods, the provision and receipt of services

Name of related party	Type of related party transactions	Content of related party transactions	Pricing methods and decision-making procedures for related party transactions	For the year ended 31 December 2025	For the year ended 31 December 2024
Purchase of goods and receipt of services:					
BYDA *(Note 1)*	Acceptance of services	Advertising space operating rights, advertising agents, advertising release fee, personnel services	Contracted price	**7,928**	10,570
Subsidiaries of BYDA	Acceptance of services	Advertising agents, advertising release fee	Contracted price	**2,057**	1,585
Subsidiary of Beijing Capital Group Co., Ltd. *(Note 2)*	Acceptance of services	Concession fees, property management fee	Contracted price	**25,313**	24,497
Sale of goods and provision of services:					
BYDA	Provision of services	Operation and maintenance, agency printing, advertising	Contracted price	**1,282**	2,852
Subsidiaries of BYDA	Provision of services	Operation and maintenance agency, advertising, activities, tickets	Contracted price	**9,857**	14,867
Subsidiary of Beijing Capital Group Co., Ltd.	Provision of services	Advertising and activities	Contracted price	**6,064**	4,955

Note 1: Pursuant to the advertising space operating rights and options subscription agreement entered into between the Group and BYDA, the Group agreed to pay 16.50% of the advertising revenue to BYDA for the period from 1 October 2004 to 30 September 2033.

Note 2: On 11 December 2023, the Group entered into the "Exclusive Concession Rights Agreement for Advertising Publication of Major Advertising Resources of Beijing Metro Line 4 and Daxing Line" (《北京地鐵四號線、大興線主要廣告資源廣告發佈獨家代理經營協議》) with Beijing MTR Corporation Limited, whereby the Group pays concession fees to Beijing MTR Corporation Limited on the basis of"guarantee fees + extra revenue commission fees" for the period from 1 January 2024 to 31 December 2025; and the Group entered into the "Exclusive Concession Rights Agreement for Advertising Publication of Major Advertising Resources of the Northern Section of Beijing Metro Line 17" (《北京地鐵十七號線北段主要廣告資源廣告發佈獨家代理經營協議》) with Beijing Jinggang Line 17 Metro Co., Ltd., whereby the Group pays concession fees to Beijing Jinggang Line 17 Metro Co., Ltd. on the basis of "guarantee fees + extra revenue commission fees" for the period from 1 January 2024 to 31 December 2025.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

7. Related party transactions *(Continued)*

(2) Asset Management

To increase the cash revenue of the Group, the Group entered into the single asset management contract with Capital Securities and Bank of Communications Co., Ltd. Beijing Branch on 19 April 2022 to effectively manage existing idle funds through low-risk investment activities without affecting the ordinary operating liquidity of the Group. Pursuant to the single asset management contract, the Group will entrust Capital Securities to provide asset management and investment services for the entrusted assets, effective from the date of approval by the Independent Shareholders at the AGM and on 31 December 2025, the fair value of the asset management product was RMB124,783 thousand.

(3) Related lease

Name of lessor	Name of lessee	Type of assets leased	Rental income/ expenses	For the year ended 31 December 2025	For the year ended 31 December 2024
Beijing Media Corporation Limited	Beijing Youth Daily New Media Co., Ltd. (北京青年報新媒體有限公司)	Building	Rental income	—	1,614
Beijing Media Corporation Limited	Beijing Rural Area Equity Exchange Co., Ltd.	Building	Rental income	**1,460**	1,447
Beijing Media Corporation Limited	Beijing Agricultural Investment Co., Ltd.	Building	Rental income	**1,198**	1,188
Beijing Municipal Economic Development and Investment Co., Ltd.	Beijing Media Corporation Limited	Building	Rental expenses	**1,505**	1,592
Beijing Municipal Economic Development and Investment Co., Ltd.	Beijing Community Media Technology (Beijing) Co., Ltd.	Building	Rental expenses	**97**	—
Beijing Municipal Economic Development and Investment Co., Ltd.	Beijing Beiqing Innovation Cultural Industry Development Co., Ltd.	Building	Rental expenses	**82**	—
Beijing Municipal Economic Development and Investment Co., Ltd.	BYD Logistics Company Limited	Building	Rental expenses	**43**	—

(4) Remuneration for key management personnel

Remuneration for key management personnel	For the year ended 31 December 2025	For the year ended 31 December 2024
Total	**RMB1,491 thousand**	RMB1,371 thousand

(5) Financial guarantee from related parties

There was no financial guarantee from related parties during the period.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

7. Related party transactions *(Continued)*

(6) Continuing related party transactions

Save as the related party transactions and continuing related party transactions disclosed in the Report of the Board of Directors of the 2025 annual report of the Company, there is no related party transaction or continuing related party transaction included in this note that constitutes a disclosable related party transaction or continuing related party transaction under the Listing Rules. The Group has complied with Chapter 14A of the Listing Rules in respect of the disclosure of its related party transactions and continuing related party transactions.

For the year ended 31 December 2025, the following continuing related party transactions of the Group constitute continuing related party transactions under Chapter 14A of the Listing Rules.

		For the year ended 31 December 2025			
Names of transactions	Names of transaction parties	Date of announcement	Nature of transaction	Maximum annual cap	Amount for the period
Advertising Agency Framework Agreement	BYDA	2025/12/11	Advertising placement expense	6,500	6,055
Integrated Service Agreement	BYDA	2022/12/28	Integrated service income	25,000	3,124
Asset Management Agreement	Capital Securities Co., Ltd.	2023/05/24	Entrusted wealth management	200,000	141,869
Premises Leasing Agreement	Beijing Rural Area Equity Exchange Co., Ltd.	2025/2/27	Rental income	1,581 (Note 1)	1,460
Premises Leasing Agreement	Beijing Agricultural Investment Co., Ltd.	2025/2/27	Rental income	1,298 (Note 2)	1,198

Note 1: The maximum annual cap of rental income with Beijing Rural Area Equity Exchange Co., Ltd. covers the period from 1 April 2025 to 31 March 2028. Among the amount for the year, the transaction amount from 1 January to 31 March was RMB372 thousand.

Note 2: The maximum annual cap of rental income with Beijing Agricultural Investment Co., Ltd. covers the period from 1 April 2025 to 31 March 2028. Among the amount for the year, the transaction amount from 1 January to 31 March was RMB305 thousand.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIII. RELATED PARTIES RELATIONSHIPS AND ITS TRANSACTION *(Continued)*

8. Receivables from and payables to related parties

(1) Receivables

Name of items	Related parties	As at 31 December 2025 Book balance	As at 31 December 2025 Provision for bad debts	As at 31 December 2024 Book balance	As at 31 December 2024 Provision for bad debts
Accounts receivable	BYDA	**8,253**	**6,995**	8,095	6,044
Accounts receivable	Associates of the Group	**31,831**	**31,831**	46,253	46,253
Accounts receivable	Subsidiaries of BYDA	**122,086**	**112,955**	119,056	114,526
Accounts receivable	Subsidiaries of Beijing Capital Group Co., Ltd.	**3,163**	**435**	1,885	899
Prepayments	Subsidiaries of BYDA	**2,470**	**—**	2,650	—
Prepayments	Subsidiaries of Beijing Capital Group Co., Ltd.	**134**	**—**	—	—
Other receivables	Associates of the Group	**39**	**39**	69	39
Other receivables	BYDA	**2,000**	**—**	2,000	—
Other receivables	Subsidiaries of BYDA	**1,608**	**490**	2,062	1,014
Other receivables	Subsidiaries of Beijing Capital Group Co., Ltd.	**7,734**	**—**	6,672 *(Note1)*	—
Other receivables	Other related parties	**613**	**533**	—	—

Note 1: The book balance mainly represents deposits receivable from Beijing MTR Corporation Limited.

(2) Payables

Name of items	Related parties	As at 31 December 2025	As at 31 December 2024
Accounts payable	BYDA	**6,710**	630
Accounts payable	Subsidiaries of BYDA	**3,059**	2,063
Accounts payable	Subsidiaries of Beijing Capital Group Co., Ltd.	**541**	1,509
Other payables	BYDA	**2,423**	2,341
Other payables	Subsidiaries of BYDA	**1,092**	1,688
Other payables	Subsidiaries of Beijing Capital Group Co., Ltd.	**385**	315
Contract liabilities	Subsidiaries of BYDA	**967**	111
Contract liabilities	Subsidiaries of Beijing Capital Group Co., Ltd.	**134**	18

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XIV. COMMITMENTS AND CONTINGENCIES

1. Commitments

In addition to the commitments disclosed in the other notes to the financial statements, the Group has the following commitments:

(1) The Group as lessee

As of 31 December 2025, the Group had contracted for the minimum lease payments under non-cancelable operating leases during the following periods:

Periods	As at 31 December 2025	As at 31 December 2024
Within one year	**2,078**	1,132
1–2 years	**32**	—
Total	**2,110**	1,132

(2) The Group as lessor

As of 31 December 2025, the Group had contracted with tenants for the following future minimum lease receivables:

Periods	As at 31 December 2025	As at 31 December 2024
Within one year	**3,165**	502
1–2 years	**2,879**	286
Total	**6,044**	788

2. Contingencies

The Group has no other material contingencies to be disclosed up to 31 December 2025.

XV. POST BALANCE SHEET EVENTS

The Group has no other major post-balance sheet events that need to be disclosed as of 31 December 2025.

XVI. OTHER SIGNIFICANT EVENTS

1. Segment information

The intra-segment transfer pricing is determined with reference to market price and classified as follows:

Business segments	Principal activities
Advertising	Comprehensive services including the sales of multi-interface convergence media advertising, culture annual pass sales, the operation of cultural and sports events, event planning, new media operation and maintenance.
Printing	Provision of printing services.
Trading of print-related materials	Sales of newsprint, ink, lubricants, films, presensitized plate and rubber sheets used for printing and other print-related materials.
Others	Provision of other services such as youth cultural activities, group camps receptions and curriculum development.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

1. Segment information *(Continued)*

(1) For the year ended 31 December 2025

Items	Advertising	Printing	Trading of print-related materials	Others	Elimination	Total
Operating income	105,692	4,991	9,113	25,112	(7,302)	137,606
— Income from external transactions	105,051	38	8,654	23,863	—	137,606
— Income from intra-segment transactions	641	4,953	459	1,249	(7,302)	—
Total operating costs	177,038	6,355	13,880	26,766	(7,302)	216,737
Provision for impairment	21,195	(106)	(198)	(219)	(21,068)	(396)
Gains on changes in fair value	—	—	—	(6,881)	—	(6,881)
Investment income	—	—	—	8,998	—	8,998
Gain on disposal of assets	—	—	—	1	—	1
Other income	—	—	—	20	—	20
Operating profit (loss)	(92,541)	(1,258)	(4,569)	703	21,068	(76,597)
Non-operating income and expenses, net	(463)	—	22	259	—	(182)
Total profit	(93,004)	(1,258)	(4,547)	962	21,068	(76,779)
Income tax expenses	(85)	—	(31)	(667)	—	(783)
Net profit	(92,919)	(1,258)	(4,516)	1,629	21,068	(75,996)
Total assets	895,140	683	1,247	23,173	(231,305)	688,938
Total liabilities	106,439	6,050	11,048	17,026	(61,029)	79,534

Supplementary information	Advertising	Printing	Trading of print-related materials	Unallocated profit	Elimination	Total
Depreciation and amortisation expenses	5,181	1	2	785	(473)	5,496
Capital expenditure	3,013	—	—	146	—	3,159
Impairment of assets	21,195	(106)	(198)	(219)	(21,068)	(396)
Non-cash expenses excluding depreciation and impairment of assets	—	—	—	—	—	—

(Amounts expressed in thousands of RMB unless otherwise stated

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

1. Segment information *(Continued)*

(2) For the year ended 31 December 2024

Items	Advertising	Printing	Trading of print-related materials	Others	Elimination	Total
Operating income	117,941	2,942	47,810	59,278	(18,779)	209,192
— Income from external transactions	117,494	4	42,451	49,243	—	209,192
— Income from intra-segment transactions	447	2,938	5,359	10,035	(18,779)	—
Total operating costs	132,549	2,366	44,931	82,080	(18,778)	243,148
Provision for impairment	(5,726)	(275)	(5,227)	(417)	—	(11,645)
Gains on changes in fair value	—	—	—	3,163	—	3,163
Investment income	—	—	—	17,820	—	17,820
Gain on disposal of assets	—	—	—	1	—	1
Other income	—	—	—	65	—	65
Operating profit (loss)	(8,882)	851	8,106	(1,336)	(1)	(1,262)
Non-operating income and expenses, net	1	—	(6)	1,554	—	1,549
Total profit	(8,881)	851	8,100	218	(1)	287
Income tax expenses	86	—	32	2,834	—	2,952
Net profit	(8,967)	851	8,068	(2,616)	(1)	(2,665)
Total assets	252,043	1,085	20,603	691,402	(252,380)	712,753
Total liabilities	49,766	1,555	29,528	50,733	(67,758)	63,824

Supplementary information	Advertising	Printing	Trading of print-related materials	Unallocated profit	Elimination	Total
Depreciation and amortisation expenses	2,664	1	13	212	—	2,890
Capital expenditure	3,699	—	—	540	—	4,239
Impairment of assets	(5,726)	(275)	(5,227)	(417)	—	(11,645)
Non-cash expenses excluding depreciation and impairment of assets	—	—	—	—	—	—

The business of the Group is mainly located in Beijing, China.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

2. Remuneration of the Auditor

Remuneration of the auditor	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Total	**900**	900

3. Remuneration of Directors, Supervisors and Employees

(1) Remuneration of directors and supervisors

1) The amount paid or payable as remuneration to the 11 (2024: 14) directors and supervisors is as follows:

For the year ended 31 December 2025:

Directors/Supervisors	Fees	Salaries, subsidies, allowances and bonuses	Social insurance and housing provident fund	Pension	Total
Directors:					
Nie Sen	—	—	—	—	—
Jing Enji	—	—	—	—	—
Wu Min	—	503	87	62	652
Wang Hao	—	—	—	—	—
Zhang Lei	30	—	—	—	30
Li Zhen	—	—	—	—	—
Li Xiaowei	30	—	—	—	30
Wang Zechen	60	—	—	—	60
Chan Yee Ping, Michael	100	—	—	—	100
Shi Hongying	100	—	—	—	100
Du Guoqing	100	—	—	—	100
Kong Weiping	100	—	—	—	100
Subtotal of directors	520	503	87	62	1172
Supervisors:	—	—	—	—	—
Lu Shasha	—	242	46	33	321
Subtotal of supervisors	—	242	46	33	321
Total	**520**	**745**	**133**	**95**	**1493**

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

3. Remuneration of Directors, Supervisors and Employees *(Continued)*

(1) Remuneration of directors and supervisors (Continued)

1) The amount paid or payable as remuneration to the 11 (2024: 14) directors and supervisors is as follows: *(Continued)*

For the year ended 31 December 2025: *(Continued)*

Note: During the year, the Group did not pay any emoluments to the Directors and Supervisors as incentives to join and upon joining the Group, compensation for loss of office or performance-based bonuses.

Note: On 13 June 2025, Zhang Lei ceased to serve as a non-executive director of the Company, the supervisory board was dissolved, and Lu Shasha ceased to serve as a supervisor.

For the year ended 31 December 2024:

Directors/Supervisors	Fees	Salaries, subsidies, allowances and bonuses	Social insurance and housing provident fund	Pension	Total
Directors:					
Sun Baojie	—	—	—	—	—
Jing Enji	—	—	—	—	—
Wu Min	—	440	87	39	566
Wang Hao	—	—	—	—	—
Zhang Lei	60	—	—	—	60
Cui Ping	—	—	—	—	
Wang Zechen	60	—	—	—	60
Chan Yee Ping, Michael	100	—	—	—	100
Shi Hongying	100	—	—	—	100
Du Guoqing	100	—	—	—	100
Kong Weiping	100	—	—	—	100
Subtotal of directors	520	440	87	39	1,086
Supervisors:					
Liu Huibin	—	—	—	—	—
Li Xiaomei	—	—	—	—	—
Lu Shasha	—	213	50	22	285
Subtotal of supervisors	—	213	50	22	285
Total	520	653	137	61	1,371

Note: During the year, the Group did not pay any emoluments to the Directors and Supervisors as incentives to join and upon joining the Group, compensation for loss of office or performance-based bonuses.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

3. Remuneration of Directors, Supervisors and Employees *(Continued)*

(2) Remuneration of key management (including amounts paid and payable to directors, supervisors and senior management) are as follows:

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Salaries and allowance	**1,264**	1,173
Social insurance, housing provident fund and related pension costs	**227**	198
Total	**1,491**	1,371

(3) Five highest paid individuals

During the year, of the five individuals with the highest remuneration, one (2024: zero) director whose remuneration is reflected in the remunerations of directors and supervisors, and the remunerations paid to the remaining four (2024: five) individuals for this period are as follows:

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
Basic salaries and allowance	**921**	770
Performance-based bonuses	**2,596**	1,200
Planned contributions to retirement benefit scheme	**180**	537
Total	**3,697**	2,507

The remunerations of the above-mentioned highest paid individuals fall within the following bands:

Items	**For the year ended 31 December 2025**	For the year ended 31 December 2024
RMB0—RMB1,000 thousand	**5**	5
Total	**5**	5

During this period, no remunerations have been paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

3. Remuneration of Directors, Supervisors and Employees *(Continued)*

(4) Remunerations of senior management

The remunerations of senior management fall within the following bands:

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
RMB0—RMB500 thousand	—	—
Total	**—**	—

(5) Retirement benefit scheme — defined contribution plans

All the full-time employees of the Group are covered by a state-managed retirement benefit scheme under which the employees are entitled to an annual pension equal to their basic salaries upon their retirements. The PRC government is responsible for the pension liability to these retired employees. The Group was required to make defined contributions to the pension scheme at the rate of 16% for the year ended 31 December 2025 (2024: 16%) of the employees' basic salaries, which is subject to certain caps as stipulated by relevant local authorities. Contributions to this retirement scheme are charged to the income statement as and when incurred. Under this scheme, the Group has no obligation for post-retirement benefit beyond the annual contributions.

As at 31 December 2025, contributions to retirement benefit scheme recognised in income statement were RMB7,820 thousand (2024: RMB7,789 thousand).

4. Earnings per share

Items	For the year ended 31 December 2025	For the year ended 31 December 2024
Net profit attributable to shareholders of the Company for the year	**(72,825)**	(2,042)
Weighted average number of issued ordinary shares (thousand shares)	**197,310**	197,310
Basic earnings per share (RMB)	**(0.37)**	(0.01)

Basic earnings per share and diluted earnings per share during the years ended 31 December 2024 and 2025 were the same, as no diluting events existed for both years.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

5. Dividends

(1) The Board did not propose payment of final dividend for the year 2025.

(2) No profit distribution or dividend was confirmed during the period.

6. Balance sheet of the Company

Items	*Notes*	**As at 31 December 2025**	As at 31 December 2024
Current assets:			
Bank balances and cash		**12,004**	16,595
Financial assets held for trading		**124,783**	114,270
Notes receivable		**342**	172
Accounts receivable	*XVII.1*	**22,177**	22,215
Prepayments		**19,483**	27,122
Other receivables	*XVII.2*	**15,524**	26,874
Inventories		**142**	48
Other current assets		**25,380**	26,564
Total current assets		**219,835**	233,860
Non-current assets:			
Long-term equity investment	*XVII.3*	**170,180**	184,085
Investment in other equity instruments		**349,103**	337,676
Investment properties		**85,064**	53,633
Fixed assets		**482**	1,065
Right-of-use assets		**—**	1,390
Intangible assets		**7,984**	16,356
Long-term deferred expenses		**3,516**	2,337
Total non-current assets		**616,329**	596,542
Total assets		**836,164**	830,402

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

6. Balance sheet of the Company *(Continued)*

Items	As at 31 December 2025	As at 31 December 2024
Current liabilities:		
Accounts payable	**10,578**	3,514
Contract liabilities	**7,670**	5,483
Employee benefits payable	**13,278**	4,836
Taxes payable	**232**	149
Other payables	**45,944**	32,840
Non-current liabilities due within one year	**—**	1,106
Other current liabilities	**390**	695
Total current liabilities	**78,092**	48,623
Non-current liabilities:		
Deferred income tax liabilities	**—**	—
Total non-current liabilities	**—**	—
Total liabilities	**78,092**	48,623
Shareholders' equity:		
Share capital	**197,310**	197,310
Capital reserves	**902,365**	902,365
Other comprehensive income	**274,276**	228,665
Surplus reserves	**130,931**	130,931
Undistributed profits	**(746,810)**	(677,492)
Total shareholders' equity	**758,072**	781,779
Total liabilities and shareholders' equity	**836,164**	830,402

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVI. OTHER SIGNIFICANT EVENTS *(Continued)*

7. Statement of changes in shareholders' equity of the Company

Items	Share capital	Capital reserves	Other comprehensive income	Surplus reserves	Undistributed profits	Total shareholders' equity
As at 1 January 2024	197,310	904,453	191,081	130,931	(669,574)	754,201
Net profit	—	—	—	—	(7,918)	(7,918)
Other comprehensive income	—	—	37,584	—	—	37,584
Capital reserves	—	(2,088)	—	—	—	(2,088)
Sub-total of the changes during the year	—	(2,088)	37,584	—	(7,918)	27,578
As at 31 December 2024	197,310	902,365	228,665	130,931	(677,492)	781,779
Changes in accounting policy						
As at 1 January 2025	197,310	902,365	228,665	130,931	(677,492)	781,779
Net profit	—	—	—	—	(68,846)	(68,846)
Other comprehensive income	—	—	45,611	—	—	45,611
Other	—	—	—	—	(472)	(472)
Sub-total of the changes during the year	—	—	45,611	—	(69,318)	(23,707)
As at 31 December 2025	197,310	902,365	274,276	130,931	(746,810)	758,072

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY

1. Accounts receivable of the Company

Items	**As at 31 December 2025**	As at 31 December 2024
Accounts receivable	**237,694**	236,162
Less: Provision for bad debts	**215,517**	213,947
Net accounts receivable	**22,177**	22,215
For reporting purpose, analysis as:		—
Current assets — accounts receivable	**22,177**	22,215
Total	**22,177**	22,215

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

Items	**As at 31 December 2025**	As at 31 December 2024
0–90 days	**9,383**	6,493
91–180 days	**3,675**	1,043
181–365 days	**1,411**	1,160
1–2 years	**403**	549
Over 2 years	**7,305**	12,970
Total	**22,177**	22,215

The Group normally granted credit period of 1 week to 3 months from the date of invoice to its customers (including related parties but except for certain advertising agents of classified advertisements).

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

1. Accounts receivable of the Company *(Continued)*

(2) Disclosures of accounts receivable by categories

Categories	As at 31 December 2025 Book balance Amount	Book balance Percentage (%)	Provision for bad debts Amount	Provision for bad debts Percentage (%)
Accounts receivable with bad debt provision assessed on individual basis	**98,997**	**41.65**	**98,997**	**100.00**
Accounts receivable with bad debt provision made on group basis	**138,697**	**58.35**	**116,520**	**84.01**
Including: Aging group	**113,295**	**47.66**	**101,989**	**90.02**
Related party group	**18,763**	**7.89**	**14,531**	**77.44**
Related party group (without provision)	**6,639**	**2.79**	**—**	**—**
Total	**237,694**	**100.00**	**215,517**	**90.67**

Categories	As at 31 December 2024 Book balance Amount	Book balance Percentage (%)	Provision for bad debts Amount	Provision for bad debts Percentage (%)
Accounts receivable with bad debt provision assessed on individual basis	98,997	41.92	98,997	100.00
Accounts receivable with bad debt provision made on group basis	137,165	58.08	114,950	83.80
Including: Aging group	110,171	46.65	101,019	91.69
Related party group	15,855	6.71	13,931	87.87
Related party group (without provision)	11,139	4.72	—	—
Total	236,162	100.00	213,947	90.59

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

1. Accounts receivable of the Company *(Continued)*

(2) Disclosures of accounts receivable by categories *(Continued)*

1) Accounts receivable with bad debt provision by group

Aging	As at 31 December 2025 Book balance	Expected credit loss ratio (%)	Provision for bad debts	As at 31 December 2024 Book balance	Expected credit loss ratio (%)	Provision for bad debts
Within 1 year	**16,353**	**11.52**	**1,884**	10,645	18.31	1,949
1–2 years	**954**	**57.76**	**551**	1,161	52.71	612
2–3 years	**795**	**72.70**	**578**	812	60.96	495
Over 3 years	**113,956**	**99.61**	**113,507**	113,408	98.66	111,894
Total	**132,058**	**88.23**	**116,520**	126,026	91.21	114,950

Note: This excludes the portion of related party group (without provision)

(3) As at 31 December 2025, the balance of the top five accounts receivable was RMB123,094 thousand, accounting for 51.79% of the total accounts receivable, and the balance of bad debt provision was RMB123,094 thousand.

(4) As at 31 December 2025, there were no accounts receivable that were past due but not impaired within the Group.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

2. Other receivables of the Company

Categories	As at 31 December 2025	As at 31 December 2024
Dividends receivable	—	8,196
Other receivables	**201,385**	204,867
Less: Provision for bad debts	**185,861**	186,189
Total	**15,524**	26,874

(1) Dividends receivable

Items	As at 31 December 2025	As at 31 December 2024
Investment dividend	—	8,196
Less: Provision for bad debts	—	135
Total	—	8,061

(2) Other receivables

1) Other receivables by nature

Nature	As at 31 December 2025	As at 31 December 2024
Related-party current account	**6,175**	9,755
Deposit and margin	**9,630**	9,336
External unit current account	**185,161**	185,161
Reserve funds	**419**	298
Other	—	317
Less: Provision for bad debts	**185,861**	186,054
Total	**15,524**	18,813

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

2. Other receivables of the Company *(Continued)*

(2) Other receivables (Continued)

2) Aging analysis of other receivables

Aging	As at 31 December 2025 Book balance	Percentage (%)	As at 31 December 2024 Book balance	Percentage (%)
Within 1 year	**3,336**	**1.66**	17,415	8.50
1–2 years	**11,625**	**5.77**	1,143	0.56
2–3 years	**313**	**0.16**	302	0.15
3–4 years	**302**	**0.15**	—	—
Over 4 years	**185,809**	**92.26**	186,007	90.79
Total	**201,385**	**100.00**	204,867	100.00

3) Provision for bad debts

Provision for bad debts	First stage Expected credit losses for the next 12 months	Second stage Lifetime expected credit losses (no credit impaired)	Third stage Lifetime expected credit losses (credit impaired)	Total
As at 31 December 2024	47	—	186,007	186,054
Provision for the period	8	—	—	8
Reversal of the current period	3	—	198	201
Write-offs for the period	—	—	—	—
Other changes	—	—	—	—
As at 31 December 2025	52	—	185,809	185,861

4) The balance of the top five other receivables as at 31 December 2025 was RMB193,010 thousand, representing 95.84% of the total other receivables, and the balance of bad debt provision was RMB184,711 thousand.

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements)

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

3. Long-term equity investment of the Company

Items	As at 31 December 2025 Book balance	Impairment provision	Carrying amount	As at 31 December 2024 Book balance	Impairment provision	Carrying amount
Investments in subsidiaries	**170,180**	**—**	**170,180**	184,085	—	184,085
Investments in associates	**—**	**—**	**—**	—	—	—
Total	**170,180**	**—**	**170,180**	184,085	—	184,085

(1) Investments in subsidiaries

Investees	As at 31 December 2024	Increase in this period	Decrease in this period	As at 31 December 2025	Provision for impairment in this period	Impairment provision as at 31 December 2025
BYD Logistics Company Limited	44,814	—	—	44,814	—	—
Beijing Beiqing Outdoor Advertisement Co., Ltd.	39,390	—	—	39,390	—	—
Beiqing Network Culture Communication Co., Ltd.	15,000	—	—	15,000	—	—
Beiqing Long Teng Investment Management (Beijing) Co., Limited	21,100	—	—	21,100	21,100	21,100
Chongqing Youth Media Company Limited	18,000	—	—	18,000	—	—
Beijing Community Media Technology (Beijing) Co., Ltd.	36,521	655	—	37,176	—	—
Beijing Beiqing Innovation Cultural Industry Development Co., Ltd.	9,260	5,540	—	14,800	—	—
Jingjian (Beijing) Culture Media Co., Ltd. (鏡鑒(北京)文化傳媒有限公司)	—	1,000	—	1,000	—	—
Total	184,085	7,195	—	191,280	21,100	21,100

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

3. Long-term equity investment of the Company *(Continued)*

(2) Investments in associates

Investees	As at 31 December 2024	Changes in the current period: 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	As at 31 December 2025	Impairment provision as at 31 December 2025
1. Associates											
Beijing Shengyi Automobile Technology Co., Ltd.	–	–	–	–	–	–	–	–	–	–	–
Beijing Beisheng United Insurance Agency Co., Limited	–	–	–	–	–	–	–	–	–	–	–
BY Times Consulting Co., Ltd.	–	–	–	–	–	–	–	–	–	–	–
Beijing Beiqing Top Advertising Limited	–	–	–	–	–	–	–	–	–	–	–
Total	–	–	–	–	–	–	–	–	–	–	–

The Company's investments in associates including Beijing Shengyi Automobile Technology Co., Ltd., Beijing Beisheng United Insurance Agency Co., Limited, BY Times Consulting Co., Ltd., Beijing Beiqing Top Advertising Limited have been written down to nil under the equity method.

4. Operating revenues and operating costs

Items	Amount for the period	Amount for previous period
Revenue from principal operating activities	**71,754**	57,904
Revenue from other operating activities	**7,298**	15,682
Total operating revenue	**79,052**	73,586
Principal operating costs	**86,262**	71,890
Other operating costs	—	1
Total operating costs	**86,262**	71,891
Gross profit	**(7,210)**	1,695

(Amounts expressed in thousands of RMB unless otherwise stated in the notes to the financial statements

XVII. EXPLANATORY NOTES TO MAJOR ITEMS OF THE COMPANY *(Continued)*

4. Operating revenues and operating costs *(Continued)*

(1) Revenue from principal operating activities for the period by segment

Item	Amount for the period Revenue from principal operating activities	Amount for the period Principal operating costs	Amount for previous period Revenue from principal operating activities	Amount for previous period Principal operating costs
Advertising	**71,754**	**86,262**	57,904	71,890
Total	**71,754**	**86,262**	57,904	71,890

(2) Operating revenue for the current period by time of revenue recognition

Timing of revenue recognition	Advertising	Other operating revenue
Recognised at a point in time	71,754	1,915
Total	71,754	1,915

5. Investment income

Items	Amount for the period	Amount for previous period
Share of profit of associates	—	(1,763)
Investment income received from the disposal of financial assets at fair value through profit or loss	(125)	10,906
Investment income received from holding investments in other equity instruments	8,844	8,859
Total	8,719	18,002

XVIII. APPROVAL OF FINANCIAL REPORT

This financial report was approved by the Board of the Company on 20 March 2026.

Beijing Media Corporation Limited

20 March 2026