BEIJING 北青传媒 MEDIA

HK Stock Code: 1000

# 2026 INTERIM REPORT

Beijing Media Corporation Limited

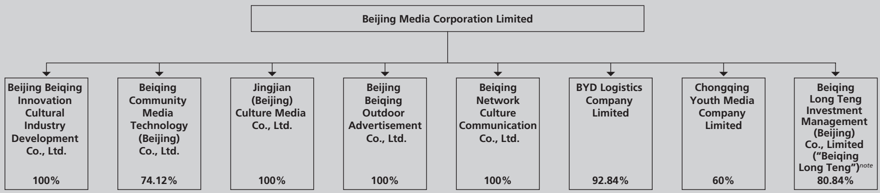
A joint stock company incorporated
in the People's Republic of China with limited liability

# CONTENT

## 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 the sales of multi-interface convergence media advertising and event planning. Other core businesses of the Group include cultural annual pass sales, youth student travel, cultural and sports events operations and new media operation and maintenance. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on 22 December 2004.

### Company Structure (as at 30 June 2026)




*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 30 June 2026): 197,310,000 shares
- Market Capitalisation (as at 30 June 2026): HK$106.5 million
- Financial Year End: 31 December
- Bloomberg's Stock Machine Search Code: 1000HKEquity
- Reuters Stock Machine Search Code: 1000.HK

AS AT 30 JUNE 2026

## EXECUTIVE DIRECTORS

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

## NON-EXECUTIVE DIRECTORS

Nie Sen *(Chairman)*
Wang Hao
Li Zhen
Li Xiaowei
Wang Zechen

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Shi Hongying
Chan Yee Ping, Michael
Du Guoqing
Kong Weiping

## COMPANY SECRETARY

Yu Leung Fai

## AUDIT AND RISK MANAGEMENT COMMITTEE *Note*

Chan Yee Ping, Michael *(Chairman)*
Li Zhen
Kong Weiping

## REMUNERATION COMMITTEE

Shi Hongying *(Chairman)*
Wang Hao
Du Guoqing

## NOMINATION COMMITTEE

Nie Sen *(Chairman)*
Shi Hongying
Du Guoqing

## AUTHORISED REPRESENTATIVES

Nie Sen
Jing Enji

## ALTERNATE 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:* On 20 July 2026, following approval at the 13th meeting of the 9th Board of the Company, the Company changed the name of the Audit Committee and amended terms of reference.

Dear Shareholders,

On behalf of the Group, I hereby present the report on interim results of the Group for the six months ended 30 June 2026 (the "First Half of 2026" or the "Reporting Period").

## BUSINESS REVIEW OF THE GROUP *Note*

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; and (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.

In the First Half of 2026, the growth of the global economy continued to slow down, with upward risks of geopolitical conflicts and significant disruptions to multilateral cooperation mechanisms and the global free trade system. The fundamentals supporting the long-term positive trajectory of the domestic economy and the basic conditions underpinning high-quality development remained solid, while domestic demand showed a moderate recovery. However, the structural contradiction of ample supply and weak demand in economic operations became more pronounced.

*Note:*

With effect from the first quarter of 2026, the Group has advertising business, the innovation business and other operating segment, whereas prior to 2026, the Group had advertising, printing, trading of printing-related materials, and other operating segment. The key changes in segment information mainly include (i) the Group's original printing and trading of printing-related materials businesses have been gradually and orderly exited and are no longer reported as separate operating segments; and (ii) the Group has integrated businesses including sales of cultural annual pass, youth student travel, cultural and sports event operations, and new media operation and maintenance into the innovation business segment for reporting purposes. This section sets out the "BUSINESS REVIEW OF THE GROUP", and the segment information for prior periods has been retrospectively restated to conform with the presentation adopted for the current period (if applicable).

In the First Half of 2026, the total operating income of the Group was RMB52,639 thousand, representing a decrease of 20.23% as compared with that for the corresponding period of 2025 (corresponding period of 2025: RMB65,985 thousand). In the First Half of 2026, the operating cost of the Group was RMB61,188 thousand, representing a decrease of 15.47% as compared with that for the corresponding period of 2025 (corresponding period of 2025: RMB72,388 thousand). The net loss attributable to shareholders of the Company for the First Half of 2026 was RMB19,427 thousand, representing an increase of 2.00% as compared with the corresponding period of 2025 (net loss attributable to shareholders of the Company for the corresponding period of 2025: RMB19,047 thousand). The year-on-year decrease in total operating income of the Group was primarily attributable to the Group's proactive adjustment of its business structure and orderly exit from low-margin trading businesses, as well as the decline in operating income of its subsidiaries, Beiqing Community Media Technology (Beijing) Co., Ltd. ("Beiqing Community Media") and Beijing Beiqing Innovation Cultural Industry Development Co., Ltd. ("Beiqing Innovation Cultural"), due to market conditions and the pace of their own business transformation.

In the First Half of 2026, the Group took a holistic approach to transformation and development, remained committed to high-quality development, continued to consolidate the foundations of its sound operations, and comprehensively enhanced the quality and efficiency of its business operations. Focusing on the main theme of the integrated development of culture, sports and commerce, the Group deepened its involvement in outdoor media operations, the incubation of cultural and sports event IPs, and the expansion of urban cultural and tourism consumption scenarios, thereby accelerating the cultivation and expansion of its core business segments and strengthening the momentum for sustainable growth.

## ADVERTISING BUSINESS

In the First Half of 2026, the domestic advertising market as a whole demonstrated a moderate recovery trend. The scale of outdoor advertising expenditure expanded steadily, albeit with a marginal deceleration in growth momentum. The industry accelerated its transformation toward digital-intelligent operations, scenario-driven experiential marketing, and integrated services, while advertisers continued to raise their expectations regarding marketing value and advertising efficiency.

The Group's advertising business seized structural opportunities in the industry, deepened its presence in the core sector of metro outdoor advertising, advanced the digital upgrade of media to unlock resource value, created benchmark creative cases to enhance industry influence, expanded high-value customers to optimize income mix, and simultaneously promoted the internal and external collaborative expansion of its full-service marketing business. The core business foundation continued to be consolidated, and the comprehensive service capability steadily improved. In the First Half of 2026, income from advertising business of the Group was RMB27,157 thousand, representing an increase of 12.56% as compared with that for the corresponding period of 2025 (First Half of 2025: RMB24,126 thousand). During the period, the advertising business segment achieved steady income growth and continued optimization of its business structure, with the pillar position of metro outdoor advertising further consolidated, the comprehensive income-generating capability of full-service marketing services continuously enhanced, low-efficiency traditional advertising businesses being orderly phased out, and operating quality and efficiency as well as market competitiveness jointly improved.

## I. Outdoor Advertising Business Achieves Growth in Both Scale and Quality, with Core Operational Foundation Further Consolidated

The Group deeply focuses on core metro outdoor advertising business, steadily advancing the digital upgrading and renovation of media. It has completed the revitalisation and enhancement of advertising media at Yong'anli Station and Wangjingxi Station on Metro Line 17, directly driving income growth in outdoor advertising business and elevating both the market value and competitive strength of its media resources. Focusing on expanding high-value brand clients, the Group added 30 renowned brand clients in the first half of the year, including Migu and ARCFOX, among which five clients had advertising placements exceeding RMB1 million. As a result, the client structure continued to be optimized, and income stability was further reinforced.

The Group deepens its presence in creative marketing within metro scenes, delivering benchmark cases such as the Kingston's "Metro Pain Station" and the creative scene at Xiyue Xingcheng. It has received multiple industry authoritative awards including the IAI AWARDS and the Tiger Roar Awards, further expanding its brand influence in creative marketing and steadily enhancing its market bargaining capability. In parallel, the Group is actively pursuing quality outdoor advertising resources such as Beijingxi Railway Station, continuously enriching its product portfolio and reinforcing its foundation for long-term growth.

### II. Full-service Marketing Business is Boosted by Internal and External Collaboration, with Continuously Enhanced Capability of Integrated Services

The full-service marketing business segment firmly committed to a two-pronged approach of internal synergy and external expansion. While consolidating its foundation in planning and design and new media agency services, it has accelerated the enhancement of its event planning, execution as well as video production capabilities. On the internal synergy front, the Group has continued to deepen its marketing cooperation with Beijing Capital Group Company Limited ("Capital Group"), expanding its service scope to include event planning and execution services, and comprehensively upgrading its service system. It undertook the high-standard organisation of the Capital Heyuan brand launch, plaque unveiling and signing ceremony, and executed a framework agreement for the full-year marketing services of Capital Securities Co., Ltd. ("Capital Securities"). In parallel, the Group has expanded its client base within the Capital Group system, including Beijing Capital Outlets Commercial Management Co., Ltd. ("Capital Outlets"), with the depth of internal business synergy and service value continuing to grow. On the external expansion front, the Group has successfully developed government and enterprise clients in Beijing, steadily broadening the boundaries of its market-oriented business and diversifying its income structure. The Group's comprehensive integrated full-case service capabilities have been validated by the market.

## INNOVATION BUSINESS

In the First Half of 2026, Beijing continued to advance the development of an international consumption hub, with policy dividends from the integrated development of culture, commerce, tourism and sports being steadily unleashed. The market space for employee cultural consumption, leisure tourism and cultural and sports events continued to expand, while intensified industry homogenisation competition imposed higher requirements on refined operations and commercialisation capabilities.

The Group's innovation business closely aligned with its strategic layout and market trends, with sustained efforts focused on the integration of cultural, sports and commercial activities. For the cultural annual pass business, market penetration among labour unions and the product supply capacity have improved in tandem, while the Diamond Music Carnival has achieved a significant breakthrough in the incubation of cultural and sports IP. The nurturing of new businesses has made phased progress, continuously injecting momentum into the Group's transformation and development.

Income from innovation business of the Group in the First Half of 2026 was RMB23,079 thousand, representing a decrease of 22.62% as compared with that for the corresponding period of 2025 (First Half of 2025: RMB29,826 thousand). This decrease was primarily attributable to the Group's proactive optimisation of its business layout, with the deliberate contraction of existing businesses with low gross profit margins and low added value, and the reallocation of operating resources towards self-owned IP-related businesses. During the period, income from new media operation and maintenance contracted by 57.77% year-on-year, which was the main factor contributing to the income decline in the segment. The combined share of the cultural annual pass business and cultural and sports events business in total income from innovation business increased from 10.92% in the corresponding period of 2025 to 61.65% in the First Half of 2026. Among these, the cultural annual pass business achieved substantial growth in both scale and quality, with income exceeding RMB7,000 thousand during the period, representing a year-on-year increase of 118.86% and doubling in income scale.

## I. Scale of Cultural Annual Pass Business is Expanded, with Continuous Improvement of Labour Union Consumption Service Ecosystem

The cultural annual pass business has focused on accelerating the expansion of the labour union cultural consumption sector. In the first half of the year, the business added 290 enterprise and institutional clients, representing a year-on-year increase of 92% in client count. Among these, municipal state-owned enterprise clients reached 22, representing a year-on-year increase of 69%, with market penetration and brand recognition significantly enhanced, and the core business scale steadily expanding. The product portfolio continued to be enriched with the addition of derivative welfare products for labour union such as birthday cake vouchers and movie tickets. In the First Half of 2026, income from new product sales reached RMB334 thousand, effectively expanding incremental income channels. The Group has also initiated the development of the Beijing-Tianjin-Hebei cultural tourism joint pass in collaboration with Tianjin Binhai Cultural & Tourism, aligning with the trend of regional coordinated development to unlock cross-business growth opportunities.

## II. Breakthrough Launch of Cultural and Sports Event IPs, with Foundation for Commercialised Operations Gradually Consolidated

The Group successfully incubated and launched the inaugural Diamond Music Carnival, which attracted nearly 15,000 attendees and generated box office income of over RMB7,500 thousand, establishing a clear path for the commercialisation of cultural and sports events and opening up a new growth driver for the Group's business transformation. The main topic of the event generated over 600 million total views across the internet, trended on hot search lists 22 times, and received extensive coverage from central and municipal mainstream media, significantly enhancing the Group's brand visibility and industry influence in the cultural and sports sector. At the same time, the Group has reached cooperation intentions with leading music institutions, reserving core resources for the long-term operation of IP and the development of end-to-end capabilities spanning "planning — operations — commercialisation."

### III. Student Travel Business Advances Cost Reduction and Risk Control in Parallel while Building Quality Project Pipeline for Long-term Growth

The student travel business has implemented cost reduction, efficiency enhancement, and low-temperature operation strategies. The Group has proactively exited low-efficiency camp projects in Shunyi and Huairou, and optimized its workforce structure to reduce fixed costs, resulting in a phased contraction of business scale. The business focus has shifted toward high-value projects, with successful execution of the "Three Interactions" student travel projects in Nangqian, Qinghai and Kuqa, Xinjiang. Meanwhile, the Group has advanced the implementation of government-enterprise cooperation projects in Nanyang, Henan and Ninghe, Tianjin, further consolidating its foundation in niche business segments. In parallel, the Group is progressing with the qualification applications for the China Open Diamond Court and the Dongba Water Treatment Plant Primary and Secondary School Comprehensive Practice Base, thereby building up core resources and compliance credentials to support sustainable long-term business development.

## RESULTS OF MAJOR SUBSIDIARIES OF THE GROUP

Beiqing Community Media is a 74.12%-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 the First Half of 2026, Beiqing Community Media adhered to the operational principle of enhancing quality and efficiency, and orderly promoted business contraction adjustments while ensuring a smooth transition. It strictly enforced project admission criteria, proactively terminated cooperation on low-margin projects, and selectively renewed contracts with projects that demonstrated stable cooperation and met profitability targets. In parallel, the Company optimized workforce deployment, streamlined its operations team in an orderly manner, and continued to reduce fixed operating costs.

Beiqing Innovation Cultural, a wholly-owned subsidiary of the Company, principally engages in youth cultural student travel and camping education. In the First Half of 2026, Beiqing Innovation Cultural continued to optimize its business layout and internal resource integration, and completed its business structure adjustment in an orderly manner. It proactively scaled back low-efficiency individual customer businesses, while its original camp education business has been fully exited and wound up. The youth cultural student travel business has been consolidated into the parent company under unified centralized management. For details of this business, please refer to the "BUSINESS REVIEW OF THE GROUP" section. In line with the business adjustment, Beiqing Innovation Cultural adhered to the principles of cost reduction, efficiency enhancement, and prudent operations, steadily progressed the subsequent closure and handover of the Shunyi camp and the Huairou Yunmeng Xingkong project, while streamlining its workforce and effectively reducing fixed operating costs.

Jingjian (Beijing) Culture Media Co., Ltd. ("Jingjian Media") is a wholly-owned subsidiary of the Company. It is principally engaged in the business of government-commissioned 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 the First Half of 2026, affected by intensified market competition and tightened downstream customer expenditure budgets, the company faced pressure on business expansion, and recorded a year-on-year decline in operating income. During the period, it recorded income of RMB2,242 thousand, representing a decrease of 65% as compared with that for the corresponding period of 2025. Jingjian Media's business was confronted with issues such as relatively low gross profit margins, lengthened accounts receivable collection cycles, and the need to rely on external qualifications for certain projects, resulting in unsatisfactory overall input-output efficiency. The Group will, in light of its overall strategic layout, continue to review and optimize the business structure of its subsidiaries, channel operating resources toward high-value core businesses, and steadily enhance the Group's overall operating quality.

## PROSPECTS AND FUTURE PLANS

In the Second Half of 2026, the Group will continue to uphold the Party's overall leadership and guide high-quality development with high-quality Party building. It will thoroughly study and implement the guiding principles of the Fourth and Fifth Plenary Sessions of the 20th Central Committee, implement the "primary agenda" system, and continuously enhance the effectiveness of theoretical study. The Group will strengthen the role of the General Party Branch in providing guidance and direction, standardize the "Three Major and One Significant" decision-making mechanism, and promote the deep integration of Party building with business operations.

In the Second Half of 2026, the Group will closely align with the strategic deployment of the Capital Group, adhere to the overall principle of pursuing progress while ensuring stability, and take high-quality development as its core orientation. It will continue to consolidate the operational foundation of its core advertising business, accelerate the cultivation of businesses in the integrated culture-sports-commerce segment, and deepen organizational transformation, internal control upgrades, and governance efficiency enhancement. The Group will strive to optimize its business structure, improve earnings quality, steadily advance its transformation and development in a substantive and pragmatic manner, and make every effort to achieve its annual operating targets.

In the Second Half of 2026, the Group will continue to focus on enhancing the quality and efficiency of its core advertising business, seize structural opportunities in the outdoor advertising market, strengthen its core advantages in metro media, upgrade its full-case integrated service capabilities, and steadily improve its operational scale and earnings quality.

In the Second Half of 2026, the Group will continue to focus on the integrated development of culture, sports and commerce, promote the scalable and IP-based development of its core cultivated businesses, refine its business structure and profit model, and accelerate the building of a sustainable second growth curve.

In the Second Half of 2026, the Group will continue to strengthen the foundation of corporate governance and operational support, deepen organizational restructuring and the "streamlined operation, ability enhancement" initiative, improve the determination of posts and staffing, remuneration and incentive mechanisms, and talent pipeline development, so as to enhance overall operational efficiency. It will also continue to improve the internal control system and comprehensive risk management mechanisms, advance the closed-loop management of policy development and audit rectification, reinforce risk control in key areas such as contract and procurement management, and standardize supplier management and legal disputes resolution, thereby building a solid defense line for compliant operations.

The Group's business in the First Half of 2026 was driven by the concerted efforts of the entire management team and staff in each of our business units. The Group's key success depends on our keen insights into market opportunities and the excellent quality of our management teams and staff. On behalf of the shareholders of the Company and other members of the Board, I would like to express my heartfelt and sincere gratitude to all management teams and staff in each of our business units.

**Nie Sen**
*Chairman*

21 August 2026
Beijing, the PRC

## FINANCIAL POSITION AND OPERATIONAL RESULTS *Note*

### 1. Total Operating Income

For the six months ended 30 June 2026, total operating income of the Group was RMB52,639 thousand (corresponding period of 2025: RMB65,985 thousand), representing a decrease of 20.23% as compared with that for the corresponding period of 2025, of which, income from advertising business was RMB27,157 thousand (corresponding period of 2025: RMB24,126 thousand), representing an increase of 12.56% as compared with that for the corresponding period of 2025; income from innovation business was RMB23,079 thousand (corresponding period of 2025: RMB29,826 thousand), representing a decrease of 22.62% as compared with that for the corresponding period of 2025; and other income was RMB2,403 thousand (corresponding period of 2025: RMB12,033 thousand), representing a decrease of 80.03% as compared with that for the corresponding period of 2025. The year-on-year decrease in income was primarily due to the Group's proactive adjustment of its business structure and orderly exit from low-margin and high-risk trading businesses.

### 2. Operating Costs and Tax and Surcharges

For the six months ended 30 June 2026, operating costs of the Group were RMB61,188 thousand (corresponding period of 2025: RMB72,388 thousand), representing a decrease of 15.47% as compared with those for the corresponding period of 2025, of which, costs of advertising business were RMB32,580 thousand (corresponding period of 2025: RMB32,871 thousand), representing a decrease of 0.89% compared with those for the corresponding period of 2025; costs of innovation business were RMB28,608 thousand (corresponding period of 2025: RMB29,768 thousand), representing a decrease of 3.90% as compared with those for the corresponding period of 2025; other cost was RMB0 (corresponding period of 2025: RMB9,749 thousand), representing a decrease of 100.00% as compared with those for the corresponding period of 2025. Tax and surcharges were RMB688 thousand (corresponding period of 2025: RMB846 thousand), representing a decrease of 18.68% as compared with those for the corresponding period of 2025. The year-on-year decrease in operating costs was primarily due to the continuous business expansion of the Group, which led to a corresponding increase in direct input for project execution and operations, while costs related to Beiqing Community Media and Beiqing Innovation Cultural declined during the period. As a result of the combination of these factors, the overall operating costs recorded a downward trend during the period.

*Note:*

With effect from the first quarter of 2026, the Group has advertising business, the innovation business and other operating segment, whereas prior to 2026, the Group had advertising, printing, trading of printing-related materials, and other operating segment. This section sets out the "FINANCIAL POSITION AND OPERATIONAL RESULTS" of the Group, and the segment information for prior periods has been retrospectively restated to conform with the presentation adopted for the current period (if applicable).

## FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)*

### 3. Selling Expenses

For the six months ended 30 June 2026, selling expenses of the Group were RMB0 (corresponding period of 2025: RMB3,724 thousand), representing a decrease of 100% as compared with those for the corresponding period of 2025. The Group's current principal businesses are all service-oriented in nature. Expenditures related to business expansion, customer services, and project execution are all direct costs incurred in the course of service delivery, and such expenditures are fully recognised under the operating costs.

### 4. Administrative Expenses

For the six months ended 30 June 2026, administrative expenses of the Group were RMB12,714 thousand (corresponding period of 2025: RMB19,822 thousand), representing a decrease of 35.86% as compared with those for the corresponding period of 2025. The year-on-year decrease in administrative expenses was primarily due to the optimization of staff structure in the course of advancing business transformation and new business development, which led to a corresponding decline in labor costs, along with a reduction in agency service fees.

### 5. Financial Expenses

For the six months ended 30 June 2026, financial expenses of the Group were RMB85 thousand (corresponding period of 2025: RMB-493 thousand), representing an increase of 117.24% in absolute value as compared with those for the corresponding period of 2025, of which, interest income was RMB9 thousand (corresponding period of 2025: RMB573 thousand), representing a decrease of 98.43% as compared with that for the corresponding period of 2025. The year-on-year increase in financial expenses was primarily due to a year-on-year decrease in fixed deposit interest income during the period.

### 6. Operating Profit

For the six months ended 30 June 2026, operating profit of the Group was RMB-20,421 thousand (corresponding period of 2025: RMB-20,736 thousand), representing a decrease in loss of 1.52% as compared with that for the corresponding period of 2025. Gross profit for the period decreased correspondingly due to the year-on-year decline in both operating income and operating costs, coupled with a year-on-year decrease in investment income. Administrative expenses declined on a year-on-year basis during the period, providing positive support to the profit side. As a result of the combination of these factors, operating profit recorded an increase.

### 7. Income Tax Expenses

For the six months ended 30 June 2026, income tax expenses of the Group were RMB0 (corresponding period of 2025: RMB-85 thousand), representing an increase of RMB85 thousand or 100% as compared with those for the corresponding period of 2025. The year-on-year increase in income tax expenses was primarily due to the reversal of income tax expenses as a result of completion of the income tax settlement by Jingjian Media based on the result of income tax settlement.

## FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)*

### 8. Net Profit/Loss Attributable to Shareholders of the Company

For the six months ended 30 June 2026, net loss attributable to shareholders of the Company was RMB19,427 thousand (corresponding period of 2025: net loss attributable to shareholders of the Company of RMB19,047 thousand), representing an increase in net loss of 2.00% as compared with that for the corresponding period of 2025. The year-on-year increase in net loss attributable to shareholders of the Company was primarily due to the decrease in gross profit, non-operating income and the decline in investment income. Notwithstanding the positive support from the year-on-year decrease in administrative expenses, the combined effect of these factors resulted in a slight increase in the overall loss.

### 9. Financial Resources and Liquidity

For the six months ended 30 June 2026, the Group's funds were mainly derived from the funds generated from operating business and deposit balances. The Group's funds were mainly used as the working capital and general recurrent expenses of the Group.

As at 30 June 2026, current assets of the Group were RMB197,583 thousand (31 December 2025: RMB238,545 thousand), including bank balances and cash of RMB16,675 thousand (31 December 2025: RMB37,089 thousand), financial assets held for trading of RMB78,587 thousand (31 December 2025: RMB124,783 thousand). Non-current assets of the Group were RMB449,972 thousand (31 December 2025: RMB450,393 thousand).

As at 30 June 2026, current liabilities of the Group were RMB57,834 thousand (31 December 2025: RMB78,828 thousand) and non-current liabilities were RMB391 thousand (31 December 2025: RMB706 thousand).

As at 30 June 2026, shareholders' equity of the Group was RMB589,330 thousand (31 December 2025: RMB609,404 thousand).

### 10. Bank Borrowings, Overdrafts and Other Borrowings

As at 30 June 2026, bank loans, overdrafts and other borrowings of the Group were nil (31 December 2025: nil). All cash and cash equivalent held by the Group was denominated in Renminbi.

### 11. Gearing Ratio

As at 30 June 2026, gearing ratio of the Group was 9.88% (31 December 2025: 13.05%) (the gearing ratio is derived from dividing the Group's total liabilities by its total equity).

## FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)*

### 12. TAX PAYABLE

For the six months ended 30 June 2026, tax payables of the Group were RMB398 thousand (31 December 2025: RMB505 thousand), including value added tax was RMB118 thousand (31 December 2025: RMB151 thousand), individual income tax was RMB252 thousand (31 December 2025: RMB289 thousand), urban maintenance and construction tax was RMB1 thousand (31 December 2025: RMB2 thousand) and the cultural undertakings development fee was RMB26 thousand (31 December 2025: RMB60 thousand).

## SHARE STRUCTURE (AS AT 30 JUNE 2026)

| | Number of shares | Proportion to total share capital (%) |
|---|---|---|
| **Holders of domestic shares** | | |
| — Beijing Youth Daily Agency ("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 of the Company held by Leshi Internet Information & Technology Corp., Beijing, representing 9.90% of the total share capital of the Company.

## INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as the Directors and chief executive of the Company are aware, according to the register of interests and/or short positions in shares required to be kept pursuant to Section 336 of Part XV of the Securities and Futures Ordinance ("SFO"), the persons in the following table had an interest and/or short position in the shares or underlying shares of the Company:

| Name of shareholders | Class of shares | Nature of shares | Nature of interest | Number of shares interested in | Percentage in total issued shares of the same class (%) | Percentage in total 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* | Beneficiary of trust | 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)*

*Notes:*

1. Entrusted by the China Communist Youth League Beijing Committee, Capital Group has taken over the subsidiaries of BYDA (excluding the Company) since 18 June 2020 with a term 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.

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

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

Save as disclosed above, to the knowledge of the Company, as at 30 June 2026, no other person (other than Directors or chief executive of the Company) had 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 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.

## CAPITAL EXPENDITURE

Capital expenditure of the Group for the First Half of 2026 was RMB1,659 thousand (corresponding period of 2025: RMB2,124 thousand). The Group expects that its capital expenditure for the Second Half of 2026 will mainly comprise expenditures on office equipment and intangible assets, which are consistent with business strategies.

## CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 30 June 2026, the Group did not have any contingent liabilities or any pledge of assets.

## FOREIGN EXCHANGE RISKS

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

## EMPLOYEES

As at 30 June 2026, the Group had a total of 157 employees (as at 30 June 2025: a total of 346 employees), representing a decrease compared with the corresponding period of last year, which was primarily attributable to the Group's continued optimisation of its business structure, streamlining of staffing, and reasonable control over personnel costs. During the Reporting Period, the total remuneration of employees paid by the Group was approximately RMB40,190 thousand. The remuneration and benefits of the employees of the Group are determined in accordance with market rates, state policies and individual performance. The Group actively encouraged the self-development of the employees and carried out numerous staff training activities. In the First Half of 2026, the Group carried out staff trainings on such aspects as financial management, supplier management, legal compliance management, and outdoor advertising sales incentive policies.

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

As at 30 June 2026, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Hong Kong Stock Exchange.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares within the meaning of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules")). As of 30 June 2026, the Company did not hold any treasury shares.

## MATERIAL INVESTMENTS

The Company entered into the supplementary agreement to the single asset management contract with Capital Securities and the Beijing Branch of Bank of Communications Co., Ltd. on 20 May 2026, pursuant to which, the Company entrusted Capital Securities to provide asset management and investment services, and further extended the term of the single asset management contract (as supplemented) entered into on 19 April 2022 for three years and made certain amendments, effective from 17 June 2026 to 16 June 2029. As at 30 June 2026, 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.1. "Financial assets held for trading" and Note X.4. "Equity in financial assets held for trading" to the financial statements of this report for details. For details of the above transaction, please refer to the announcement of the Company dated 20 May 2026 and the circular of the Company dated 26 May 2026.

As at 30 June 2026, the Company's investments in Beiyang Publishing & Media Co., Ltd. ("Beiyang Media"), Beijing Keyin Media and Culture Co., Ltd. ("Keyin Media") and Beijing International Advertising & Communication Group Co., Ltd. ("BIAC") and other companies accounted for over 5% of the Group's total assets in value. For details of such significant investments, please refer to Note VIII.7. "Investment in other equity instruments" and Note X.3. "Equity in investment in other equity instruments" to the financial statements of this report.

Save as disclosed in this report, as of 30 June 2026, the Group had no material investment, or any plan related to material investment or acquisition of assets.

## MATERIAL ACQUISITION AND DISPOSAL OF ASSETS

During the Reporting Period, the Group had no material acquisition or disposal of subsidiaries, associates or joint ventures.

## CHANGES RELATED TO THE PERFORMANCE OF THE GROUP SINCE 31 DECEMBER 2025

Save as disclosed in this report, there is no material change in the information currently available to the Company on the matters listed in paragraph 32 of Appendix D2 to the Listing Rules as compared with the information disclosed in the most recent published annual report of the Company.

## SUBSEQUENT EVENTS

Save as disclosed in this report, the Company is not aware of any material subsequent events during the period from 30 June 2026 to the date of this report.

## 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.

## COMPLIANCE WITH THE MODEL CODE

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

## AUDIT AND RISK MANAGEMENT COMMITTEE

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

The Audit and Risk Management Committee and the management of the Company have reviewed the accounting principles and practices adopted by the Group. In addition, the Audit and Risk Management Committee has also discussed with the Directors on matters concerning the internal control and financial reporting of the Company, including the review of the unaudited interim results of the Group for the six months ended 30 June 2026, and has no objection thereto.

## DISTRIBUTABLE RESERVE

As at 30 June 2026, the Company's accumulated loss amounted to RMB762,166 thousand and the Company's surplus reserve amounted to RMB130,931 thousand.

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

## INTERIM DIVIDEND

The Board does not recommend the distribution of any interim dividend for the six months ended 30 June 2026.

## CHANGES IN DIRECTORS AND SENIOR MANAGEMENT AND THEIR INFORMATION

During the Reporting Period and as of the date of this report, updates on the information of the members of the Board and senior management are as follows:

Ms. Liu Jia resigned as the board secretary and joint company secretary of the Company due to changes in work arrangements on 29 May 2026.

Mr. Li Zhen has served as the chairman of Capital Outlets since April 2026.

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

As at 30 June 2026



*Unit: RMB'000*

| Items | *Notes* | **As at 30 June 2026** | As at 31 December 2025 |
|---|---|---|---|
| **Current assets:** | | | |
| Bank balances and cash | | **16,675** | 37,089 |
| Financial assets held for trading | *VIII.1* | **78,587** | 124,783 |
| Notes receivable | | **—** | 342 |
| Accounts receivable | *VIII.2* | **48,257** | 31,624 |
| Prepayments | *VIII.3* | **11,273** | 5,368 |
| Other receivables | *VIII.4* | **15,398** | 12,407 |
| Inventories | | **513** | 512 |
| Other current assets | *VIII.5* | **26,880** | 26,420 |
| **Total current assets** | | **197,583** | 238,545 |
| **Non-current assets:** | | | |
| Long-term equity investment | *VIII.6* | **—** | — |
| Investment in other equity instruments | *VIII.7* | **351,168** | 351,168 |
| Investment properties | *VIII.8* | **85,065** | 85,065 |
| Fixed assets | *VIII.9* | **998** | 1,349 |
| Intangible assets | *VIII.10* | **7,822** | 8,068 |
| Long-term deferred expenses | | **4,919** | 4,743 |
| Other non-current assets | *VIII.11* | **—** | — |
| **Total non-current assets** | | **449,972** | 450,393 |
| **Total assets** | | **647,555** | 688,938 |

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



*Unit: RMB'000*

| Items | *Notes* | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|---|
| **Current liabilities:** | | | |
| Accounts payable | *VIII.13* | **25,492** | 28,847 |
| Contract liabilities | | **13,174** | 12,009 |
| Employee benefits payable | | **4,884** | 18,718 |
| Taxes payable | | **398** | 505 |
| Other payables | *VIII.14* | **13,004** | 18,064 |
| Other current liabilities | | **882** | 685 |
| **Total current liabilities** | | **57,834** | 78,828 |
| **Non-current liabilities:** | | | |
| Deferred income tax liabilities | | **391** | 706 |
| **Total non-current liabilities** | | **391** | 706 |
| **Total liabilities** | | **58,225** | 79,534 |
| **Shareholders' equity:** | | | |
| Share capital | | **197,310** | 197,310 |
| Capital reserves | | **911,291** | 911,291 |
| Other comprehensive income | *VIII.15* | **275,677** | 275,371 |
| Surplus reserves | | **130,931** | 130,931 |
| Undistributed profits | | **(932,971)** | (913,544) |
| **Total equity attributable to shareholders of the Company** | | **582,238** | 601,359 |
| Non-controlling interest | | **7,092** | 8,045 |
| **Total shareholders' equity** | | **589,330** | 609,404 |
| **Total liabilities and shareholders' equity** | | **647,555** | 688,938 |
| **Net current assets** | | **139,749** | 159,717 |
| **Total assets less current liabilities** | | **589,721** | 610,110 |

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





*Unit: RMB'000*

| Items | *Notes* | For the six months ended 30 June **2026** | 2025 |
|---|---|---|---|
| **Total operating income** | *VIII.16* | **52,639** | 65,985 |
| **Total operating costs** | | **74,675** | 96,287 |
| Less: Operating costs | *VIII.16* | **61,188** | 72,388 |
| Tax and surcharges | *VIII.17* | **688** | 846 |
| Selling expenses | | **—** | 3,724 |
| Administrative expenses | | **12,714** | 19,822 |
| Financial expenses | *VIII.18* | **85** | (493) |
| Including: Interest expenses | | **94** | 64 |
| Interest income | | **9** | 573 |
| Add: Other income | | **35** | 35 |
| Investment income | *VIII.19* | **449** | 8,989 |
| Including: Gain from investments in associates | | **—** | — |
| Gain on the changes in fair value | *VIII.20* | **2,879** | 2,320 |
| Impairment loss of credit | *VIII.21* | **(1,748)** | (1,783) |
| Impairment loss of assets | | **—** | 5 |
| **Operating profit** | | **(20,421)** | (20,736) |
| Add: Non-operating income | *VIII.22* | **50** | 380 |
| Less: Non-operating expenses | *VIII.23* | **4** | 4 |
| **Total profit** | | **(20,375)** | (20,360) |
| Less: Income tax expenses | *VIII.24* | **—** | (85) |
| **Net profit** | | **(20,375)** | (20,275) |
| **Net profit attributable to:** | | | |
| Net profit from continuing operations | | **(20,375)** | (20,275) |
| Net profit from discontinued operations | | **—** | — |
| Shareholders of the Company | | **(19,427)** | (19,047) |
| Non-controlling shareholders | | **(948)** | (1,228) |

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

*Unit: RMB'000*

| Items | *Notes* | For the six months ended 30 June **2026** | 2025 |
|---|---|---|---|
| **Other comprehensive income, net after tax** | | **301** | 34,248 |
| Other comprehensive income attributable to shareholders of the Company, net after tax | *VIII.15* | **306** | 34,222 |
| Including: Other comprehensive income unqualified for reclassification into profit or loss | | **314** | — |
| Including: Other comprehensive income that will be reclassified into profit or loss | | **(8)** | 34,222 |
| Including: Exchange differences from translation of financial statements | | **(8)** | 39 |
| Changes in fair value of investment properties | | **—** | 34,183 |
| **Other comprehensive income attributable to non-controlling shareholders, net after tax** | | **(5)** | 26 |
| **Total comprehensive income** | | **(20,074)** | 13,973 |
| Total comprehensive income attributable to shareholders of the Company | | **(19,121)** | 15,175 |
| Total comprehensive income attributable to non-controlling shareholders | | **(953)** | (1,202) |
| **Earnings per share:** | | | |
| Basic earnings per share (RMB) | *XVII.1* | **(0.10)** | (0.10) |
| Diluted earnings per share (RMB) | *XVII.1* | **(0.10)** | (0.10) |
| **Dividends** | *VIII.25* | **—** | — |

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

*Unit: RMB'000*

| Items | *Notes* | For the six months ended 30 June **2026** | 2025 |
|---|---|---|---|
| **I. Cash flows from operating activities:** | | | |
| Cash received from sales of goods and provision of service | | **38,799** | 60,290 |
| Tax refund received | | **—** | 765 |
| Other cash receipt relating to operating activities | | **477** | 13,565 |
| **Sub-total of cash inflows from operating activities** | | **39,276** | 74,620 |
| Cash paid for goods purchased and services enjoyed | | **56,604** | 49,851 |
| Cash paid to and on behalf of employees | | **40,190** | 41,055 |
| Payments of taxes and surcharges | | **1,304** | 5,056 |
| Other cash payments relating to operating activities | | **9,457** | 12,666 |
| **Sub-total of cash outflows from operating activities** | | **107,555** | 108,628 |
| **Net cash flows from operating activities** | | **(68,279)** | (34,008) |
| **II. Cash flows from investing activities:** | | | |
| Cash received from sales of investments | | **44,570** | 16,263 |
| Cash received from returns on investment | | **4,954** | 8,202 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | **—** | — |
| Other cash receipt relating to investing activities | | **—** | — |
| **Sub-total of cash inflows from investing activities** | | **49,524** | 24,465 |
| Cash paid to acquire fixed assets, intangible assets and other long term assets | | **1,659** | 2,124 |
| Net cash paid to acquire subsidiaries and other business units | | **—** | — |
| Cash paid for investment | | **—** | 27,000 |
| Other cash payments related to investing activities | | **—** | — |
| **Sub-total of cash outflows from investing activities** | | **1,659** | 29,124 |
| **Net cash flows from investing activities** | | **47,865** | (4,659) |

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



*Unit: RMB'000*

| Items | *Notes* | For the six months ended 30 June 2026 | 2025 |
|---|---|---|---|
| **III. Cash flows from financing activities:** | | | |
| Cash received from investors | | **—** | — |
| Including: Cash received from non-controlling shareholders' investment in subsidiaries | | **—** | — |
| Cash received from borrowings obtained | | **—** | — |
| Other cash receipts relating to financing activities | | **—** | — |
| **Sub-total of cash inflows from financing activities** | | **—** | — |
| Payments to Repay Debt | | **—** | — |
| Cash paid for distribution of dividends or profits or interest expense | | **—** | — |
| Including: Dividends and profits paid to non-controlling shareholders by subsidiaries | | **—** | — |
| Other cash payments relating to financing activities | | **—** | 7,441 |
| **Sub-total of cash outflows from financing activities** | | **—** | 7,441 |
| **Net cash flows from financing activities** | | **—** | (7,441) |
| **IV. Effect of exchange rate changes on cash and cash equivalents** | | **—** | 18 |
| **V. Net increase in cash and cash equivalents** | | **(20,414)** | (46,090) |
| Add: Balance of cash and cash equivalents at the beginning of the period | | **36,753** | 79,795 |
| **VI. Balance of cash and cash equivalents at the end of the period** | *VIII.26* | **16,339** | 33,705 |

# CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)



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

For the six months ended 30 June 2026

*Unit: RMB'000*

| Items | For the six months ended 30 June 2026<br>Equity attributable to shareholders of the Parent<br>Share capital | Capital reserve | Other comprehensive income | Surplus reserve *(Note)* | Undistributed profits | Subtotal | Non controlling interest | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|
| **Balance as at 31 December 2025** | 197,310 | 911,291 | 275,371 | 130,931 | (913,544) | 601,359 | 8,045 | 609,404 |
| **Effect of the changes in accounting policies** | — | — | — | — | — | — | — | — |
| **Balance as at 1 January 2026** | 197,310 | 911,291 | 275,371 | 130,931 | (913,544) | 601,359 | 8,045 | 609,404 |
| Net profit | — | — | — | — | (19,427) | (19,427) | (948) | (20,375) |
| Other comprehensive income | — | — | 306 | — | — | 306 | (5) | 301 |
| Other comprehensive income carry-forward to retained earnings | — | — | — | — | — | — | — | — |
| Others | — | — | — | — | — | — | — | — |
| **Sub-total of the changes for the period** | — | — | 306 | — | (19,427) | (19,121) | (953) | (20,074) |
| **Balance as at 30 June 2026** | 197,310 | 911,291 | 275,677 | 130,931 | (932,971) | 582,238 | 7,092 | 589,330 |

| Items | For the six months ended 30 June 2025<br>Equity attributable to shareholders of the Parent<br>Share capital | Capital reserve | Other comprehensive income | Surplus reserve *(Note)* | Undistributed profits | Subtotal | Non controlling interest | Total shareholders' equity |
|---|---|---|---|---|---|---|---|---|
| **Balance as at 31 December 2024** | 197,310 | 918,976 | 231,238 | 130,931 | (840,719) | 637,736 | 11,193 | 648,929 |
| **Effect of business combination under the same control** | — | — | — | — | — | — | — | — |
| **Balance as at 1 January 2025** | 197,310 | 918,976 | 231,238 | 130,931 | (840,719) | 637,736 | 11,193 | 648,929 |
| Net profit | — | — | — | — | (19,047) | (19,047) | (1,228) | (20,275) |
| Other comprehensive income | — | — | 34,222 | — | — | 34,222 | 26 | 34,248 |
| Other comprehensive income carry-forward to retained earnings | — | — | — | — | — | — | — | — |
| Others | — | 138 | — | — | — | 138 | (7,823) | (7,685) |
| **Sub-total of the changes for the period** | — | 138 | 34,222 | — | (19,047) | 15,313 | (9,025) | 6,288 |
| **Balance as at 30 June 2025** | 197,310 | 919,114 | 265,460 | 130,931 | (859,766) | 653,049 | 2,168 | 655,217 |

*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 in the notes to the financial statements)

## 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 (the "Hong Kong Stock Exchange").

The Parent of the Company is Beijing Youth Daily Agency ("BYDA"). The ultimate controller of the Company is Beijing Capital Group Company Limited.

The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section in the interim 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 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 six months ended 30 June 2026 of the Group are as follows:

| Name of units | Shareholding (%) Direct | Indirect |
|---|---|---|
| Beijing Beiqing Outdoor Advertisement Co., Ltd. ("Beiqing Outdoor") | 100.00 | — |
| Beiqing Network Culture Communication Co., Ltd. ("Beiqing Network") | 100.00 | — |
| BYD Logistics Company Limited ("BYD Logistics") | 92.84 | — |
| Beiqing Community Media Technology (Beijing) Co., Ltd. ("Beiqing Community Media") *(Note 1)* | 74.12 | 1.70 |
| Chongqing Youth Media Company Limited ("Chongqing Media") | 60.00 | — |
| CHONG QING YOUTH (AMERICA) LLC ("Chong Qing America") *(Note 2)* | — | 60.00 |
| Beijing Beiqing Innovation Cultural Industry Development Co., Ltd. ("Beiqing Innovation Cultural") | 100.00 | — |
| Jingjian (Beijing) Culture Media Co., Ltd. (鏡鑑(北京)文化傳媒有限公司) ("Jingjian Media") | 100.00 | — |

*Note 1:* The partner of Beijing Beiqing Community Culture Media Investment Centre Limited Partnership, a minority shareholder of Community Media, a subsidiary of the Company, exited through litigation. The Company repurchased the partner's 1.7% indirect stake in Community Media.

*Note 2:* Chong Qing America is 100% held by the Company's 60% direct holding subsidiary, Chongqing Media.

## III. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

### 1. Basis of preparation

The financial statements of the Group were 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" (2023 Revision) 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 the Hong Kong Stock Exchange and the Hong Kong Companies Ordinance; and as stated in Note V. "Significant accounting policies and accounting estimates" to these financial statements.

### 2. Going concern

The Group has assessed its ability to continue as a going concern for the next 12 months since 30 June 2026, and no events or circumstances that may result in significant doubts on its ability as a going concern were noted. The financial statements were presented on a going concern basis.

## IV. STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Group's financial statements have been prepared in conformity with the "Accounting Standards for Business Enterprises", and present truly and completely the financial position as at 30 June 2026 and the operating results, cash flows and other relevant information for the six months then ended 30 June 2026.

## 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.

The period of this interim financial report is from 1 January 2026 to 30 June 2026.

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

### 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, other non-current financial asset, investment in other equity instrument and investment properties which are measured at fair value, the financial statements are prepared under the historical cost convention.

### 4. Business combination

#### *(1) Business combination involving entities under common control*

In a business combination involving enterprises under common control, if the acquirer pays for the business combination in cash or by transferring non-cash assets or assuming liabilities, the Company recognizes the original costs of the long-term equity investment based on its share of the carrying amount of the net asset acquired from the acquiree as presented in the ultimate controller's consolidated financial statements at the acquisition date. If the acquirer issues 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 and the carrying amounts of the consideration for the business combination (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 remaining amount shall be adjusted from retained earnings.

#### *(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.

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

### 5. Criteria for judging control and basis of preparation of consolidated financial statement

#### *(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, the Company shall make necessary adjustments to the subsidiaries' financial statements according to its accounting policies or in the accounting period when the consolidated financial statements are prepared.

#### *(3) The elimination in the preparation of consolidated financial statements*

The consolidated financial statements are prepared based on the individual balance sheet of the parent and its subsidiaries, after elimination of the transactions between the parent and its subsidiaries and among subsidiaries. The portion of a subsidiary's equity that is not attributable to the parent is treated as minority interests and presented in "non-controlling interests" under owners' equity in the consolidated balance sheet. The long-term equity investment of the parent held by one subsidiary shall be treated as the group 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 obtained subsidiary is deemed to be included in the consolidated financial statements from the date when they are controlled by the ultimate controlling party. Their 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. Where a subsidiary has been acquired through a business combination not involving enterprises under common control, their individual financial statements are adjusted based on the fair value of identifiable net assets at the acquisition date when preparing the consolidated financial statements.

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

### 5. Criteria for judging control and basis of preparation of consolidated financial statement *(Continued)*

#### *(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 continually calculated since the date of acquisition or combination date 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, remaining shareholding will be re-measured based on the fair value on 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 share of the net assets attributable to the original shareholdings 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.

### 6. Joint arrangement classification and accounting treatments of joint operations

#### *(1) The classification of joint arrangement*

Joint arrangements are classified as joint operations or joint ventures. A joint arrangement will be classified as joint operation when the joint arrangement is not reached through an individual entity. Individual entity is an entity with individual identifiable finance 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 is reached through incorporating an individual entity. When changes arising from 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.

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

### 6. Joint arrangement classification and accounting treatments of joint operations *(Continued)*

#### *(2) The accounting treatment of joint operations*

The party participating in joint operations shall recognise 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.

The party involved in joint operations without common control power shall account for its investments referring to the treatment method of joint operation participants if it is entitled to relevant assets and undertake relevant liabilities of the joint operations, otherwise, it accounts for their investments according to related requirements of Accounting Standards for Business Enterprises.

#### *(3) The accounting treatment of joint ventures*

The party participating in a joint venture shall accounts for its investment in accordance with "Accounting Standards for Business Enterprises No. 2 Long term equity investment". And the party involved in joint ventures without common control power shall accounts for its investments according to its influence extent on the joint ventures.

### 7. Cash and cash equivalents

Cash recognised when the Group's preparing statement of cash flows represents cash on hand and deposits that can be readily drawn on demand. Cash equivalents recognised when the Group's preparing statement of cash flows represent short-term and highly liquid investments that 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)*

### 8. Foreign currency business

#### *(1) Foreign currency transactions*

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 the foreign exchange 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 translated using the spot exchange rate at the date of the transaction, without changing their functional currency amounts. 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 Company's subsidiaries, joint ventures and associates adopt different reporting currencies, 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 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 at the consolidated balance sheet within 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)*

### 9. 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 classify 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 classify 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, at the time of initial recognition, irrevocably designate it as a financial asset at fair value through other comprehensive income. The designation is based on a single investment and the relevant investment is in line with the definition of the equity instrument from the issuer's perspective.

For those financial assets other than financial assets measured at amortised cost and financial assets at fair value through other comprehensive income, the Group classifies it as financial assets 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.

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

### 9. Financial instruments *(Continued)*

#### *(1) Classification and reclassification of financial instruments (Continued)*

1) Financial assets *(Continued)*

When the Group changes the business model for managing financial assets, all relevant financial assets as affected are reclassified 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 at amortised cost. All financial liabilities are not reclassified.

#### *(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 expense is directly recognised in profit or loss for the current period. For financial assets or financial liabilities of other classes, the related transaction expense is included in the amount of initial recognition. Accounts receivable or notes receivable arising from sales of goods or rendering services are initially measured at the amount of consideration to which they expect to be entitled, provided that they do not contain a significant financing component or without taking into account such financing component. 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 which they incurred when derecognised, reclassified, amortised or recognised the impairment under the effective interest method.

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

### 9. Financial instruments *(Continued)*

#### *(2) Measurement of financial instruments (Continued)*

1) Financial Assets *(Continued)*

② Financial assets at fair value through profit or loss

After initial recognition, gain or loss (including interest and dividend income) arisen 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 and loss in the period 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 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 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)*

### 9. 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 as 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 the entity's own 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 determine their fair value using the quoted prices in active markets. If there is no active market, the Group determine 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)*

### 9. Financial instruments *(Continued)*

#### *(4) Basis for 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 suspended; ② the Group has transferred substantially all the risks and rewards associated with ownership of such financial assets; ③ the financial assets have been transferred, though the Group has neither transferred nor retained substantially all the risks and 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 not 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.

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

### 9. Financial instruments *(Continued)*

#### *(4) Basis for recognition and measurement of transfer of financial assets and financial liabilities (Continued)*

1) Financial assets *(Continued)*

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.

### 10. 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.

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

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

#### *(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 has 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 has 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)*

### 10. 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 and contract assets without containing significant financing elements

For accounts receivable or contract assets without containing 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 loss allowance based on the expected credit loss in 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 a group of financial assets. According to the credit risk characteristics, the Group divides the notes receivable and accounts receivable into several groups, and calculates the expected credit losses on a combined basis. The basis for determining the group 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 of trade receivables overdue days and full 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. For bills receivable and contract assets designated to a group, 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 or contract assets containing significant financing elements and rental receivable regulated by the "Accounting Standards for Business Enterprises No. 21 — Lease", the Group measures loss provision based on general approach, i.e. "three stages" model.

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

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

#### *(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

### 11. 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 is determined by its estimated selling price less estimated selling expenses and related taxes.

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

### 12. 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.

### 13. 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 cost of a long-term equity investment is the acquirer's share of the carrying amount of the owners' equity in the acquiree. For a business combination not involving enterprises under common control, the initial 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 the "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 is determined according to related requirements of the Accounting Standards for Business Enterprises.

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

### 13. Long-term equity investment *(Continued)*

#### *(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 long-term equity investment in associates and joint ventures, the 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 can exercise significant influence on such portion of investment, the Group shall measure the indirectly held portion at fair value through profit or loss and account for the remaining portion using the equity method according to "Accounting Standards for Business Enterprises No. 22 — Financial Instrument Recognition and Measurement".

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

Joint control of an investee is that the decision of activities that can significantly affect the arrangement's return 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 activity and financing activities etc. The Group's holding of 20%–50% voting capital of the investee presents it can exercise significant influence over the investee. The Group usually can exercise significant influence over the investee even if its voting capital is less than 20% if it can meet one of the following conditions: Appointing representatives in the board of directors or similar governing body of the investee; Participating in the strategy and policy decision process; Delegating management personnel to the investee; The investee relying on the Group's technique or technical material; Significant transactions occur between the Group and the investee.

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

### 14. 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.

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

### 15. 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.

#### *(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.

The useful lives, estimated net residual values and depreciation rate of each type of the fixed asset of the Group are as follows:

| Category | Useful life (years) | Estimated residual value rate (%) | Annual depreciation (%) |
|---|---|---|---|
| Buildings | 20 | 0 | 5 |
| Plant and Machinery | 10 | 0 | 10 |
| Motor vehicles | 5 | 0 | 20 |
| Office equipment | 5 | 0 | 20 |
| Electronic equipment | 3 | 0 | 33.33 |

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

### 16. Intangible assets

#### *(1) Calculation of intangible assets*

The Group's intangible assets are initially calculated 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 amortization 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.

#### *(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 indefinite 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.

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

### 17. 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, an impairment loss provision would be made based on the amount of shortfall and included in impairment loss.

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 will not be reversed in subsequent periods once they are recognised.

### 18. Long-term deferred expenses

Long-term deferred expenses of the Group are expenditures which has incurred and with a benefit period of more than 1 year (excluding 1 year). They are amortised evenly over the estimated benefit period. If one long-term deferred expense cannot benefit the Company in the subsequent periods, the remaining balance of the long-term deferred expense shall be recognised as expense in current profit or loss.

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

### 19. 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. Contribution 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.

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

### 19. Employee benefits *(Continued)*

#### *(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.

### 20. Revenue

When the Group has implemented the performance obligation in the contract, namely, when the customer obtains the right to control relevant goods, 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 Company'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 Company recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. Otherwise, the Company recognises revenue at the point in time at which the customer obtains control of relevant assets.

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

### 20. Revenue *(Continued)*

The business revenues of the Group mainly comprise advertising business income, innovative business income, other income and rental income. The principles of revenue recognition are as follows:

#### *(1) Advertising business income*

Advertising income is generally recognised pro rata over the period in which the advertisement is cancelled (net of VAT). Advertising and marketing, with award credits generating for customers, are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the advertising spaces sold and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value, which is the fair value of the award credits exchangeable of advertising space. Such consideration is not recognised as revenue at the time of the commencement of the sale transaction, but is deferred and recognised as revenue when such award credits are redeemed and the Group's obligations have been fulfilled.

#### *(2) Innovative business income*

Innovative business income, net of VAT, is recognised when the service is provided.

#### *(3) Other income*

Other income, net of VAT, is recognised when the service is provided.

#### *(4) Rental income*

Rental income is recognised in accordance with the Group's accounting policy for lease (see Note V.24).

### 21. Contract cost

Contract cost of the Group includes the incremental cost of obtaining the contract and the contract performance cost. The incremental cost of obtaining the contract (the "contract obtaining cost") refers to the cost which will not occur if the contract is not obtained. Where the cost is expected to be recovered, the Company considers it as the contract obtaining cost and recognises it as an asset.

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

### 21. Contract cost *(Continued)*

Where the cost happened for performing the contract does not fall into the scope of inventories and other accounting standards for business enterprises and meets the following conditions at the same time, the Group considers it as the contract performance cost and recognises it as an asset:

(1) The cost is directly related to a current contract or a contract expected to be obtained, including direct labor, direct materials, manufacturing fees (or similar fees), the cost set to be assumed by users and other costs arising merely from the contract;

(2) The cost increased the resources of the Group to be used for performing the performance obligations in the future;

(3) The cost is expected to be recovered.

The Group records the contract performance costs recognised as assets, which are amortised over a period of less than one year or one normal operating cycle on initial recognition, in the "Inventory" in the balance sheet; which are amortised over a period of more than one year or one normal operating cycle on initial recognition, in "Other non-current assets" in the balance sheet.

Assets recognised for the incremental costs of obtaining a contract and assets recognised for the costs to fulfill a contract (the "contract cost-related assets") are amortised on the same basis as the revenue recognition of the goods related to the assets and are included in the current profit and loss. The Group includes the incremental costs of obtaining a contract in current profit or loss when incurred if the amortisation period of the asset formed by obtaining incremental cost of the contract is one year or less.

When the carrying value of the contract cost-related assets is higher than the difference between the following two items, the Group shall make the impairment provisions for the excess and recognise it as losses on asset impairment: ① the remaining consideration expected to be obtained from transfer of commodities related to the asset; ② the cost estimated to be incurred for the transfer of such commodities.

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

### 22. 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 non-monetary 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 non-operating 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 and 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.

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

### 22. Government grants *(Continued)*

#### *(1) Category and accounting treatment of government grants (Continued)*

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 when the receipt of such amount of grants is assured. 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.

### 23. 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.

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

### 23. Deferred income tax assets and deferred income tax liabilities *(Continued)*

#### *(2) Measurement of deferred income tax*

Deferred income tax assets are recognised to the extent of the amount of the taxable income, which it is most likely to obtain to deduct from the deductible temporary difference. At the balance sheet date, if there is any exact evidence that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised, 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 utilised.

Deferred tax liabilities shall be recognised for the taxable temporary differences associated with investments in subsidiaries and associates; with the exception that 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 on a net basis 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)*

### 24. 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".

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

### 24. Lease *(Continued)*

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

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 payments 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 Company 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 financial expenses. Such periodic rate is the discount rate or revised discount rate adopted by the Company.

The variable lease payments that are excluded in the measurement of lease liabilities are recognised in the current profit and 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.

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

### 24. Lease *(Continued)*

#### *(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 Company 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.

### 25. 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. the Company 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 from relevant competent institution or regulatory department for the sale, the sale transaction has been approved.

When a non-current asset or disposal group classified as held for sale is initially measured or re-measured at each balance sheet date, if the book value of the non-current asset or disposal group is higher than its fair value less net cost of disposal, the difference will be deducted from the book value and recognised as impairment provision of assets held for sale in the profit and loss for current period.

Non-current asset or disposal group classified as held-for-sale asset will be presented as held-for-sale assets and the liabilities in the disposal group will be presented as held-for-sale liabilities in the balance sheet.

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

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

A discontinued operation is a clearly distinguished component of an entity, that either has been disposed of, or is classified as held for sale, and meets any of the following criteria:

(1) the component represents a separate principal business or a single principal area of operation;

(2) is part of a single co-ordinated 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.

### 26. Accounting for income tax

Income tax is accounted for using liability method. Income tax expenses represent the sum of current tax and deferred tax. Except for current tax and deferred tax relating to the transactions and matters that are directly recorded in shareholders' equity are dealt with in shareholders' equity, and deferred tax arising from a business combination is adjusted to the carrying value of goodwill, expenses or income of all other current tax and deferred tax are recognised in the profit or loss for the period.

The current income tax payable is the amount of tax payable to the taxation authority by the enterprises in respect of the transactions and matters of the current period calculated according to the taxation regulations. The deferred income tax is the difference between the balances of the deferred income tax assets and deferred income tax liabilities that should be recognised using the balance sheet liabilities approach at the end of the period and their balances originally recognised.

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

### 27. Segment information

Operating segments of the Group are identified based on internal organization structure, management requirements and internal reporting policies. The reporting segments are determined based on operating segments. An operating segment represents a component of the Group that satisfied the following criteria simultaneously: (1) the component engages in business activities from which it may earn revenues and incur expenses; (2) whose operating results are regularly reviewed by the Company's management to make decisions on resources to be allocated to the segments and assess its performance; (3) financial information of the segments such as financial position, operating results and cash flow is available to the Company.

The price of intra-segment transactions is determined by market rates. Expenses, other than those which are unable to allocate reasonably, are allocated between segments in proportion with their revenue.

### 28. Significant judgements made in the process of applying accounting policies and key assumptions and uncertainties involved in accounting estimates

In the application of the Group's accounting policies, the directors of the Group are required to make judgments, estimates and assumptions on the carrying amounts of assets and liabilities that are not readily available from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised for the period in which the estimate is revised if the revision affects only that period or for the current and future periods if the revision affects both periods.

The followings are the key assumptions on the future and other key sources of estimation uncertainty at the end of the reporting period, that is probable to cause a material adjustment to the carrying amounts of assets and liabilities of the next financial year.

#### *(1) 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.

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

### 28. Significant judgements made in the process of applying accounting policies and key assumptions and uncertainties involved in accounting estimates *(Continued)*

#### *(2) 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 periods.

#### *(3) 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.

#### *(4) Allowance for bad debts of account receivables and other receivables*

The Group assesses expected credit loss of account receivables by using the risk exposure of default of account receivables and expected credit loss rate and determines the expected credit loss rate based on the probability of default and rate of default loss. 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 changes in customers' situation, etc.

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

### 28. Significant judgements made in the process of applying accounting policies and key assumptions and uncertainties involved in accounting estimates *(Continued)*

#### *(5) 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 impairment as a single asset by comparing 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 amount.

#### *(6) Impairment loss for inventories*

The management of the Group reviews 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 realisable 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 year and makes allowance for obsolete items. Where the actual future cash flows are less than expected, a material impairment loss may arise.

## VI. CHANGES IN SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

### 1. Changes in significant accounting policies

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

### 2. Changes in significant accounting estimates

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

## VII. TAXES

### 1. Main tax categories and tax rates

| Tax category | Tax base | 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, and output VAT is calculated based on 13%, 9%, 6% | 13%, 9%, 6% |
| Cultural undertakings development tax | Taxable revenue from advertising | 3% |
| Urban maintenance and construction tax | Turnover tax payable | 7% |
| Education tax surcharge | Turnover tax payable | 3% |
| Local education tax surcharge | Turnover tax payable | 2% |
| Corporate income tax | Taxable income | 25% |

## VII. TAXES *(Continued)*

### 2. Significant tax Incentives

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.

Pursuant to the "Announcement on the Taxation Policies relating to the Transformation of Operational Cultural Public Institutions into Enterprises in the Cultural Regime Reform issued by the Ministry of Finance, the State Administration of Taxation and the Central Publicity Department" (Announcement of Ministry of Finance, the State Administration of Taxation and the Central Publicity Department No. 20 of 2024)《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), operational cultural public institutions that have completed the structure reform before 31 December 2022 can enjoy the Enterprise Income Tax (EIT) exemption from the date of registration of the transformation until 31 December 2027.

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

### 1. Financial assets held for trading

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Wealth management product | **78,587** | 124,783 |
| Including: Securities companies' asset management products | **78,587** | 124,783 |
| **Total** | **78,587** | 124,783 |

### 2. Accounts receivable

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Accounts receivable | **377,772** | 360,144 |
| Less: Provision for bad debts | **329,515** | 328,520 |
| **Net accounts receivable** | **48,257** | 31,624 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 2. Accounts receivable *(Continued)*

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

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| 0–90 days | **28,886** | 13,128 |
| 91–180 days | **2,665** | 5,843 |
| 181–365 days | **7,114** | 5,787 |
| 1–2 years | **1,275** | 5,858 |
| Over 2 years | **8,317** | 1,008 |
| **Total** | **48,257** | 31,624 |

The top five accounts receivable as at 30 June 2026 represented 48.80% of the total accounts receivable.

### 3. Prepayments

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Prepayments | **11,273** | 5,368 |
| Less: Provision for bad debts | **—** | — |
| **Net prepayments** | **11,273** | 5,368 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 3. Prepayments *(Continued)*

The following is an aging analysis of prepayments:

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Within 1 year | **7,944** | 5,311 |
| Over 1 year | **3,329** | 57 |
| **Total** | **11,273** | 5,368 |

The top five prepayments as at 30 June 2026 represented 88.73% of the total prepayments.

### 4. Other receivables

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Other receivables | **207,885** | 204,252 |
| Less: Provision for bad debts | **192,487** | 191,845 |
| **Net other receivables** | **15,398** | 12,407 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 4. Other receivables *(Continued)*

#### *4.1 Other receivables*

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

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Within 1 year | **3,803** | 2,217 |
| 1–2 years | **1,655** | 9,635 |
| 2–3 years | **9,569** | 30 |
| 3–4 years | **15** | 384 |
| Over 4 years | **356** | 141 |
| **Total** | **15,398** | 12,407 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 4. Other receivables *(Continued)*

#### 4.1 Other receivables *(Continued)*

(2) Other receivables classified by nature

| Nature | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Related-party current account | **5,430** | 2,695 |
| External unit current account | **190,777** | 190,333 |
| Deposit and margin | **9,974** | 9,947 |
| Reserve funds | **1,703** | 1,277 |
| Others | **1** | — |
| **Total** | **207,885** | 204,252 |

### 5. Other current assets

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| VAT to be deducted | **26,880** | 26,420 |
| **Total** | **26,880** | 26,420 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 6. Long-term equity investment

#### (1) Types of long-term equity investment

| Type | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Investments in associates — under equity method | — | — |
| Less: Provision for impairment for investments in associates | — | — |
| **Total** | — | — |

As at 30 June 2026, for details of the associates of the Group, please refer to "X. Equity in other entities" of this note.

#### (2) Investments in associates

| Investees | Balance as at 1 January 2026 | Additional investment | Decrease in investment | Changes in the period: 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 | Balance as at 30 June 2026 | Balance of impairment provision as at 30 June 2026 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Beijing Shangyou Network Technology Co., Ltd. | – | – | – | – | – | – | – | – | – | – | – |
| Beijing Beisheng United Insurance Agency Co., Ltd. | – | – | – | – | – | – | – | – | – | – | – |
| Beijing Shengyi Automobile Technology Co., Ltd. | – | – | – | – | – | – | – | – | – | – | – |
| BY Times Consulting Co., Ltd. | – | – | – | – | – | – | – | – | – | – | – |
| Beijing Beiqing Top Advertising Limited | – | – | – | – | – | – | – | – | – | – | – |
| Total | – | – | – | – | – | – | – | – | – | – | – |

Investments in associates including Beijing Shengyi Automobile Technology Co., Ltd., Beijing Beisheng United Insurance Agency Co., Ltd., BY Times Consulting Co., Ltd., Beijing Beiqing Top Advertising Limited, Beijing Shangyou Network Technology Co., Ltd. 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 MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 6. Long-term equity investment *(Continued)*

#### *(3) Combined financial information of associates*

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Unlisted investments, at cost | **29,605** | 29,605 |
| Share of post-acquisition profit | **(29,605)** | (29,605) |
| Provision for impairment | **—** | — |
| **Total** | **—** | — |

As at 30 June 2026, for details of the associates of the Group, please refer to "X. Equity in other entities" of this note.

### 7. Investment in other equity instruments

#### *(1) Investment in other equity instruments*

| Item | Investment cost | As at 30 June 2026 | As at 31 December 2025 | Dividend income recognised for the period |
|---|---|---|---|---|
| Beijing Youth Daily New Media Co., Ltd. (北京青年報新媒體有限公司) | **500** | **2,065** | 2,065 | — |
| Beijing International Advertising & Communication Group Co., Ltd. | **33,119** | **36,492** | 36,492 | — |
| Beiyang Publishing & Media Co., Ltd. | **103,000** | **275,955** | 275,955 | — |
| Beijing Keyin Media and Culture Co., Ltd. | **6,560** | **36,656** | 36,656 | — |
| **Total** | **143,179** | **351,168** | 351,168 | — |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 7. Investment in other equity instruments *(Continued)*

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

| Type | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Unlisted equity investments, PRC | **351,168** | 351,168 |
| **Total** | **351,168** | 351,168 |

### 8. Investment properties

*Investment properties measured at fair value*

| Type | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Buildings | **85,065** | 85,065 |
| **Total** | **85,065** | 85,065 |

The fair value of the Group's investment properties as at 30 June 2026 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.

As at 30 June 2026, the carrying values of the investment properties for which the Group had not been granted formal title amounted to approximately RMB3,623 thousand. In the opinion of the directors of the Company, the absence of formal title to these properties does not impair the value of the relevant properties to the Group. The directors of the Company also believe that formal title to these properties will be granted to the Group in due course.

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 9. Fixed assets

For the six months ended 30 June 2026, the fixed assets of the Group increased by RMB11 thousand (corresponding period of 2025: increased by RMB153 thousand).

For the six months ended 30 June 2026, the disposal of fixed assets with original carrying amount of the Group was RMB0 (corresponding period of 2025: RMB0).

For the six months ended 30 June 2026, the depreciation of fixed assets recognised in the income statement was RMB362 thousand (corresponding period of 2025: RMB366 thousand).

### 10. Intangible assets

For the six months ended 30 June 2026, the intangible assets of the Group increased by RMB0 (corresponding period of 2025: increased by RMB8 thousand).

For the six months ended 30 June 2026, the amortization of intangible assets recognised in the income statement was RMB246 thousand (corresponding period of 2025: RMB234 thousand).

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 11. Other non-current assets

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Prepayments for film project *(Note)* | **24,000** | 24,000 |
| Less: Provision for impairment | **24,000** | 24,000 |
| **Total** | **—** | — |

*Note:* Prepayments for film project are relevant to the Company's participation in film and television production of "Oriental King of Soccer" (《東方球王》). The project settlement period exceeds one year. The Company entered into agreements with Daqianmen (Beijing) Media Co. Ltd., pursuant to which the Company participated in the production of TV series "Oriental King of Soccer". As at 30 June 2026, the balance of prepayments related to the television project "Oriental King of Soccer" was RMB24,000 thousand. "Oriental King of Soccer" has not been released.

### 12. Breakdown of impairment provision of assets

| Item | As at 1 January 2026 | Increase during the period: Provision | Increase during the period: Other transfer in | Decrease during the period: Reversal | Decrease during the period: Other transfer out | As at 30 June 2026 |
|---|---|---|---|---|---|---|
| Provision for bad debts | 520,365 | 1,798 | — | 50 | 111 | 522,002 |
| Provision for impairment of inventories | 1,146 | — | — | — | — | 1,146 |
| Provision for impairment of intangible assets | 8,460 | — | — | — | — | 8,460 |
| Provision for impairment of other non-current assets | 24,000 | — | — | — | — | 24,000 |
| **Total** | 553,971 | 1,798 | — | 50 | 111 | 555,608 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 13. Accounts payable

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Accounts payable | **25,492** | 28,847 |
| **Total** | **25,492** | 28,847 |

The following is an aging analysis of accounts payable as at 30 June 2026 presented based on the invoice date:

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| 0–90 days | **6,265** | 20,409 |
| 91–180 days | **728** | 788 |
| 181–365 days | **12,170** | 50 |
| Over one year | **6,329** | 7,600 |
| **Total** | **25,492** | 28,847 |

### 14. Other payables

| Nature | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Current account | **10,561** | 15,201 |
| Deposit and margin | **890** | 939 |
| Collection and payment for other persons | **716** | 1,056 |
| Others | **837** | 868 |
| **Total** | **13,004** | 18,064 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 15. Other comprehensive income

| Item | As at 1 January 2026 | Amount before income tax for the year | Less: other comprehensive income subsequently reclassified into profit or loss in current period | Less: income tax expenses | Amount after tax attributable to the parent company | Amount after tax attributable to non-controlling shareholders | As at 30 June 2026 |
|---|---|---|---|---|---|---|---|
| 1. Other comprehensive income subsequently unable to be reclassified into profit or loss | 240,402 | 314 | — | — | 314 | — | 240,716 |
| Including: Change in fair value of investments in other equity instruments | 240,402 | 314 | — | — | 314 | — | 240,716 |
| 2. Other comprehensive income subsequently able to be reclassified into profit or loss | 34,969 | (13) | — | — | (8) | (5) | 34,961 |
| Including: Items attributable to investees under equity method subsequently reclassified to profit or loss | 550 | — | — | — | — | — | 550 |
| Changes in fair value of investment properties | 34,183 | — | — | — | — | — | 34,183 |
| Exchange differences from translation of financial statement | 236 | (13) | — | — | (8) | (5) | 228 |
| **Total other comprehensive income** | 275,371 | 301 | — | — | 306 | (5) | 275,677 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 16. Total operating income, operating costs

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Principal operating income | **50,236** | 62,607 |
| Other operating income | **2,403** | 3,378 |
| **Total operating income** | **52,639** | 65,985 |
| Principal operating costs | **61,188** | 72,383 |
| Other operating costs | **—** | 5 |
| **Total operating costs** | **61,188** | 72,388 |
| **Gross profit** | **(8,549)** | (6,403) |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 16. Total operating income, operating costs *(Continued)*

***Principal operations — by business segment***

| | For the six months ended 30 June | | | |
|---|---|---|---|---|
| | **2026** | | 2025 (restated) | |
| **Item** | **Operating income** | **Operating costs** | Operating income | Operating costs |
| Advertising business | **27,157** | **32,580** | 24,126 | 32,871 |
| Innovation business | **23,079** | **28,608** | 29,826 | 29,768 |
| Others | **—** | **—** | 8,655 | 9,744 |
| **Total** | **50,236** | **61,188** | 62,607 | 72,383 |

For the six months ended 30 June 2026, the sum of operating income from the top five customers was RMB17,805 thousand, representing 33.82% of operating income.

For the six months ended 30 June 2026, the amount of revenue recognised during the period that was included in the carrying amount at the beginning of the contract liabilities period amounted to RMB4,331 thousand.

Other operating income includes revenue from property rental income of RMB1,836 thousand.

With effect from the first quarter of 2026, the Group has advertising business, the innovation business and other operating segment, whereas prior to 2026, the Group had advertising, printing, trading of printing-related materials, and other operating segment. The Group has updated the presentation of its reportable segments for prior periods to conform with the presentation adopted for the current period.

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 17. Tax and Surcharges

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| Property tax | **462** | 512 |
| Expenses for cultural undertakings development | **171** | 211 |
| Urban maintenance and construction tax | **15** | 52 |
| Education surcharge | **6** | 30 |
| Local education surcharge | **4** | 20 |
| Others | **30** | 21 |
| **Total** | **688** | 846 |

### 18. Financial expenses

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| Interest expenses | **94** | 64 |
| Less: Interest income | **9** | 573 |
| Exchange gain and loss | **(11)** | (2) |
| Add: Commissions and other expenses | **11** | 18 |
| **Total** | **85** | (493) |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 19. Gain on investment

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Investment income from the disposal of financial assets at fair value through profit or loss | **94** | (131) |
| Investment income from holding investments in other equity instruments | **—** | 8,842 |
| Other investment income | **355** | 278 |
| **Total** | **449** | 8,989 |

### 20. Gain on the changes in fair value

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Changes in fair value of transactional financial assets | **2,879** | 2,320 |
| **Total** | **2,879** | 2,320 |

### 21. Impairment loss of credit

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Loss from bad debts | **(1,748)** | (1,783) |
| **Total** | **(1,748)** | (1,783) |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 22. Non-operating income

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| Others | **50** | 380 |
| **Total** | **50** | 380 |

### 23. Non-operating expenses

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| Compensation and late payment charges and fines | **4** | — |
| Others | — | 4 |
| **Total** | **4** | 4 |

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 24. Income tax expenses

#### *(1) Income tax expenses*

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Current income tax expenses | — | (85) |
| **Total** | — | (85) |

#### *(2) Current income tax expenses*

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Current income tax — PRC | — | — |
| Under-provision in prior years — PRC | — | (85) |
| **Total** | — | (85) |

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

### 25. Dividends

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2026 (2025: nil).

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

## VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS *(Continued)*

### 26. Cash and cash equivalents

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Bank deposits and cash | **16,675** | 37,089 |
| Less: Restricted bank deposits | **336** | 336 |
| **Balance of cash and cash equivalents at the end of the period** | **16,339** | 36,753 |

## IX. CHANGES IN CONSOLIDATED SCOPE

### 1. Business combination

There were no changes in the consolidated scope as a result of business combination within the Group.

### 2. Disposal of subsidiaries

There were no changes in the consolidated scope as a result of disposal of subsidiaries within the Group.

### 3. Other reasons for the change of the consolidation scope

There are no changes of the consolidation scope for current period.

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

# X. EQUITY IN OTHER ENTITIES

## 1. Interests in subsidiaries

### *(1) Constitutions for enterprise group*

| Name of subsidiaries | Principal place of business | Place of registration | Business nature | Registered capital | Shareholding percentage (%) Direct | Indirect | Acquisition method |
|---|---|---|---|---|---|---|---|
| BYD Logistics Company Limited | Beijing | Beijing | Logistics and warehousing | 30,000 | 92.84 | — | Establishment |
| Beijing Beiqing Outdoor Advertisement Co., Ltd. | Beijing | Beijing | Advertising services | 10,000 | 100.00 | — | Business combination involving entities under common control |
| Beiqing Network Culture Communication Co., Ltd. | Beijing | Beijing | Advertising services | 15,000 | 100.00 | — | Establishment |
| Chongqing Youth Media Company Limited | Chongqing | Chongqing | Newspaper distribution, advertising services | 30,000 | 60.00 | — | Establishment |
| Beiqing Community Media Technology (Beijing) Co., Ltd. | Beijing | Beijing | Advertising services | 23,477 | 74.12 | 1.70 | Establishment |
| CHONG QING YOUTH (AMERICA) LLC | Florida | Florida | Travel rental | 1,544 | — | 60.00 | Establishment |
| Beijing Beiqing Innovation Cultural Industry Development Co., Ltd. | Beijing | Beijing | Cultural communication | 15,000 | 100.00 | — | Establishment |
| Jingjian (Beijing) Culture Media Co., Ltd. | Beijing | Beijing | Advertising services | 5,000 | 100.00 | — | Business combination involving entities under common control |

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

## X. EQUITY IN OTHER ENTITIES *(Continued)*

### 1. Interests in subsidiaries *(Continued)*

#### *(2) Significant non-wholly-owned subsidiaries*

| Name of subsidiaries | Shareholding percentage of non-controlling shareholders (%) | Gain or loss for the period attributable to non-controlling shareholders | Other comprehensive income attributable to non-controlling shareholders for the period | Balance of non-controlling shareholders' interests as at 30 June 2026 |
|---|---|---|---|---|
| Beiqing Community Media Technology (Beijing) Co., Ltd. | 24.18 | (874) | — | 11,467 |

#### *(3) Major financial information of significant non-wholly-owned subsidiaries*

| Name of subsidiaries | As at 30 June 2026 | | | | | | As at 31 December 2025 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 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 |
| Beiqing Community Media Technology (Beijing) Co., Ltd | **21,718** | **122** | **21,840** | **6,770** | **—** | **6,770** | 30,031 | 186 | 30,217 | 11,533 | — | 11,533 |

| Name of subsidiaries | For the six months ended 30 June 2026 | | | | For the six months ended 30 June 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Operating income | Net profit | Total comprehensive income | Net cash flows from operating activities | Operating income | Net profit | Total comprehensive income | Net cash flows from operating activities |
| Beiqing Community Media Technology (Beijing) Co., Ltd | **5,652** | **(3,615)** | **(3,615)** | **(9,581)** | 12,278 | (2,757) | (2,757) | (3,041) |

None of the subsidiaries had issued any debt securities at the end of the reporting period.

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

# X. EQUITY IN OTHER ENTITIES *(Continued)*

## 2. Interests in associates

### *(1) Constitutions for associates*

| Name of associates | Place of registration | Principal place of business | Business nature | Shareholding percentage (%) Direct | Shareholding percentage (%) Indirect | Percentage of voting rights (%) | Business structure |
|---|---|---|---|---|---|---|---|
| Beijing Shengyi Automobile Technology Co., Ltd. | Beijing | Beijing | Provision of car decoration services, market research, marketing planning | 20.00 | — | 20.00 | Limited liability company |
| Beijing Beisheng United Insurance Agency Co., Limited | Beijing | Beijing | Provision of car insurance agency services | 20.00 | — | 20.00 | Limited liability company |
| BY Times Consulting Co., Ltd. | Beijing | Beijing | Economic information consulting, organizing cultural exchange activities | 30.00 | — | 30.00 | Limited liability company |
| Beijing Beiqing Top Advertising Limited | Beijing | Beijing | Design, production and provision of agency service of advertisements | 41.60 | — | 41.60 | Limited liability company |
| Beijing Shangyou Network Technology Co., Ltd. | Beijing | Beijing | Network E-Commerce | — | 30.00 | 30.00 | Limited liability company |

*Note:* The accounting method for the investment in associates adopted by the Group is equity method.

Beijing Shangyou Network Technology Co., Ltd. is a 30% owned associate of Beiqing Community Media Technology (Beijing) Co., Ltd., a subsidiary of Beijing Media.

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

## X. EQUITY IN OTHER ENTITIES *(Continued)*

### 2. Interests in associates *(Continued)*

#### (2) *Major financial information for associates*

| Item | As at 30 June 2026/ For the six months ended 30 June 2026 | As at 30 June 2025/ For the six months ended 30 June 2025 |
|---|---|---|
| **Associates:** | | |
| Total carrying value of investment | **—** | — |
| Aggregated amounts per shareholding percentage for the followings | | |
| — net profit | **(4)** | — |
| — other comprehensive income | **—** | — |
| — total comprehensive income | **(4)** | — |

*Note:* As of the date of this report, save for BY Times Consulting Co., Ltd., the financial statements of other investees for January to June 2026 had not been obtained.

#### (3) *Excess losses from associates*

| Names of associates | Accumulated unrecognised losses for previous years as at 31 December 2025 | (Unrecognised loss for this period)/net profits shared in this period | Accumulated unrecognised loss as at 30 June 2026 |
|---|---|---|---|
| Beijing Beisheng United Insurance Agency Co., Limited | (728) | — | **(728)** |
| Beijing Shengyi Automobile Technology Co., Ltd. | (1,333) | — | **(1,333)** |
| BY Times Consulting Co., Ltd. | (198) | (4) | **(202)** |
| Beijing Beiqing Top Advertising Limited | (12,619) | — | **(12,619)** |
| Beijing Shangyou Network Technology Co., Ltd. | (20) | — | **(20)** |

*Note:* As of the date of this report, Beijing Shengyi Automobile Technology Co., Ltd., Beijing Beiqing Top Advertising Limited, Beijing Shangyou Network Technology Co., Ltd. and Beijing Beisheng United Insurance Agency Co., Limited have not yet provided their respective financial statements for January to June 2026 to the Company.

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

## X. EQUITY IN OTHER ENTITIES *(Continued)*

### 2. Interests in associates *(Continued)*

#### *(4) Unrecognised commitments relating to investments in associates*

None.

#### *(5) Contingent liabilities relating to investments in associates*

None.

### 3. Equity in investment in other equity instruments

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

| Company name | Place of registration | Principal place of business | Business nature | Shareholding percentage (%) | Fair value as at 30 June 2026 | 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 | 42.61 |
| 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 | 5.66 |
| 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 | 0.32 |
| Beijing International Advertising & Communication Group Co., Ltd. | Beijing | Beijing | Design, production and provision of agency service of advertisements | 11.44 | 36,492 | 5.64 |

## X. EQUITY IN OTHER ENTITIES *(Continued)*

### 3. Equity in investment in other equity instruments *(Continued)*

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

Beiyang Publishing & Media Co., Ltd. (hereinafter referred to as "Beiyang Media") is mainly engaged in the production, printing, publishing and distribution of books, newspapers and magazines. It is the main platform for Hebei Publishing & Media Group Co., Ltd. to perform transformation into corporate and capitalized operations. Currently, the Company holds 43,706,423 shares of Beiyang Media, representing 2.43% of the aggregate share capital of Beiyang Media. The Company's investment in Beiyang Media 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 generally been in a profitable state, with relatively good performance during the period.

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 invested in BIAC to obtain investment returns in 2016. Based on the Company's business transformation strategy and the business situation of BIAC in recent years after investment, the Company may consider gradually advancing its exit plan.

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

## Ⅹ. EQUITY IN OTHER ENTITIES *(Continued)*

### 4. Equity in financial assets held for trading

#### *(1) Basic information on financial assets held for trading*

| Name of counterparty | Types of products | Investment cost as at 30 June 2026 | Unrealised gains and losses for the six months ended 30 June 2026 | Changes in fair value for the six months ended 30 June 2026 | Fair value as at 30 June 2026 | Proportion to total assets (%) |
|---|---|---|---|---|---|---|
| Capital Securities | Fixed-income wealth management products | 70,020 | 8,567 | 8,567 | 78,587 | 12.14 |

#### *(2) Investment strategies for financial assets held for trading*

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

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

## XI. DISCLOSURE OF FAIR VALUES

### Value of assets and liabilities measured at fair value at the end of period and fair value measurement level

| Item | Fair value as at 30 June 2026 | | | |
|---|---|---|---|---|
| | Level 1 Fair value measurement | Level 2 Fair value measurement | Level 3 Fair value measurement | Total |
| I. Fair value measurement on recurring basis | | | | |
| (I) Financial assets held for trading | — | 78,587 | — | 78,587 |
| (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 measured at fair value on recurring basis** | **—** | **163,652** | **351,168** | **514,820** |

The Group's financial assets held for trading consist of bond-type securities investment funds; the fair value of funds 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 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 RMB35,117 thousand in the fair value of the investee.

The fair value of the Group's investment properties 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.

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS

### 1. Relationships with related parties

Related parties of the Group are as follows:

| Relationship | Names of related parties |
|---|---|
| Parent company | BYDA |
| Subsidiary of BYDA | Beijing Youth Journal Agency |
| Subsidiary of BYDA | Beijing Beiqing Education and Media Co., Ltd. |
| Subsidiary of BYDA | Beijing Beiqing Culture and Arts Company |
| Subsidiary of BYDA | Beijing Youth Daily New Media Co., Ltd. (北京青年報新媒體有限公司) |
| Subsidiary of BYDA | Beijing Youth Travel Service Co., Ltd. |
| Subsidiary of BYDA | Beijing China Open Promotion Co., Ltd. |
| Subsidiary of BYDA | Beiqing M-Media (Beijing) Culture Media Co., Ltd. (北青融媒(北京)文化傳媒有限公司) |
| Subsidiary of BYDA | Beijing United Communication Media Technology (Beijing) Co., Ltd. |
| Subsidiary of BYDA | Legal Evening Agency |
| 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 | Beiqing International Investment Consultancy (Beijing) Co., Ltd. (北青國際投資顧問(北京)有限公司) |
| Subsidiary of BYDA | Beijing Daily Printing Company Limited* (北京日報印務有限責任公司) |
| Beijing Capital Group Company Limited | Beijing Capital Group Company Limited |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Chuangyue Xinke Real Estate Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Tianjin Capital Tianye Real Estate Development Co., Ltd. (天津首創天業房地產開發有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing East Ring Xinrong Investment Management Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Beijing MTR Corporation Limited (北京京港地鐵有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Beijing Municipal Economic Development and Investment Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Kangyuan Real Estate Management Co., Ltd. |

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 1. Relationships with related parties *(Continued)*

| Relationship | Names of related parties |
|---|---|
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Beijing Rural Area Equity Exchange Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Agriculture Guaranty Co., Ltd. (北京市農業融資擔保有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Agricultural Investment Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Capital Securities Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Tianjin Ruitai Property Co., Ltd. (天津瑞泰置業有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Capital Jingzhong (Tianjin) Investment Co., Ltd. Infrastructure Investment Branch (首創經中(天津)投資有限公司基礎設施投資分公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Eco-Environment Protection Group Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Huaye Real Estate Development Co., Ltd. (北京首創華業房地產開發有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital City Development Group Co., Ltd. (北京首創城市發展集團有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Beijing Shouchuang Financing Guarantee Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Outlets Property Investment Fang Shan Ltd. (北京首創奧特萊斯房山置業有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Hainan Jintai Tourism Development Co., Ltd. (海南金泰旅業開發有限公司) |

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 1. Relationships with related parties *(Continued)*

| Relationship | Names of related parties |
|---|---|
| Subsidiary of Beijing Capital Group Company Limited | Tianjin Xingtai Jihong Real Estate Co., Ltd. |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Heyuan Housing Rental Co., Ltd.* (北京首創和園住房租賃有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | 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 Company Limited | Beijing Jinping Hotel Co., Ltd.* (北京金平大酒店有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Dongheng Investment Co., Ltd. (北京首創東恒投資有限公司) |
| Subsidiary of Beijing Capital Group Company Limited | Beijing Capital Investment and Development Co., Ltd. |
| Associate of the Company | Beijing Beiqing Top Advertising Limited |
| Associate of the Company | BY Times Consulting Co., Ltd. |
| Associate of the Company | Beijing Beisheng United Insurance Agency Co., Limited |
| Associate of the Company | Beijing Shangyou Network Technology Co., Ltd. |
| Associate of the Company | Beijing Shengyi Automobile Technology Co., Ltd. |
| Other related party | Beijing Beiqing Community Culture Media Investment Centre Limited Partnership |
| Other related parties | Directors, supervisors and senior management personnel |

# XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

## 2. Parent company and ultimate controller

### *(1) Parent company and ultimate controller*

| Name of parent company | 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 |

| Name of ultimate controller | 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 |

### *(2) Parent company's registered capital and its changes*

| Parent company | As at 1 January 2026 | Increase in this period | Decrease in this period | As at 30 June 2026 |
|---|---|---|---|---|
| BYDA | 22,439 | — | — | 22,439 |

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 2. Parent company and ultimate controller *(Continued)*

#### *(3) Shares or equity held by parent company and its changes*

| Parent company | Shareholding amount: As at 30 June 2026 | Shareholding amount: As at 1 January 2026 | Shareholding percentage (%): As at 30 June 2026 | Shareholding percentage (%): As at 1 January 2026 |
|---|---|---|---|---|
| BYDA | **124,840** | 124,840 | **63.27** | 63.27 |

### 3. Related party transactions

#### *(1) Purchase of goods/receipt of services*

| Related parties | Pricing principle for related party transactions | For the six months ended 30 June: **2026** | For the six months ended 30 June: 2025 |
|---|---|---|---|
| BYDA *(Note)* | Contracted price | **54** | 2,685 |
| Subsidiary of Beijing Capital Group Co., Ltd. | Contracted price | **14,022** | 12,955 |
| Subsidiaries of BYDA | Contracted price | **260** | 2,061 |
| **Total** | | **14,336** | 17,701 |

*Note:* Pursuant to the advertising space operating rights and options subscription agreement entered into between the Company and BYDA on 7 December 2004, the Company agreed to pay 16.50% of the advertising revenue to BYDA for the period from 1 October 2004 to 30 September 2033.

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 3. Related party transactions *(Continued)*

#### *(2) Sale of goods/rendering services*

| Related parties | Pricing principle for related party transactions | For the six months ended 30 June 2026 | 2025 |
|---|---|---|---|
| Subsidiaries of BYDA | Contracted price | **1,733** | 7,835 |
| BYDA | Contracted price | **—** | 1,282 |
| Beijing Capital Group Co., Ltd. | Contracted price | **30** | 215 |
| Subsidiary of Beijing Capital Group Co., Ltd. | Contracted price | **6,818** | 1,438 |
| Other related parties | Contracted price | **273** | 408 |
| **Total** | | **8,854** | 11,178 |

#### *(3) Asset Management*

To increase the cash revenue of the Group, the Company entered into the single asset management contract with Capital Securities and the Custodian Bank 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 Company 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 with an original investment cost of RMB160,000 thousand and as at 30 June 2026, the portion of the asset management product was 70,020 thousand with a fair value of RMB78,587 thousand.

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 3. Related party transactions *(Continued)*

#### *(4) Leasing (The Group as lessor)*

| Lessee | Type of assets leased | Date of commencement | Date of termination | Basis for rental income | Rental income recognised for this period |
|---|---|---|---|---|---|
| Beijing Rural Area Equity Exchange Co., Ltd. | Building | 2022-4-1 | 2028-3-31 | Contracted price | 725 |
| Beijing Agricultural Investment Co., Ltd. | Building | 2022-4-1 | 2028-3-31 | Contracted price | 595 |
| Beijing Municipal Economic Development and Investment Co., Ltd. | Building | 2026-4-1 | 2026-12-31 | Contracted price | 376 |

#### *(5) Leasing (The Group as lessee)*

| Lessor | Type of assets leased | Date of commencement | Date of termination | Basis for rental fees | Rental expenses recognised for this period |
|---|---|---|---|---|---|
| Beijing Municipal Economic Development and Investment Co., Ltd. | Building | 2023-1-1 | 2026-3-31 | Contracted price | 128 |
| Beijing Municipal Economic Development and Investment Co., Ltd. | Building | 2024-5-6 | 2027-5-5 | Contracted price | 268 |
| Beijing Municipal Economic Development and Investment Co., Ltd. | Building | 2026-4-1 | 2026-12-31 | Contracted price | 376 |

#### *(6) Remuneration for key management personnel*

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Remuneration for key management personnel | **890** | 521 |

#### *(7) Related party guarantees*

None.

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 4. Balances with related parties

#### *(1) Receivables*

| Related parties | As at 30 June 2026 Carrying amount | As at 30 June 2026 Provision for bad debts | As at 31 December 2025 Carrying amount | As at 31 December 2025 Provision for bad debts |
|---|---|---|---|---|
| BYDA | **8,253** | **7,312** | 8,253 | 6,995 |
| Associate of the Company | **31,831** | **31,831** | 31,831 | 31,831 |
| Subsidiaries of BYDA | **123,222** | **112,997** | 122,086 | 112,955 |
| Beijing Capital Group Co., Ltd. | **32** | **2** | — | — |
| Subsidiaries of Beijing Capital Group Co., Ltd. | **6,774** | **543** | 3,163 | 435 |
| **Total** | **170,112** | **152,685** | 165,333 | 152,216 |

#### *(2) Other receivables due from related parties*

| Related parties | As at 30 June 2026 Carrying amount | As at 30 June 2026 Provision for bad debts | As at 31 December 2025 Carrying amount | As at 31 December 2025 Provision for bad debts |
|---|---|---|---|---|
| BYDA | **2,000** | **—** | 2,000 | — |
| Associate of the Company | **39** | **39** | 39 | 39 |
| Subsidiaries of BYDA | **1,539** | **490** | 1,608 | 490 |
| Subsidiary of Beijing Capital Group Co., Ltd. | **9,302** | **—** | 7,734 | — |
| Other related parties | **613** | **533** | 613 | 533 |
| **Total** | **13,493** | **1,062** | 11,994 | 1,062 |

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 4. Balances with related parties *(Continued)*

#### *(3) Accounts payable by related parties*

| Related parties | **As at 30 June 2026** | As at 31 December 2025 |
|---|---|---|
| BYDA | **8,568** | 6,710 |
| Subsidiaries of BYDA | **3,059** | 3,059 |
| Subsidiary of Beijing Capital Group Co., Ltd. | **541** | 541 |
| **Total** | **12,168** | 10,310 |

#### *(4) Other payables by related parties*

| Related parties | **As at 30 June 2026** | As at 31 December 2025 |
|---|---|---|
| BYDA | **2,463** | 2,423 |
| Subsidiaries of BYDA | **1,092** | 1,092 |
| Subsidiary of Beijing Capital Group Co., Ltd. | **492** | 385 |
| **Total** | **4,047** | 3,900 |

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

## XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)*

### 4. Balances with related parties *(Continued)*

#### *(5) Contract liabilities to related parties*

| Related parties | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Subsidiary of Beijing Capital Group Co., Ltd. | **213** | 134 |
| Subsidiaries of BYDA | **865** | 967 |
| **Total** | **1,078** | 1,101 |

#### *(6) Prepayments from related parties*

| Related parties | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Subsidiaries of BYDA | **2,470** | 2,470 |
| Subsidiary of Beijing Capital Group Co., Ltd. | **7,175** | 134 |
| **Total** | **9,645** | 2,604 |

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

## XIII. COMMITMENTS AND CONTINGENCIES

In addition to the commitments disclosed in the other notes to the financial statements, the Group also had the following commitments:

### (1) The Group as lessee

As at 30 June 2026, the Group had contracted for the minimum lease payments under non-cancelable leases during following periods:

| Period | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Within 1 year | **667** | 2,078 |
| 1–2 years | **—** | 32 |
| **Total** | **667** | 2,110 |

### (2) The Group as lessor

As at 30 June 2026, the Group had contracted with tenants for the following future minimum lease payments:

| Period | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Within 1 year | **3,107** | 3,165 |
| 1–2 years | **2,159** | 2,879 |
| **Total** | **5,266** | 6,044 |

## XIV. POST-BALANCE SHEET EVENTS

The Group has no major post-balance sheet events that need to be disclosed as of 30 June 2026.

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

## XV. SEGMENT INFORMATION

Prior to 1 January 2026, the Group's reportable segments comprised the advertising business, the printing business, the trading of print-related materials business, and others. With effect from 1 January 2026, our principal operating decision maker reviews information based on the new reporting structure, and the segment reporting has been updated accordingly to reflect this change.

The updated reportable segments include (i) the advertising business, which comprises the sales of multi-interface convergence media advertising and event planning; and (ii) the innovative business, which encompasses comprehensive services including culture annual pass sales, the youth student travel, the operation of cultural and sports events, and new media operation and maintenance. All businesses within the innovative business require iterative business models and greater resource allocation. Our management will regularly review the development of these businesses and dynamically adjust resource allocation and strategies.

The changes in segment disclosure better reflect the Group's updated business strategies, the development stages and financial performance of various businesses, and are more closely aligned with the Group's resource allocation. Accordingly, the Company has updated the presentation of its reportable segments for prior periods to conform with the presentation adopted for the current period.

The price of intra-segment transactions is determined with reference to market rates. The segments are:

| Business segments | Principal activities |
|---|---|
| Advertising business: | Sales of multi-interface media advertising and event planning |
| Innovation business: | Sales of Culture Annual Pass, youth student travel, cultural and sports event operations and new media operation and maintenance comprehensive services |

### For the six months ended 30 June 2026

| Item | Advertising business | Innovation business | Others | Elimination | Total |
|---|---|---|---|---|---|
| Revenue from external transactions | 27,157 | 23,079 | 2,403 | — | 52,639 |
| Revenue from intra-segment transactions | — | 20 | 192 | (212) | — |
| Operating revenue | 27,157 | 23,099 | 2,595 | (212) | 52,639 |
| Operating profit (loss) | (9,817) | (12,499) | 1,900 | (5) | (20,421) |

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

## XV. SEGMENT INFORMATION *(Continued)*

### For the six months ended 30 June 2025 (restated)

| Item | Advertising business | Innovation business | Others | Elimination | Total |
|---|---|---|---|---|---|
| Revenue from external transactions | 24,126 | 29,826 | 12,033 | — | 65,985 |
| Revenue from intra-segment transactions | 6 | 137 | 2,098 | (2,241) | — |
| Operating revenue | 24,132 | 29,963 | 14,131 | (2,241) | 65,985 |
| Operating profit (loss) | (18,624) | (22,077) | (1,382) | 21,347 | (20,736) |

The business of the Group is mainly located in Beijing, China.

## XVI. OTHER SIGNIFICANT EVENTS

### Carrying amount of assets leased out under operating leases

| Category of assets leased out under operating leases | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| Investment properties and fixed assets | **85,065** | 85,065 |
| **Total** | **85,065** | 85,065 |

## XVII. SUPPLEMENTARY INFORMATION

### 1. Earnings per share

| | For the six months ended 30 June | |
|---|---|---|
| **Item** | **2026** | 2025 |
| Net profit for the half-year attributable to shareholders of the Company | **(19,427)** | (19,047) |
| Weighted average number of issued ordinary shares (thousand shares) | **197,310** | 197,310 |
| **Basic earnings per share (RMB)** | **(0.10)** | (0.10) |

The basic earnings per share and diluted earnings per share for the six months ended 30 June 2025 and 2026 were the same as there was no dilution incurred during the periods.

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 2. Balance sheet of the Company (unaudited)

*Unit: RMB'000*

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| **Current assets:** | | |
| Bank balances and cash | **6,525** | 12,004 |
| Financial assets held for trading | **78,587** | 124,783 |
| Notes receivable | **—** | 342 |
| Accounts receivable | **38,477** | 22,177 |
| Prepayments | **25,496** | 19,483 |
| Other receivables | **20,638** | 15,524 |
| Inventories | **143** | 142 |
| Other current assets | **25,416** | 25,380 |
| **Total current assets** | **195,282** | 219,835 |
| **Non-current assets:** | | |
| Long-term equity investment | **173,630** | 170,180 |
| Investment in other equity instruments | **349,103** | 349,103 |
| Investment properties | **85,064** | 85,064 |
| Fixed assets | **387** | 482 |
| Intangible assets | **7,743** | 7,984 |
| Long-term deferred expenses | **3,888** | 3,516 |
| **Total non-current assets** | **619,815** | 616,329 |
| **Total assets** | **815,097** | 836,164 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 2. Balance sheet of the Company (unaudited) *(Continued)*

*Unit: RMB'000*

| Item | As at 30 June 2026 | As at 31 December 2025 |
|---|---|---|
| **Current liabilities:** | | |
| Accounts payable | **15,066** | 10,578 |
| Contract liabilities | **10,850** | 7,670 |
| Employee benefits payable | **3,762** | 13,278 |
| Taxes payable | **201** | 232 |
| Other payables | **41,853** | 45,944 |
| Other current liabilities | **649** | 390 |
| **Total current liabilities** | **72,381** | 78,092 |
| **Total non-current liabilities** | **—** | — |
| **Total liabilities** | **72,381** | 78,092 |
| **Shareholders' equity:** | | |
| Share capital | **197,310** | 197,310 |
| Capital reserves | **902,365** | 902,365 |
| Other comprehensive income | **274,276** | 274,276 |
| Surplus reserves | **130,931** | 130,931 |
| Undistributed profits | **(762,166)** | (746,810) |
| **Total shareholders' equity** | **742,716** | 758,072 |
| **Total liabilities and shareholders' equity** | **815,097** | 836,164 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 3. Income statement of the Company (unaudited)

*Unit: RMB'000*

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| **Total operating income** | **43,710** | 30,263 |
| Less: Operating costs | **50,550** | 35,839 |
| Tax and surcharges | **614** | 614 |
| Administrative expenses | **9,381** | 12,364 |
| Financial expenses | — | 21 |
| Including: Interest expenses | — | 22 |
| Interest income | **4** | 6 |
| Add: Other income | **29** | 14 |
| Investment income | **94** | 8,711 |
| Including: Gain from investments in associates | — | — |
| Gain on the changes in fair value | **2,879** | 2,320 |
| Impairment loss of credit | **(1,523)** | (2,154) |
| Impairment loss of asset | — | (21,100) |
| **Operating profit** | **(15,356)** | (30,784) |
| Add: Non-operating income | — | — |
| Less: Non-operating expenses | — | — |
| **Total profit** | **(15,356)** | (30,784) |
| Less: Income tax expenses | — | — |
| **Net profit** | **(15,356)** | (30,784) |
| Other comprehensive income | — | 34,183 |
| **Total comprehensive income** | **(15,356)** | 3,399 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 4. Cash flow statement of the Company (unaudited)

*Unit: RMB'000*

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| **I. Cash flows from operating activities:** | | |
| Cash received from the sales of goods and the rendering of services | **31,482** | 32,336 |
| Taxes refund received | **—** | 614 |
| Other cash receipts relating to operating activities | **283** | 11,463 |
| **Sub-total of cash inflows from operating activities** | **31,765** | 44,413 |
| Cash paid for goods purchased and services received | **46,162** | 30,520 |
| Cash paid to and on behalf of employees | **24,377** | 18,752 |
| Payments of taxes and surcharges | **647** | 716 |
| Other cash payments relating to operating activities | **8,618** | 4,581 |
| **Sub-total of cash outflows from operating activities** | **79,804** | 54,569 |
| **Net cash flows from operating activities** | **(48,039)** | (10,156) |
| **II. Cash flows from investing activities:** | | |
| Cash received from sales of investments | **44,570** | 16,263 |
| Cash received from returns on investment | **4,599** | 8,202 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | **—** | — |
| Other cash receipts relating to investing activities | **—** | — |
| **Sub-total of cash inflows from investing activities** | **49,169** | 24,465 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 4. Cash flow statement of the Company (unaudited) *(Continued)*

*Unit: RMB'000*

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | **1,659** | 2,003 |
| Cash paid for investment | **3,450** | 31,330 |
| Other cash payments relating to investing activities | **1,500** | — |
| **Sub-total of cash outflows from investing activities** | **6,609** | 33,333 |
| **Net cash flows from investing activities** | **42,560** | (8,868) |
| **III. Cash flows from financing activities:** | | |
| Cash received from investments | **—** | — |
| Including: cash investments from non-controlling shareholders of subsidiaries | **—** | — |
| Cash received from borrowings obtained | **—** | 9,000 |
| Other cash receipts relating to financing activities | **—** | — |
| **Sub-total of cash inflows from financing activities** | **—** | 9,000 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 4. Cash flow statement of the Company (unaudited) *(Continued)*

*Unit: RMB'000*

| Item | For the six months ended 30 June 2026 | 2025 |
|---|---|---|
| | **2026** | 2025 |
| Payments to Repay Debt | — | 400 |
| Cash payments for distribution of dividends or profits or interest expense | — | — |
| Including: dividends or profits paid to non-controlling shareholders of subsidiaries | — | — |
| Other cash payments relating to financing activities | — | 411 |
| **Sub-total of cash outflows from financing activities** | — | 811 |
| **Net cash flows from financing activities** | — | 8,189 |
| **IV. Effect of exchange rate changes on cash and cash equivalents** | — | — |
| **V. Net increase in cash and cash equivalents** | **(5,479)** | (10,835) |
| Add: Balance of cash and cash equivalents at the beginning of the period | **12,004** | 16,595 |
| **VI. Balance of cash and cash equivalents at the end of the period** | **6,525** | 5,760 |

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

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 5. Statement of changes in shareholders' equity of the Company

*Unit: RMB'000*

| Item | For the six months ended 30 June 2026 Share capital | Capital reserve | Other comprehensive income | Surplus reserve | Undistributed profits | Total shareholders' equity |
|---|---|---|---|---|---|---|
| **Balance as at 1 January 2026** | **197,310** | **902,365** | **274,276** | **130,931** | **(746,810)** | **758,072** |
| Net profits | — | — | — | — | (15,356) | (15,356) |
| Other comprehensive income | — | — | — | — | — | — |
| Others | — | — | — | — | — | — |
| **Sub-total of the changes for the period** | **—** | **—** | **—** | **—** | **(15,356)** | **(15,356)** |
| **Balance as at 30 June 2026** | **197,310** | **902,365** | **274,276** | **130,931** | **(762,166)** | **742,716** |

*Unit: RMB'000*

| Item | For the six months ended 30 June 2025 Share capital | Capital reserve | Other comprehensive income | Surplus reserve | Undistributed profits | Total shareholders' equity |
|---|---|---|---|---|---|---|
| **Balance as at 1 January 2025** | 197,310 | 902,365 | 228,665 | 130,931 | (677,492) | 781,779 |
| Net profits | — | — | — | — | (30,784) | (30,784) |
| Other comprehensive income | — | — | 34,183 | — | — | 34,183 |
| Others | — | — | — | — | — | — |
| **Sub-total of the changes for the period** | — | — | 34,183 | — | (30,784) | 3,399 |
| **Balance as at 30 June 2025** | 197,310 | 902,365 | 262,848 | 130,931 | (708,276) | 785,178 |

## XVII. SUPPLEMENTARY INFORMATION *(Continued)*

### 5. Statement of changes in shareholders' equity of the Company *(Continued)*

*Note:* In accordance with the PRC regulations and the articles of association of the Company, the respective subsidiaries of the Group are required to transfer 10% of the profit after tax, determined in accordance with the PRC Accounting Standards, every year to statutory surplus reserves 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 reduction of losses, any other usage should not result in the balance of surplus reserve falling below 25% of the registered share capital.

### 6. Distributable reserve

As of 30 June 2026, the Company's undistributed profits amounted to RMB-762,166 thousand (31 December 2025: RMB-746,810 thousand). Surplus reserve for the Company was RMB130,931 thousand (31 December 2025: RMB130,931 thousand). According to the articles of association of the Company, the surplus reserve can be used to offset the accumulated losses through approval from the general meeting.

## XVIII. APPROVAL OF FINANCIAL REPORT

This financial report was approved by the Board of the Company on 21 August 2026.

**Beijing Media Corporation Limited**
21 August 2026