



HK Stock Code: 1000

2024

INTERIM

REPORT

Beijing Media Corporation Limited

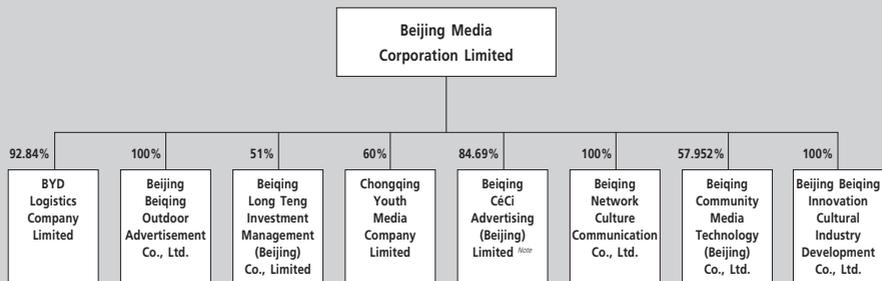
A joint stock company incorporated
in the People's Republic of China with limited liability

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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”). The Group’s main advertising medium is Beijing Youth Daily. Other core businesses of the Group include the production and printing of newspapers, and trading of printing-related materials. The Company was listed on the Main Board of Hong Kong Stock Exchange on 22 December 2004.

Company Structure (as at 30 June 2024)



Note: On 30 November 2023, the Company received a ruling from the First Intermediate People’s Court of Beijing confirming the formal acceptance of the application of Beijing CéCi Advertising (Beijing) Limited (“Beijing CéCi”) for bankruptcy and liquidation. The First Intermediate People’s Court of Beijing issued an announcement on 6 December 2023, appointing Beijing JinTai Law Firm as the Administrator. On 21 December 2023, the handover between Beijing CéCi 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 2024): 197,310,000 shares
- Market Capitalisation (as at 30 June 2024): HK\$78.92 million
- Financial Year End: 31 December
- Bloomberg’s Stock Machine Search Code: 1000HKEquity
- Reuters Stock Machine Search Code: 1000.HK

AS AT 30 JUNE 2024

EXECUTIVE DIRECTORS

Jing Enji (*President*)

Wu Min (*Vice President*)

NON-EXECUTIVE DIRECTORS

Sun Baojie (*Chairman*)

Cui Ping

Wang Hao

Zhang Lei

Wang Zechen

INDEPENDENT NON-EXECUTIVE DIRECTORS

Shi Hongying

Chan Yee Ping, Michael

Du Guoqing

Kong Weiping

JOINT COMPANY SECRETARIES

Yu Leung Fai

Liu Jia

AUDIT COMMITTEE

Chan Yee Ping, Michael (*Chairman*)

Cui Ping

Kong Weiping

REMUNERATION COMMITTEE

Shi Hongying (*Chairman*)

Wang Hao

Du Guoqing

NOMINATION COMMITTEE

Sun Baojie (*Chairman*)

Shi Hongying

Du Guoqing

AUTHORISED REPRESENTATIVES

Sun Baojie

Jing Enji

ALTERNATIVE AUTHORISED REPRESENTATIVE

Yu Leung Fai

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

10/F, Guangdong Investment Tower,
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LEGAL ADVISER

as for Hong Kong Law
DLA Piper Hong Kong
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AUDITOR^(Note)

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: Upon the approval at the AGM of the Company held on 14 June 2024, ShineWing Certified Public Accountants (Special General Partnership) was appointed as the Company's auditor for the year 2024. Please refer to the announcements of the Company dated 10 May 2024 and 14 June 2024 for details.

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 2024 (the "First Half of 2024" or the "Reporting Period").

BUSINESS REVIEW OF THE GROUP

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

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

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

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

BUSINESS REVIEW OF THE GROUP *(Continued)*

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

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

Accelerating innovation breakthroughs to build core competitiveness

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

BUSINESS REVIEW OF THE GROUP *(Continued)***Accelerating innovation breakthroughs to build core competitiveness** *(Continued)*

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

Thirdly, the Group expanded its cultural and sports events business in depth, and actively promoted existing IPs through event planning to facilitate commercial realisation, including the in-depth development of cycling IP brand activities, and the successful organisation of the 2024 Beijing Tongzhou Federation of Trade Unions Large-scale Cycling Event for Thousands of Persons (2024年北京市通州區總工會千人大型騎游活動). The Group planned and executed the launching ceremony of "Sports Events in Scenic Spots, Neighborhoods and Commercial Districts" organised by the General Administration of Sports of China, etc., and the launching ceremony and stage activities of "Night Moves in Beijing-Tide to You (夜動京城·潮你而來)" Sports Carnival, signed a strategic cooperation agreement with the Beijing Sports Industry Association, and successfully promoted the strategic cooperation of Street Dance Competition of KOD 20th Anniversary, etc. Also, the Group developed and launched our own outdoor-themed WeChat mini program "Qingzong (青蹤)", which is used to support offline activities and competitions promotion, and has 1,513 registered members.

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

BUSINESS REVIEW OF THE GROUP *(Continued)*

Strengthening corporate governance to improve efficiency and control risks

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

Revitalizing the idle assets, continuously increasing investment income

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

Advertising Business

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

BUSINESS REVIEW OF THE GROUP (Continued)**Advertising Business (Continued)**

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

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

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

In light of the new business requirements in metro advertising, at the management level, we have improved outdoor sales and operation team and built customer relationship management (CRM) system for metro advertising sales to ensure stable operation of the new business. At the marketing level, we proactively developed creative advertising products to enhance our market competitiveness, including cooperating in IP resources with Tencent, Huace Media, Teddy Bear and POP MART, and advancing the construction of metro IP space, and cooperating with brand customers to launch customised creative advertisements to strengthen the interactivity and interaction of the advertisements, satisfy the personalised needs of customers and effectively enhance the brand effect of both parties. On 9 April 2024, the "Redmi&Harry Potter" theme advertisement was launched on Beijing Metro Line 4, which attracted the public and became a photogenic spot, and quickly triggered a hot discussion on social media, with related topics being pushed to the top of the local trending topic in Beijing on the same day on the TikTok (抖音). At the same time, we actively improved the construction of outdoor advertising products, deepened the cooperation with industry associations, engaged with various types of advertising resources, and participated in the development of advertising resources in high-speed rail, business areas and other fields, in order to plan and create a multifarious outdoor advertising product portfolio and promote business performance of advertising.

BUSINESS REVIEW OF THE GROUP (Continued)

Advertising Business (Continued)

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

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

3. *Empowerment of special activities and innovating brand services*

We achieved precise positioning and empowered advertisers with special brand activities, including the 16th Beiqing Fortune Star List (第十六屆北青財星榜), the First Beiqing Elderly Service Brand List Award Ceremony (首屆北青養老服務品牌總榜頒獎典禮), the "New Circuit and New Opportunities" Elderly Service and Investment Forum for the Silver Age ("新賽道新機遇"銀髮時代養老服務和投資論壇), and the "Youth Doing Their Best to Win the Future" Beiqing Real Estate Old Friends Meeting ("青盡全力·共贏未來"北青地產老友見面會), the 2023 Beiqing Youth Car Selection (2023北青年度車評選), the 2023 Beiqing Youth Real Estate Selection Ceremony (2023北青年度房產評選盛典) and other brand activities. We jointly established the Beiqing Elderly Service Brand Alliance (北青養老服務品牌聯盟) with 14 benchmark enterprises in the capital's elderly care industry, and formulated the media integration series of activities for the first "Qingxiaoyou (青小郵)" Journalist Competition for the Postal Savings Bank of China (Beijing Branch). Through the creation of a diversified service platform, the Company has enhanced customers' sense of identity and loyalty to the Company's brand and promoted advertising.

BUSINESS REVIEW OF THE GROUP (Continued)**Results of major subsidiaries of the Group**

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

In the First Half of 2024, Beiqing Community Media continued to optimise its business structure, promoted the integration of technology and business, and strengthened resource integration and business synergies. First, focusing on business innovation, it actively explored new customer acquisition channels for government and enterprises, including cooperation mechanism with subsidiaries of Beijing TV Station in respect of government-affiliated new media, the joint creation of newspapers and TV columns such as legal services, famous doctors and famous teachers, and the most beautiful police officer. In addition, it expanded new government-affiliated service projects such as external publicity services, advertising agencies, and immediate handling of complaint, provided planning and publicity services for the marketing activities of Beijing Agriculture Guaranty Co., Ltd.* (北京市農業融資擔保有限公司), and entered into a marketing new media account operation service project with Beijing Capital Grand Limited, as well as a short video service project for Beijing City Green District Facilities Development Company Limited. Second, it deeply developed the types of offline activities, explored the operation and branding of community cultural space around community services, unveiled and put into operation the first "Beiqing Community HUI (北青社區HUI)" project in the Yangguang Beili Community in Haidian District, hosting the activities of the Beijing Association for Science and Technology for popularising science in the community (北京科學技術協會科普進社區活動), the people's propaganda activities in Xicheng District (西城區街道百姓宣講活動), the National Reading Season Activities in Haidian District (海淀區全民閱讀季活動), the Publicity and Education Activities for Socialized Retirees in Daxing District (大興區社會化管理退休人員宣傳教育活動), etc., and has made a breakthrough in hosting the 2024 Wenyuhe Tennis Invitational Tournament in Shunyi District, Beijing. In addition, it actively explored AIGC technology to empower media business, using online intelligent text review, text creation, AI drawing and other functions in the project to promote the digital transformation of our business and technology based on its own business advantages.

BUSINESS REVIEW OF THE GROUP (Continued)**Results of major subsidiaries of the Group** (Continued)

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

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

PROSPECTS AND FUTURE PLANS

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

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

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

In the second half of 2024, the Group will continuously play the role of a market-oriented expansion platform for the cultural and sports industry of the Capital Group and the integration and cultivation platform for the quality business of BYDA, strengthen the operation of community cultural spaces and the development of activities, and build a special brand for youth student travel to accelerate the development of business integration and to increase the market share through the synergy of resources and the distribution.

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

The Group's business in the First Half of 2024 was based on the concerted efforts of the entire management teams and staff in each of our business units. The Group's key success factors were the keen insights to 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 the entire management teams and staff in each of our business units.

Sun Baojie

Chairman

23 August 2024
Beijing, the PRC

FINANCIAL POSITION AND OPERATIONAL RESULTS

1. Total Operating Revenue

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

2. Operating Costs and Tax and Surcharges

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

3. Selling Expenses

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

4. Administrative Expenses

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

FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)***5. Financial Expenses**

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

6. Share of Gains of Associates

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

7. Operating Profit

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

8. Income Tax Expenses

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

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

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

FINANCIAL POSITION AND OPERATIONAL RESULTS *(Continued)***10. Financial Resources and Liquidity**

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

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

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

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

11. Bank Borrowings, Overdrafts and Other Borrowings

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

12. Gearing Ratio

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

SHARE STRUCTURE (AS AT 30 JUNE 2024)

	Number of shares	Proportion to total share capital (%)
Holders of domestic shares		
— Beijing Youth Daily Agency	124,839,974	63.27
— Beijing Chengshang Cultural Communication Co., Ltd.	7,367,000	3.73
— China Telecommunication Broadcast Satellite Co., Ltd.	4,263,117	2.16
— Beijing Development Area Ltd.	2,986,109	1.52
— Sino Television Co., Ltd.	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 2024, so far as the Directors, supervisors (“Supervisors”) and chief executive of the Company are aware, according to the register of interests and/or short positions in shares required to be kept pursuant to Section 336 of Part XV of the Securities and Futures Ordinance (“SFO”), the persons in the following table had an interest and/or short position in the shares or underlying shares of the Company:

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

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

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

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

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

CAPITAL EXPENDITURE

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

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

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

FOREIGN EXCHANGE RISKS

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

EMPLOYEES

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

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

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

MATERIAL INVESTMENTS

The Company entered into the single asset management contract with Capital Securities and the Beijing Branch of Bank of Communications Co., Ltd. on 19 April 2022, pursuant to which, the Company entrusted Capital Securities to provide asset management and investment services, with a term of one year from the date of approval by the Independent Shareholders at the AGM (i.e. 17 June 2022). The above single asset management scheme has been approved by the shareholders of the Company to make certain optimization adjustments and extend the term for another three years to 16 June 2026. As at 30 June 2024, the Company’s investments in the above asset management accounted for more than 5% of the Group’s total assets. Please refer to VIII.1. “Financial assets held for trading” and X.4. “Equity in financial assets held for trading” to the Notes to Financial Statements of this report for details. For details of the above transaction, please refer to the announcements of the Company dated 19 April 2022 and 25 April 2023 and the circulars of the Company dated 26 May 2022 and 25 May 2023.

As at 30 June 2024, the Company’s investments in Beiyang Publishing & Media Co., Ltd. and Beijing Keyin Media Culture Co., Ltd. accounted for over 5% of the Group’s total assets in value. For details of such significant investments, please refer to note VIII.7. headed “Investment in other equity instruments” and note X.3. headed “Equity in investment in other equity instruments” to the financial statements of this report.

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

MATERIAL ACQUISITION AND DISPOSAL OF ASSETS

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

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

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

COMPLIANCE WITH LAWS, REGULATIONS AND CORPORATE GOVERNANCE CODE

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

COMPLIANCE WITH THE MODEL CODE

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

AUDIT COMMITTEE

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

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

DISTRIBUTABLE RESERVE

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

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

INTERIM DIVIDEND

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

CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

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

Mr. Jing Enji ceased to serve as the chairman of Beijing Youth Camp Education Technology Co., Ltd.* (北京青年營教育科技有限公司) since May 2024.

Mr. Chan Yee Ping, Michael ceased to serve as the company secretary of China Sunshine Paper Holdings Company Limited (shares listed on the Main Board of the Stock Exchange, stock code: 2002) since June 2024; ceased to serve as the independent non-executive Director of China Sandi Holdings Limited (shares listed on the Main Board of the Stock Exchange, stock code: 910) since September 2024. In addition, Mr. Chan was an independent non-executive director of SoftMedx (Stock Code: 648), the Securities and Futures Commission of Hong Kong has commenced legal proceedings in the Court of First Instance of Hong Kong to seek disqualification orders against the company and the relevant directors (including Mr. Chan) for allegedly breaching their fiduciary duties. The Board will monitor the progress of the aforesaid matter on an on-going basis and will assess Mr. Chan's suitability to serve as an independent non-executive Director. Please refer to the announcement of the Company dated 5 September 2024 for details.

Ms. Shi Hongying has served as Deputy Director of Criminal Laws Professional Committee to the 12th Beijing Lawyers Association since June 2024.

Mr. Kong Weiping has served as the external director of Beijing Gas Energy Development Co., Ltd. since March 2024 and served as the independent non-executive director of Tianshan Material Co., Ltd. since April 2024.

Mr. Liu Huibin has served as the chairman of the Supervisory Committee of Beijing Capital Eco-Environment Protection Group Co., Ltd. (600008.SH) since February 2024.

<i>Unit: RMB'000</i>			
Items	Notes	As at 30 June 2024	As at 31 December 2023
Current assets:			
Bank balances and cash		63,740	76,285
Financial assets held for trading	VIII.1	134,148	156,523
Notes receivable		—	151
Accounts receivable	VIII.2	30,855	21,379
Prepayments	VIII.3	8,001	3,854
Other receivables	VIII.4	24,442	15,871
Inventories		6,469	4,002
Other current assets	VIII.5	26,629	27,179
Total current assets		294,284	305,244
Non-current assets:			
Long-term equity investment	VIII.6	1,664	3,041
Investment in other equity instruments	VIII.7	303,414	303,414
Other non-current financial assets		—	253
Investment properties	VIII.8	77,602	77,602
Fixed assets	VIII.9	1,207	699
Right-of-use assets		2,084	2,748
Intangible assets	VIII.10	16,900	17,248
Long-term deferred expenses		893	1,362
Other non-current assets	VIII.11	—	—
Total non-current assets		403,764	406,367
Total assets		698,048	711,611

CONSOLIDATED BALANCE SHEET (UNAUDITED)

2024

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

For the six months ended 30 June 2024

BEIJING MEDIA CORPORATION LIMITED

		<i>Unit: RMB'000</i>	
Items	<i>Notes</i>	As at 30 June 2024	As at 31 December 2023
Current liabilities:			
Notes payable		20,131	15,593
Accounts payable	<i>VIII. 13</i>	14,392	17,661
Receipts in advance		47	—
Contract liabilities		7,914	13,673
Employee benefits payable		7,942	7,118
Taxes payable		286	453
Other payables	<i>VIII. 14</i>	13,678	15,765
Non-current liabilities due within one year		1,443	1,004
Other current liabilities		3,674	740
Total current liabilities		69,507	72,007
Non-current liabilities:			
Leased liabilities		373	1,467
Deferred income tax liabilities		3,163	3,163
Total non-current liabilities		3,536	4,630
Total liabilities		73,043	76,637
Shareholders' equity:			
Share capital		197,310	197,310
Capital reserves		934,606	934,606
Other comprehensive income	<i>VIII. 15</i>	193,409	193,326
Surplus reserves		130,931	130,931
Undistributed profits		(841,193)	(832,966)
Total equity attributable to shareholders of the Company		615,063	623,207
Non-controlling interest		9,942	11,767
Total shareholders' equity		625,005	634,974
Total liabilities and shareholders' equity		698,048	711,611
Net current assets		224,777	233,237
Total assets less current liabilities		628,541	639,604

Unit: RMB'000

For the six months ended
30 June

Items	Notes	2024	2023
Total operating revenue	VIII.16	91,732	80,666
Total operating costs		110,270	92,703
Less: Operating costs	VIII.16	86,885	68,649
Tax and surcharges	VIII.17	999	1,117
Selling expenses		6,908	7,320
Administrative expenses		16,186	15,845
Financial expenses	VIII.18	(708)	(228)
Including: Interest expenses		39	—
Interest income		783	268
Add: Other income		37	47
Investment income	VIII.19	11,103	8,057
Including: Gain from investments in associates		(1,377)	—
Gain on the changes in fair value	VIII.20	(5,563)	3,764
Impairment loss of credit	VIII.21	2,893	(3,922)
Impairment loss of assets		—	(194)
Gain on disposal of assets		1	3
Operating profit		(10,067)	(4,282)
Add: Non-operating income	VIII.22	13	4
Less: Non-operating expenses	VIII.23	38	93
Total profit		(10,092)	(4,371)
Less: Income tax expenses	VIII.24	15	(31)
Net profit		(10,107)	(4,340)
Net profit attributable to:			
Net profit from continuing operations		(10,107)	(4,340)
Net profit from discontinued operations		—	—
Shareholders of the Company		(8,227)	(4,155)
Non-controlling shareholders		(1,880)	(185)

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

For the six months ended 30 June 2024

		<i>Unit: RMB'000</i>	
		For the six months ended 30 June	
Items	<i>Notes</i>	2024	2023
Other net comprehensive income after tax		138	206
Other comprehensive income attributable to shareholders of the Company, net after tax	<i>VIII.15</i>	83	124
Including: Other comprehensive income that will be subsequently reclassified into profit or loss		83	124
Including: Exchange differences from translation of financial statements		83	124
Other comprehensive income attributable to non-controlling shareholders, net after tax		55	82
Total comprehensive income		(9,969)	(4,134)
Total comprehensive income attributable to shareholders of the Company		(8,144)	(4,031)
Total comprehensive income attributable to non-controlling shareholders		(1,825)	(103)
Earnings per share:			
Basic earnings per share (RMB)	<i>XVII.1</i>	(0.04)	(0.02)
Diluted earnings per share (RMB)	<i>XVII.1</i>	(0.04)	(0.02)
Dividends	<i>VIII.25</i>	—	—

For the six months ended 30 June 2024

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

		<i>Unit: RMB'000</i>	
		For the six months ended 30 June	
Items	Notes	2024	2023
I. Cash flows from operating activities:			
Cash received from sales of goods and provision of service		80,319	83,023
Tax refund received		626	523
Other cash receipt relating to operating activities		5,249	6,872
Sub-total of cash inflows from operating activities		86,194	90,418
Cash paid for goods purchased and services enjoyed		78,994	62,781
Cash paid to and on behalf of employees		36,590	34,770
Payments of taxes and surcharges		2,190	2,922
Other cash payments relating to operating activities		24,094	9,590
Sub-total of cash outflows from operating activities		141,868	110,063
Net cash flows from operating activities		(55,674)	(19,645)
II. Cash flows from investing activities:			
Cash received from sales of investments		27,347	4,800
Cash received from returns on investment		10,518	12,559
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		6	3
Other cash receipt relating to investing activities		—	—
Sub-total of cash inflows from investing activities		37,871	17,362
Cash paid to acquire fixed assets, intangible assets and other long-term assets		602	1,166
Cash paid on investment		—	—
Other cash payments related to investing activities		—	—
Sub-total of cash outflows from investing activities		602	1,166
Net cash flows from investing activities		37,269	16,196

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

2024

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

For the six months ended 30 June 2024

BEIJING MEDIA CORPORATION LIMITED

		<i>Unit: RMB'000</i>	
		For the six months ended 30 June	
Items	<i>Notes</i>	2024	2023
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		—	—
Cash paid for repayment of borrowings		—	—
Cash paid for distribution of dividends or profits or interest expense		—	—
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		—	—
Other cash payments relating to financing activities		404	—
Sub-total of cash outflows from financing activities		404	—
Net cash flows from financing activities		(404)	—
IV. Effect of exchange rate changes on cash and cash equivalents		—	126
V. Net increase in cash and cash equivalents		(18,809)	(3,323)
Add: Balance of cash and cash equivalents at the beginning of the period		59,354	73,877
VI. Balance of cash and cash equivalents at the end of the period	<i>VIII.26</i>	40,545	70,554

I. GENERAL INFORMATION

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

The Parent of the Company is Beijing Youth Daily Agency (“BYDA”). The ultimate controlling company 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 annual report. The consolidated financial statements are presented in Renminbi (“RMB”) which is the functional currency of the Company.

The Company and its subsidiaries (hereinafter referred to as (the “Group”)) are principally engaged in the provision of newspaper, magazine and outdoor advertising services, printing and trading of printing-related materials 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 2024 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 Long Teng Investment Management (Beijing) Co., Limited (“Beiqing Long Teng”)	80.84	—
Beiqing Community Media Technology (Beijing) Co., Ltd. (“Beiqing Community Media”)	57.95	—
Chongqing Youth Media Company Limited (“Chongqing Media”)	60.00	—
CHONG QING YOUTH (AMERICA) LLC (“Chong Qing America”) (Note 1)	—	60.00
Beijing Beiqing Innovative Cultural Industry Development Co., Ltd. (“Beiqing Innovative Cultural”)	100.00	—

Note 1: 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 Group's financial statements for the six months ended 30 June 2024 have been prepared on a going concern basis and based on the actual transactions and matters incurred, in accordance with requirements such as Accounting Standards for Business Enterprises — Basic Standard and specific accounting standards ("PRC Accounting Standard") issued by the Ministry of Finance of the People's Republic of China (the "Ministry of Finance"), as well as applicable disclosure requirements under the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and the Hong Kong Companies Ordinance; and the accounting policies and estimates as stated in Note V "Significant accounting policies and accounting estimates".

2. Going concern

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

IV. STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

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

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 2024 to 30 June 2024.

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.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***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, by transferring of non-cash assets or assuming liabilities, net assets in the ultimate controlling party's consolidated financial statements are measured at their carrying amounts of the acquiree 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 (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.

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.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***5. Criteria for judging control and basis of preparation of consolidated financial statement** *(Continued)***(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 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 still translated at amount in functional currency exchanged at the prevailing exchange rate at the transaction date. Non-monetary items denominated in foreign currency that are measured at fair value are translated using the exchange rate at the date when fair value was determined and the differences between the translated functional currency amount and the prior translated amount are treated as changes in fair value (including change in exchange rate) and recorded in profit or loss for the current period or other comprehensive income.

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

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

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

For investments in non-trading equity instruments, the Group may, 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.

(Amounts expressed in thousands of RMB unless otherwise stated
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For the six months ended 30 June 2024

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, without significant financing component, are initially recognised based on the transaction price expected to be entitled by the Group. Subsequent measurement of financial instruments depends on their classifications.

1) Financial Assets

① Financial assets at amortised cost

After initial recognition, such financial assets are measured at amortised cost using the effective interest method. Gains or losses arising from financial assets at amortised cost that are not parts of any hedging relationships are included in profit or loss in the period 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.

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For the six months ended 30 June 2024

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 changes of that financial liabilities' credit risk to be recognised in other comprehensive income, while other changes in fair value are included in profit or loss in the period. If the inclusion of the impact of changes in credit risk of such financial liabilities causes or increases the accounting mismatch of profit or loss, the Group will include all gains or losses of such financial liabilities in profit or loss in the period.

② Financial liabilities at amortised cost

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

(3) Recognition method of financial instruments' fair value

For financial instruments in active markets, the Group 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 rewards associated with ownership of such financial assets, and has not retained control of such financial assets.

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).

The difference between the carrying amount of financial liabilities (or parts of them) and the consideration paid (including transferred non-cash assets or liabilities assumed) is recognised in profit or loss, when financial liabilities (or parts of them) are derecognised.

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

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

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

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For the six months ended 30 June 2024

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(Continued)

9. Financial instruments *(Continued)*

(5) Recognition and measurement of transfer of financial assets and financial liabilities (Continued)

When a partial transfer of financial assets qualifies for derecognition, the carrying amount of the transferring financial assets is allocated between the part subject to and the part not subject to derecognition, in proportion to the respective fair values of those parts. The difference between: ① the carrying amount of the part derecognised on date of derecognition; and ② the sum of the consideration obtained from the part derecognised and the cumulative changed amount of fair value for the part derecognised (the related transferring financial assets are classified as the financial assets at fair value through other comprehensive income) is included in profit or loss in the period. When derecognising the investment in non-trading equity instruments at fair value through other comprehensive income designated by the Group, the accumulated gains or losses previously included in other comprehensive income are transferred out from other comprehensive income and included in retained earnings.

10. Determination of and accounting treatment for 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, rental receivable, and recognised the provision for such losses.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***10. Determination of and accounting treatment for methods of expected credit loss** *(Continued)***(2) Determination of 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 without credit impairment, the Group measures the provision for loss based on the expected credit loss of such financial instruments in the lifetime, and calculates the interest income based on its book balance and effective interest; (3) third stage, where there is a credit impairment since its initial recognition, the Group measures the provision for loss based on the expected credit loss of such financial instruments in the lifetime, and calculates the interest income based on its amortised cost (book balance minus provision made for impairment) and effective interest. A simplification approach to expected credit loss, where the loss allowance is always measured at an amount equivalent to the expected credit loss in the lifetime.

(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 in or reversal of the loss provision resulting therefrom shall be deemed as impairment loss or gain to be included in profit and 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 provision (loans commitment or financial guarantee contracts).

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***10. Determination of and accounting treatment for methods of expected credit loss** *(Continued)***(4) Method of measuring loss allowance for accounts receivable and rental receivable**

- 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 of and accounting treatment for methods of expected credit loss (Continued)

(5) Method of measuring loss provisions 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-stages” 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 group. The basis for determining the group is as follows:

Other receivables group 1: Aging portfolio

Other receivables group 2: Related party payments

11. Inventory

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 stated 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. The provision for impairment of contract assets shall refer to the expected credit loss of financial instruments. For contract assets that do not contain significant financing elements, the Group adopts a simplified method to measure provision for loss. For contract assets that contain significant financing elements, the Group uses general methods to measure provision for loss. If there is an impairment loss on contract assets, the amount that should be written down is debited to the "asset impairment loss" and credited to the impairment provision for contract assets; when the asset impairment provision already made is reversed, contrary accounting shall be made.

(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 investments in associates and joint ventures, the long-term equity investment is accounted for using the equity method. Where portion of the long-term equity investment in an associate is indirectly held through venture capital organizations, mutual funds, trust companies or similar entities including investment-linked insurance funds, regardless of whether these entities can exercise significant influence on the investments, 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 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 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 properties of the Group are 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 current profit or loss.

The fair value of the investment properties of the Group are 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 immediate 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 current profit or loss.

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 labor services, leasing or operation and management. The useful lives of fixed assets are more than one accounting year. It is 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

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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 uncertainty 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, goodwill, etc., the Group shall perform an impairment test. If the outcome of impairment test indicates the recoverable amount of the asset is lower than its carrying amount, the Group shall recognise the provision for impairment based on the amount of the shortfall.

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

Impairment tests are conducted for goodwill presented in the financial statements separately at least at the end of every accounting year regardless of whether there are impairment indications or not. The carrying amount of goodwill arising from business combinations is allocated to relevant asset groups or asset group portfolio. The related impairment loss shall be recognised if the impairment test indicates the recoverable amount of the asset groups or asset group portfolio embodied the goodwill is lower than their carrying amounts. The amount of impairment loss shall firstly be deducted from the carrying amount of goodwill embodied in the asset groups or asset group portfolio, and then be deducted from the carrying amounts of other assets other than goodwill based on the proportions of their carrying amounts in the asset group or asset groups portfolio.

The impairment losses of assets will not be reversed in subsequent periods once they are recognised.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***18. Long-term deferred expenses**

Long-term deferred expenses of the Group are expenditures such as property renovation cost, which has incurred but shall be undertaken in more than 1 year of amortisation period (not including 1 year) of the current and future periods. They are amortised evenly over the estimated benefit period. If one long-term deferred expense can't 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.

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 benefit 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 Company 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 are mainly generated from sale of advertising spaces and incomes from printing, trading of print-related materials and distribution of newspapers and magazines and rental income. The principles of revenue recognition are as follows:

(1) Revenue from sale of advertising spaces

Revenue from advertising spaces is generally recognised pro rata over the period in which the advertisement is cancelled (net of VAT). Sales of advertising spaces, with award credits generating from 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) Revenue from printing

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

(3) Revenue from trading of printing-related materials and distribution of newspapers and magazines

Revenue from trading of printing-related materials and distribution of newspapers and magazines, net of VAT, is recognised when the customer has obtained control of relevant goods or services, which generally coincides with the time when the goods are delivered to customers and the title has passed.

(4) Rental income

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

(5) Revenue from group operating projects

Revenue from group operating projects is recognised when the group operating services are provided.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

(Continued)

21. Contract cost

Contract cost of the Group includes the incremental cost happened for obtaining the contract and the contract performance cost. The incremental cost happened for 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.

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 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; or the government directly appropriates an interest subsidy to the Group who shall use the interest subsidy to offset relevant loan expenses.

(2) The recognition time point for government grants

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

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.

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

(3) Basis for net offsetting of deferred income tax

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***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 payment include: ① fixed payments (including in-substance fixed payments), less any relevant lease incentives if any; ② variable lease payments subject to an index or a rate; ③ estimated payables based on the residual value of the guarantee provided by the lessee; ④ the exercise price under the purchase option if the lessee is reasonably certain to exercise; ⑤ payments for exercising the option of termination of a lease if the lease term reflects the lessee exercising the option to terminate.

The Group uses the inherent interest rate of the lease as the discount rate; if the inherent interest rate of the lease cannot be determined, the incremental borrowing interest rate of the 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 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, the difference will be deducted from the book value and recognised as impairment provision of 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. Key accounting estimates and judgments

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. Key accounting estimates and judgments** *(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 are 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.

(5) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES*(Continued)***28. Key accounting estimates and judgments** *(Continued)***(6) 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 the difference of its recoverable amount (higher of value-in-use and fair value less cost to sell) with its carrying amount. The value-in-use calculation requires the use of estimates and judgments including estimation of the future cash flows, determination of applicable discount rate, estimation of exchange rate and future industry trends and market condition and makes other assumptions. Changes in these estimates and assumptions could affect the determination of recoverable amount.

(7) 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.

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

For the six months ended 30 June 2024

VI. CHANGES IN 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 Announcement of the Ministry of Finance and the State Administration of Taxation on Preferential Income Tax Policies for Small and Micro Enterprises and Individual Business (Announcement of MOF and SAT [2023] No. 6) (《財政部稅務總局關於小微企業和個體工商戶所得稅優惠政策的公告》(財政部稅務總局公告2023年第6號)), for the part of small and low-profit enterprises whose annual taxable income does not exceed RMB1 million, 25% shall be included in the taxable income, and the enterprise income tax shall be paid at the tax rate of 20%. The implementation period is from 1 January 2023 to 31 December 2024.

According to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Implementing the Preferential Income Tax Policies for Small and Micro Enterprises (Announcement of MOF and SAT [2022] No. 13) (《財政部稅務總局關於進一步實施小微企業所得稅優惠政策的公告》(財政部稅務總局公告2022年第13號)), for the part of small and low-profit enterprises whose annual taxable income exceeds RMB1 million but does not exceed RMB3 million, 25% shall be included in the taxable income, and the enterprise income tax shall be paid at the tax rate of 20%. The implementation period is from 1 January 2023 to 31 December 2024.

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS**1. Financial assets held for trading**

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

2. Accounts receivable

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

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

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

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

3. Prepayments

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

The following is an aging analysis of prepayments:

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

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

4. Other receivables

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

4. Other receivables *(Continued)*

4.1 Dividend receivables

Dividend receivables by nature

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

4.2 Other receivables

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

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

4. Other receivables (Continued)

4.2 Other receivables (Continued)

(2) Other receivables classified by nature

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

5. Other current assets

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

6. Long-term equity investments

(1) Types of long-term equity investments

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

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

(2) Types of long-term equity investments

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

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

6. Long-term equity investments (Continued)

(3) Investments in associates

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

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

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 2024	As at 31 December 2023
Unlisted equity investments, PRC	303,414	303,414
Total	303,414	303,414

8. Investment properties

Investment properties measured at fair value

Type	As at 30 June 2024	As at 31 December 2023
Buildings	77,602	77,602
Total	77,602	77,602

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

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS*(Continued)***9. Fixed assets**

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

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

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

10. Intangible assets

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

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

11. Other non-current assets

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

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

12. Breakdown of impairment provision of assets

Item	As at 1 January 2024	Increase during the period		Decrease during the period		As at 30 June 2024
		Provision	Other transfer in	Reversal	Other transfer out	
Provision for impairment of bad debts	577,860	—	—	2,893	—	574,967
Provision for inventory impairment	1,383	—	—	4	—	1,379
Provision for impairment of investments in associates	948	—	—	—	—	948
Provision for impairment of intangible assets	8,460	—	—	—	—	8,460
Provision for impairment of other non-current assets	24,000	—	—	—	—	24,000
Total	612,651	—	—	2,897	—	609,754

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

13. Accounts payable

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

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

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

14. Other payables

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

15. Other comprehensive income

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

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

16. Total operating income, operating costs

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

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

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

Principal operations — by business segment

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

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

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

17. Tax and Surcharges

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

18. Financial expenses

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

19. Gain on investment

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

20. Gain on the changes in fair value

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

21. Impairment loss of credit

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

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

22. Non-operating income

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

23. Non-operating expenses

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

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

For the six months ended 30 June 2024

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS

(Continued)

24. Income tax expenses

(1) Income tax expenses

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

(2) Current income tax expenses

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

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 2024 (2023: nil).

VIII. EXPLANATORY NOTES TO MAJOR ITEMS IN THE FINANCIAL STATEMENTS*(Continued)***26. Cash and cash equivalents**

Item	As at 30 June 2024	As at 31 December 2023
Bank deposits and cash	63,740	76,285
Less: Restricted bank deposits	23,195	16,931
Balance of cash and cash equivalents at the end of the period	40,545	59,354

IX. CHANGES IN CONSOLIDATED SCOPE**1. Business combination**

The Group had no changes in consolidated scope as a result of business combination.

2. Disposal of subsidiaries

The Group had no changes in consolidated scope as a result of disposal of subsidiaries.

3. Changes in consolidated scope for other reasons

During the period, the Group had no changes in consolidated scope.

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

For the six months ended 30 June 2024

X. INTERESTS 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 (%)		Acquisition method
					Direct	Indirect	
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
Beiqing Long Teng Investment Management (Beijing) Co., Limited	Beijing	Beijing	Investment management	50,000	80.84	—	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	30,025	57.95	—	Establishment
CHONG QING YOUTH (AMERICA) LLC	Florida	Florida	Travel rental	8,800	—	60.00	Establishment
Beiqing Beiqing Innovation Cultural Industry Development Co., Ltd.	Beijing	Beijing	Cultural communication	15,000	100.00	—	Establishment

X. INTERESTS 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 as at 30 June 2024
BYD Logistics Company Limited	7.16	40	—	(845)
Beiqing Community Media Technology (Beijing) Co., Ltd.	42.05	(350)	—	14,912

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

Name of subsidiaries	As at 30 June 2024						As at 31 December 2023					
	Non-current assets		Non-current liabilities		Total		Non-current assets		Non-current liabilities		Total	
	Current assets	current assets	Current liabilities	current liabilities	assets	liabilities	Current assets	current assets	Current liabilities	current liabilities	assets	liabilities
BYD Logistics Company Limited	36,482	15	36,497	48,305	—	48,305	37,226	22	37,248	49,616	—	49,616
Beiqing Community Media Technology (Beijing) Co., Ltd	41,234	252	41,486	6,022	—	6,022	41,412	1,420	42,832	6,536	—	6,536

Name of subsidiaries	For the six months ended 30 June 2024				For the six months ended 30 June 2023			
	Operating income		Net cash flows from comprehensive operating activities		Operating income		Net cash flows from comprehensive operating activities	
	income	Net profit	income	activities	income	Net profit	income	activities
BYD Logistics Company Limited	34,040	560	560	(4,680)	35,841	599	599	(3,466)
Beiqing Community Media Technology (Beijing) Co., Ltd	19,278	(833)	(833)	(1,265)	26,758	1,687	1,687	(6,211)

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)

For the six months ended 30 June 2024

X. INTERESTS 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 (%)		Voting percentage (%)	Business structure
				Direct	Indirect		
Beijing Leisure Trend Advertising Company Limited	Beijing	Beijing	Design, production, agency advertising	49.04	—	49.04	Limited liability company
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 activities	30.00	—	30.00	Limited liability company
Beijing Beiqing Top Advertising Limited	Beijing	Beijing	Design, production, agency advertising	41.60	—	41.60	Limited liability company
Chongqing Soyang Internet Technology Co., Ltd.	Chongqing	Chongqing	Network E-Commerce	—	35.00	35.00	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.

Chongqing Soyang Internet Technology Co., Ltd. is a 35% owned associate of Chongqing Youth Media Company Limited, a subsidiary of Beijing Media.

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

X. INTERESTS IN OTHER ENTITIES (Continued)**2. Interests in associates (Continued)****(2) Major financial information for associates**

Item	As at 30 June 2024/ For the six months ended 30 June 2024	As at 30 June 2023/ For the six months ended 30 June 2023
Associates:		
Total carrying value in investment	1,664	3,271
Aggregated amounts per shareholding percentage for the followings		
— net profit	(1,423)	—
— other comprehensive income	—	—
— total comprehensive income	(1,423)	—

(3) Excess losses from associates

Name of associates	Accumulated unrecognised losses in the previous years on 31 December 2023	(Unrecognised loss for this period)/net profits shared in this period	Accumulated unrecognised loss as at 30 June 2024
Beijing Leisure Trend Advertising Company Limited	(5,988)	—	(5,988)
Beijing Shengyi Automobile Technology Co., Ltd.	(1,333)	—	(1,333)
Beijing Beiqing Top Advertising Limited	(12,619)	—	(12,619)
BY Times Consulting Co., Ltd.	(177)	(5)	(182)
Beijing Shangyou Network Technology Co., Ltd.	—	(45)	(45)

Note: As of the date of this report, Chongqing Soyang Internet Technology Co., Ltd., and Beijing Beiqing Top Advertising Limited have not yet provided their respective financial statements for January to June 2024 to the Company.

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

For the six months ended 30 June 2024

X. INTERESTS 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 2024	Proportion of total assets (%)
Beiyang Publishing & Media Co., Ltd.	Shijiazhuang	Shijiazhuang	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	242,369	34.72
Beijing Keyin Media and Culture Co., Ltd.	Beijing	Beijing	Organizing exchange activities on culture and art, and design, production and provision of agency service of advertisements	16.00	37,120	5.32
Beijing Youth Daily Newspaper Internet Communication Technology Co., Ltd.	Beijing	Beijing	Internet Information Service	5.00	3,323	0.48
Beijing International Advertising & Communication Group Co., Ltd.	Beijing	Beijing	Design, production and provision of agency service of advertisements	11.44	20,602	2.95

X. INTERESTS 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 is mainly based on: 1) Beiyang Media’s good operating condition; and 2) its capital operation plan, such as its share reform and listing, in order to obtain a better investment return. Upon the Company’s investment, Beiyang Media has been operating well in recent years and has been profitable, and has achieved steady growth in assets and revenue. The Group is optimistic about the future operation of Beiyang Media and is prepared to continue to hold it for a long term.

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

4. Equity in financial assets held for trading**(1) Basic information of financial assets held for trading**

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

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

For the six months ended 30 June 2024

X. INTERESTS IN OTHER ENTITIES (Continued)

4. Equity in financial assets held for trading (Continued)

(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.

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 2024			Total
	Level 1 Fair value measurement	Level 2 Fair value measurement	Level 3 Fair value measurement	
I. Fair value measurement on recurring basis				
(I) Financial assets held for trading	—	134,148	—	134,148
(II) Other non-current financial assets	—	—	—	—
1. Financial assets designated at fair value through profit or loss	—	—	—	—
(III) Investment in other equity instruments	—	—	303,414	303,414
(IV) Investment properties	—	77,602	—	77,602
1. Leased building	—	77,602	—	77,602
Total assets measured at fair value on recurring basis	—	211,750	303,414	515,614

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS**1. Relationships with related parties**

Related parties with 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 Evening Education Consultancy Co., Ltd.
Subsidiary of BYDA	Beijing Youth Daily Network Communication Technology Co., Ltd.
Subsidiary of BYDA	Beijing Youth Travel Service Co., Ltd.
Subsidiary of BYDA	Beijing China Open Promotion Co., Ltd.
Subsidiary of BYDA	Beijing United Communication Media Technology (Beijing) 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	Ding Lin Tai He Trade (Beijing) Limited Company* (鼎麟泰和貿易(北京)有限公司)
Subsidiary of BYDA	Legal Evening Agency
Subsidiary of BYDA	Jingjian (Beijing) Culture Media Co., Ltd.* (鏡鑑(北京)文化傳媒有限公司)
Subsidiary of Beijing Capital Group Company Limited	Beijing Chuangyue Xinke Real Estate Co., Ltd.
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.

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

For the six months ended 30 June 2024

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)
Associate of the Company	Beijing Beiqing Top Advertising Limited
Associate of the Company	BY Time 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.
Associate of the Company	Beijing Leisure Trend Advertising Company Limited
Associate of the Company	Chongqing Soyang Internet Technology Co., Ltd.
Other related party	Beiqing CèCi Advertising (Beijing) Limited
Other related party	Chongqing Youth Daily
Other related party	Directors, supervisors and senior management personnel including Sun Baojie

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)***2. Parent company and ultimate controlling company****(1) Parent company and ultimate controlling company**

Name of parent company	Type of enterprise	Registration place	Business nature	Legal representative	Unified social credit code
BYDA	State-owned Enterprise	Beijing	Media and publishing	Tian Kewu	91110105MA008QJ53Y

Name of ultimate controlling company	Type of enterprise	Registration place	Business nature	Legal representative	Unified social credit code
Beijing Capital Group Co., Ltd.	State-owned Enterprise	Beijing	Business services	He Jiangchuan	91110000101138949N

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

Parent company	As at 1 January 2024	Increase in this period	Decrease in this period	As at 30 June 2024
BYDA	22,439	—	—	22,439

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

For the six months ended 30 June 2024

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS (Continued)

2. Parent company and ultimate controlling company (Continued)

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

	Shareholding amount		Shareholding percentage (%)	
	As at 30 June 2024	As at 1 January 2024	As at 30 June 2024	As at 1 January 2024
Parent company				
BYDA	124,840	124,840	63.27	63.27

3. Related party transactions

(1) Purchase of goods/receipt of services

	Pricing principle for related party transactions	For the six months ended 30 June	
		2024	2023
Related parties			
BYDA (Note)	Contracted price	5,289	3,835
Subsidiary of Beijing Capital Group Co., Ltd.	Contracted price	13,130	—
Subsidiaries of BYDA	Contracted price	764	868
Other related parties	Contracted price	—	217
Total		19,183	4,920

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.

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)***3. Related party transactions** *(Continued)***(2) Sale of goods/rendering services**

		For the six months ended 30 June	
Related parties	Pricing principle for related party transactions	2024	2023
Subsidiaries of BYDA	Contracted price	8,102	9,170
BYDA	Contracted price	2,120	4,366
Subsidiary of Beijing Capital Group Co., Ltd.	Contracted price	1,770	399
Other related parties	Contracted price	319	—
Total		12,311	13,935

(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 2024, the portion of the asset management product was 128,141 thousand with a fair value of RMB134,148 thousand.

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

For the six months ended 30 June 2024

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 Youth Daily Newspaper Internet Communication Technology Co., Ltd.	Building	2023-1-1	2023-12-31	Contracted price	769
Beijing Rural Area Equity Exchange Co., Ltd.	Building	2022-4-1	2025-3-31	Contracted price	741
Beijing Agricultural Investment Co., Ltd.	Building	2022-4-1	2025-3-31	Contracted price	608
Jingjian (Beijing) Culture Media Co., Ltd.	Building	2023-1-1	2025-12-31	Contracted price	125

(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	2025-12-31	Contracted price	750
Beijing Municipal Economic Development and Investment Co., Ltd.	Building	2024-5-6	2027-5-5	Contracted price	59

(6) Remuneration for key management personnel

Item	For the six months ended 30 June	
	2024	2023
Remuneration for key management personnel	662	630

(7) Guarantee from related parties

None.

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)***4. Balances with related parties***(1) Accounts receivable due from related parties*

Related parties	As at 30 June 2024		As at 31 December 2023	
	Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts
BYDA	12,452	10,154	14,776	12,394
Associate of the Company	46,253	46,253	46,253	46,253
Subsidiaries of BYDA	118,873	117,374	118,891	118,878
Subsidiary of Beijing Capital Group Co., Ltd.	639	86	341	78
Other related parties	5,189	5,189	—	—
Total	183,406	179,056	180,261	177,603

(2) Other receivables due from related parties

Related parties	As at 30 June 2024		As at 31 December 2023	
	Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts
BYDA	2,000	—	—	—
Associate of the Company	39	39	39	39
Subsidiaries of BYDA	2,191	490	765	531
Subsidiary of Beijing Capital Group Co., Ltd.	9,223	—	724	200
Other related parties	589	287	589	443
Total	14,042	816	2,117	1,213

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

For the six months ended 30 June 2024

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

4. Balances with related parties *(Continued)*

(3) Accounts payable by related parties

	As at 30 June 2024	As at 31 December 2023
Related parties		
BYDA	3,640	1,262
Subsidiaries of BYDA	175	516
Subsidiary of Beijing Capital Group Co., Ltd.	2,242	541
Total	6,057	2,319

(4) Other payables by related parties

	As at 30 June 2024	As at 31 December 2023
Related parties		
BYDA	64	64
Subsidiaries of BYDA	150	150
Associate of the Company	—	100
Subsidiary of Beijing Capital Group Co., Ltd.	668	276
Total	882	590

XII. RELATED PARTIES AND RELATED PARTY TRANSACTIONS *(Continued)***4. Balances with related parties** *(Continued)***(5) Contract liabilities to related parties**

	As at 30 June 2024	As at 31 December 2023
Related parties		
Subsidiary of Beijing Capital Group Co., Ltd.	18	328
Subsidiaries of BYDA	—	460
Total	18	788

(6) Prepayments from related parties

	As at 30 June 2024	As at 31 December 2023
Related parties		
Subsidiary of Beijing Capital Group Co., Ltd.	6,725	—
Total	6,725	—

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

For the six months ended 30 June 2024

XIII. COMMITMENTS AND CONTINGENCIES

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

(1) The Group as lessee

As at 30 June 2024, the Group had contracted for the minimum lease payments under non-cancelable leases during following periods:

Period	As at 30 June 2024	As at 31 December 2023
Within 1 year	2,501	1,717
1–2 years	1,275	1,234
2–3 years	96	—
Total	3,872	2,951

(2) The Group as lessor

As at 30 June 2024, the Group had contracted with tenants for the following future minimum lease payments:

Period	As at 30 June 2024	As at 31 December 2023
Within 1 year	5,361	8,640
1–2 years	2,696	2,302
2–3 years	1,344	2,288
Total	9,401	13,230

XIV. POST-BALANCE SHEET EVENTS

The Group had no other material balance sheet events required to be disclosed.

XV. SEGMENT INFORMATION

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

Business segments	Principal activities
Advertising:	Sales of convergence media advertising, event planning, and provision of comprehensive services
Printing:	Provision of printing services
Trading of printing-related materials:	Supply and trading of, among other things, newsprint, ink, lubricants, films, photo sensitive fluids and rubber sheets

For the six months ended 30 June 2024

Item	Advertising	Printing	Trading of		Elimination	Total
			printing-related materials	Unallocated amount and others		
Revenue from external transactions	45,367	2	29,905	16,458	—	91,732
Revenue from intra-segment transactions	95	1,455	2,679	2,986	(7,215)	—
Operating revenue	45,462	1,457	32,584	19,444	(7,215)	91,732
Operating profit (loss)	(18,150)	225	348	3,281	4,229	(10,067)

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

For the six months ended 30 June 2024

XV. SEGMENT INFORMATION *(Continued)*
For the six months ended 30 June 2023

Item	Advertising	Printing	Trading of printing-related materials	Unallocated amount and others	Elimination	Total
Revenue from external transactions	37,091	613	30,564	12,398	—	80,666
Revenue from intra-segment transactions	37	1,665	2,999	772	(5,473)	—
Operating revenue	37,128	2,278	33,563	13,170	(5,473)	80,666
Operating profit (loss)	(13,622)	220	(129)	4,548	4,701	(4,282)

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 2024	As at 31 December 2023
Investment properties and fixed assets	77,602	77,602
Total	77,602	77,602

XVII. SUPPLEMENTARY INFORMATION

1. Earnings per share

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

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

XVII. SUPPLEMENTARY INFORMATION (Continued)**2. Balance sheet of the Company (unaudited)**

Item	Unit: RMB'000	
	As at 30 June 2024	As at 31 December 2023
Current assets:		
Bank balances and cash	4,483	8,638
Trading financial assets	134,148	156,523
Accounts receivable	23,103	19,967
Prepayments	34,552	25,194
Other receivables	17,152	10,473
Inventories	48	60
Other current assets	25,866	26,457
Total current assets	239,352	247,312
Non-current assets:		
Long-term equity investment	185,099	184,588
Investment in other equity instruments	300,091	300,091
Other non-current financial assets	—	253
Investment properties	54,829	54,829
Fixed assets	971	753
Right-of-use assets	2,084	2,748
Intangible assets	16,800	17,245
Long-term deferred expenses	50	145
Total non-current assets	559,924	560,652
Total assets	799,276	807,964

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

For the six months ended 30 June 2024

XVII. SUPPLEMENTARY INFORMATION (Continued)

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

Unit: RMB'000

Item	As at 30 June 2024	As at 31 December 2023
Current liabilities:		
Accounts payable	6,508	2,030
Prepayments	47	—
Contract liabilities	5,245	8,048
Employee benefit payables	7,210	6,134
Tax payables	175	63
Other payables	29,852	34,530
Non-current liabilities within one year	1,443	1,004
Other current liabilities	323	487
Total current liabilities	50,803	52,296
Non-current liabilities:		
Lease liabilities	373	1,467
Total non-current liabilities	373	1,467
Total liabilities	51,176	53,763
Shareholders' equity:		
Share capital	197,310	197,310
Capital reserves	904,453	904,453
Other comprehensive income	191,081	191,081
Surplus reserves	130,931	130,931
Undistributed profits	(675,675)	(669,574)
Total shareholders' equity	748,100	754,201
Total liabilities and shareholders' equity	799,276	807,964

XVII. SUPPLEMENTARY INFORMATION (Continued)

3. Income statement of the Company (unaudited)

Unit: RMB'000

**For the six months ended
30 June**

Item	2024	2023
Total operating income	31,776	14,236
Less: Operating costs	34,717	17,807
Tax and surcharges	677	695
Selling expenses	130	—
Administrative expenses	9,858	9,770
Financial expenses	18	107
Including: Interest expenses	—	176
Interest income	(25)	73
Add: Other income	10	12
Investment income	11,285	7,531
Including: Gain from investments in associates	(99)	—
Gain on the changes in fair value	(5,563)	4,594
Impairment loss of credit	1,790	359
Impairment loss of asset	—	(194)
Gain on disposal of asset	—	3
Operating profit	(6,102)	(1,838)
Add: Non-operating income	1	1
Less: Non-operating expenses	—	90
Total profit	(6,101)	(1,927)
Less: Income tax expenses	—	—
Net profit	(6,101)	(1,927)
Other comprehensive income	—	—
Total comprehensive income	(6,101)	(1,927)

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

For the six months ended 30 June 2024

XVII. SUPPLEMENTARY INFORMATION (Continued)

4. Cash flow statement of the Company (unaudited)

Unit: RMB'000

**For the six months ended
30 June**

Item	2024	2023
I. Cash flows from operating activities:		
Cash received from the sales of goods and the rendering of services	18,210	11,770
Taxes refund received	583	385
Other cash receipts relating to operating activities	4,614	5,815
Sub-total of cash inflows from operating activities	23,406	17,970
Cash paid for goods purchased and services received	32,701	7,439
Cash paid to and on behalf of employees	15,335	16,569
Payments of taxes and surcharges	482	653
Other cash payments relating to operating activities	15,952	4,764
Sub-total of cash outflows from operating activities	64,470	29,425
Net cash flows from operating activities	(41,064)	(11,455)
II. Cash flows from investing activities:		
Cash received from sales of investments	27,347	4,800
Cash received from returns on investment	10,518	12,032
Net cash received from disposal of fixed assets, intangible asset and other long-term assets	1	3
Other cash receipts relating to investing activities	—	—
Sub-total of cash inflows from investing activities	37,866	16,835

XVII. SUPPLEMENTARY INFORMATION (Continued)**4. Cash flow statement of the Company (unaudited)** (Continued)

Item	Unit: RMB'000	
	For the six months ended 30 June	
	2024	2023
Cash paid to acquire fixed assets, intangible assets and other long-term assets	51	68
Cash paid on investment	610	1,000
Other cash payments relating to investing activities	—	—
Sub-total of cash outflows from investing activities	661	1,068
Net cash flows from investing activities	37,205	15,767
III. Cash flows from financing activities:		
Cash received from investments Including: cash investments from non-controlling shareholders of subsidiaries	—	—
Cash received from borrowings obtained	—	—
Other cash receipts relating to financing activities	—	—
Sub-total of cash inflows from financing activities	—	—

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

For the six months ended 30 June 2024

XVII. SUPPLEMENTARY INFORMATION *(Continued)*

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

Unit: RMB'000

**For the six months ended
30 June**

Item	2024	2023
Cash payments for borrowings repayment	—	—
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	404	—
Sub-total of cash outflows from financing activities	404	—
Net cash flows from financing activities	(404)	—
IV. Effect of exchange rate changes on cash and cash equivalents	—	—
V. Net increase in cash and cash equivalents	(4,264)	4,312
Add: Balance of cash and cash equivalents at the beginning of the period	8,746	14,795
VI. Balance of cash and cash equivalents at the end of the period	4,483	19,107

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 2024					Total shareholders' equity
	Share capital	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	
Balance as at 1 January 2024	197,310	904,453	191,081	130,931	(669,574)	754,201
Net profits	—	—	—	—	(6,101)	(6,101)
Other comprehensive income	—	—	—	—	—	—
Appropriation to shareholders	—	—	—	—	—	—
Sub-total of the changes for the period	—	—	—	—	(6,101)	(6,101)
Balance as at 30 June 2024	197,310	904,453	191,081	130,931	(675,675)	748,100

Unit: RMB'000

Item	For the six months ended 30 June 2023					Total shareholders' equity
	Share capital	Capital reserve	Other comprehensive income	Surplus reserve	Undistributed profits	
Balance as at 1 January 2023	197,310	904,453	169,723	130,931	(657,948)	744,469
Net profits	—	—	—	—	(1,927)	(1,927)
Other comprehensive income	—	—	—	—	—	—
Appropriation to shareholders	—	—	—	—	—	—
Sub-total of the changes for the period	—	—	—	—	(1,927)	(1,927)
Balance as at 30 June 2023	197,310	904,453	169,723	130,931	(659,875)	742,542

XVII. SUPPLEMENTARY INFORMATION *(Continued)***5. Statement of changes in shareholders' equity of the Company** *(Continued)*

Note: In accordance with the People's Republic of China (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 2024, the Company's undistributed profits amounted to RMB-675,675 thousand (31 December 2023: RMB-669,574 thousand). Surplus reserve for the Company was RMB130,931 thousand (31 December 2023: 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 23 August 2024.

Beijing Media Corporation Limited

23 August 2024