THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Beijing Media Corporation Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

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

(Stock Code: 1000)

(1) MAJOR TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE BEIJING METRO LINE 4 AND DAXING LINE EXCLUSIVE CONCESSION RIGHTS AGREEMENT AND BEIJING METRO LINE 17 EXCLUSIVE CONCESSION RIGHTS AGREEMENT FOR MAJOR ADVERTISING RESOURCES; (2) PROPOSED APPOINTMENT OF DIRECTORS; AND (3) NOTICE OF EGM

Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders

BAOQIAO PARTNERS CAPITAL LIMITED

A letter from the Board is set out on pages 5 to 19 of this circular and a letter from the Independent Board Committee, containing its recommendations to the Independent Shareholders, is set out on pages 20 to 21 of this circular. A letter from the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders, is set out on pages 22 to 44 of this circular.

A notice convening the EGM to be held at 2:00 p.m. on Tuesday, 30 December 2025 at the Conference Room 704, the 7th Floor, Beijing Youth Daily Agency Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC is set out on pages 95 to 97 of this circular. Whether or not you are able to attend the EGM in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof, and deposit it with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so desire.

16 December 2025

CONTENTS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"Articles of Association"	the Company's articles of association
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Beijing Metro Line 4"	a rapid transit line on the metro system of Beijing, entering into operation in September 2009, with a total length of 28 km and 24 stations
"Beijing Metro Line 17"	a rapid transit line on the metro system of Beijing which is expected to enter into full operation by the end of 2025, comprising Line 17 South Section, Middle Section, North Section, with a total length of 49.7 km and 21 stations
"Beijing MTR"	北京京港地鐵有限公司 (Beijing MTR Corporation Limited*), a company established in the PRC with limited liability
"Beijing MTR17"	北京京港十七號線地鐵有限公司 (Beijing Jinggang Line 17 Metro Co., Ltd.*), a wholly-owned subsidiary of Beijing MTR, established in the PRC with limited liability
"Beijing SASAC"	the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality
"Board"	the board of directors of the Company
"BYDA"	Beijing Youth Daily Agency (北京青年報社), comprising public institution division and enterprise division
"Capital Group"	Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司), the de facto controller of the Company based on the entrust management arrangement among the Company, Capital Group and BYDA
"Company"	Beijing Media Corporation Limited (北青傳媒股份有限公司), a joint stock limited company incorporated under the laws of the PRC and whose H Shares are listed and traded on the Stock Exchange. The Company is a leading media company in China. Its principal business includes sales of multi-interface convergence advertising, youth student travel, new media operation and maintenance, printing and trading of printing-related materials business

"Concession Fees"	concession fees payable by the Company pursuant to the Exclusive Concession Rights Agreements (for the Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and Beijing Metro Line 17 Exclusive Concession Rights Agreement: 6% VAT included, consisting of guaranteed fees and extra revenue commission fees)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Connected Transaction"	has the meaning ascribed thereto under the Listing Rules
"Daxing Line"	a rapid transit line on the metro system of Beijing, being the southern extension of Beijing Metro Line 4, operated in December 2010, with a total length of 21.8 km and 11 stations
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting to be convened by the Company on Tuesday, 30 December 2025
"Exclusive Concession Rights"	the exclusive right to use and operate the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and the Beijing Metro Line 17 as granted to the Company under the Exclusive Concession Rights Agreements
"Group"	the Company and its subsidiaries
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	an independent board committee comprising all the independent non-executive Directors, who have no material interest in the transactions under the 2026 Exclusive Concession Rights Agreements, namely Ms. Shi Hongying, Mr. Chan Yee Ping, Michael, Ms. Du Guoqing and Mr. Kong Weiping, aiming to provide advice to the Independent Shareholders on the above matters
"Independent Financial Adviser" or "BaoQiao Partners Capital Limited"	BaoQiao Partners Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and Independent Shareholders in respect of the transactions under the 2026 Exclusive Concession Rights Agreements

"Independent Shareholders"	shareholders who have no material interest in the transactions under the 2026 Exclusive Concession Rights Agreements and are not required to abstain from voting on the relevant resolutions at the EGM
"Latest Practicable Date"	16 December 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Major Advertising Resources"	media authorized by Beijing MTR and Beijing MTR17 to be sold, operated and maintained by the Company under the Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and Beijing Metro Line 17 Exclusive Concession Rights Agreement within the facilities of Beijing Metro Line 4 and Daxing Line and the Beijing Metro Line 17, including conventional media (light boxes, ladder boards, etc.), non-conventional media (wall stickers, bollards, etc.), subway car media, or other new electronic media setup as agreed by the parties
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"New Media"	advertising facilities or forms of advertising not introduced to Beijing MTR system prior to the signing of the 2026 Exclusive Concession Rights Agreements, including modifications to the original advertising resources (i.e. advertising facilities or forms of advertising already introduced to Beijing MTR system prior to the signing of the 2026 Exclusive Concession Rights Agreements)
"PRC"	the People's Republic of China, and for the purposes of this circular, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"SASAC"	the State-owned Assets Supervision and Administration Commission of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of laws of Hong Kong)
"Shareholder(s)"	the shareholder(s) of the Company

"2024–2025 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement"	the exclusive concession rights agreement dated 11 December 2023 entered into between the Company and Beijing MTR in relation to the grant by Beijing MTR of the exclusive right to the Company to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR, with an operating period of two years commencing from 1 January 2024 to 31 December 2025
"2024–2025 Beijing Metro Line 17 Exclusive Concession Rights Agreement"	the exclusive concession rights agreement dated 11 December 2023 entered into between the Company and Beijing MTR17 in relation to the grant by Beijing MTR17 of the exclusive right to the Company to use and operate the Major Advertising Resources in the northern section of Beijing Metro Line 17 operated by Beijing MTR17, with an operating period of two years commencing from 1 January 2024 to 31 December 2025
"2024–2025 Exclusive Concession Rights Agreements"	the 2024–2025 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and the 2024–2025 Beijing Metro Line 17 Exclusive Concession Rights Agreement
"2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement"	the exclusive concession rights agreement dated 11 December 2025 entered into between the Company and Beijing MTR in relation to the grant by Beijing MTR of the exclusive right to the Company to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR, with an operating period of a year commencing from 1 January 2026 to 31 December 2026
"2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement"	the exclusive concession rights agreement dated 11 December 2025 entered into between the Company and Beijing MTR17 in relation to the grant by Beijing MTR17 of the exclusive right to the Company to use and operate the Major Advertising Resources in the entire Beijing Metro Line 17 operated by Beijing MTR17, with an operating period of one year commencing from 1 January 2026 to 31 December 2026
"2026 Exclusive Concession Rights Agreements" or "Exclusive Concession Rights Agreements"	the 2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and the 2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement

BEIJING MEDIA CORPORATION LIMITED
北青傳媒股份有限公司

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

(Stock Code: 1000)

Executive Directors:
Jing Enji
Wu Min

Non-Executive Directors:
Sun Baojie
Cui Ping
Wang Hao
Li Xiaowei
Wang Zechen

Independent Non-Executive Directors:
Shi Hongying
Chan Yee Ping, Michael
Du Guoqing
Kong Weiping

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

16 December 2025

To the Shareholders

Dear Sir or Madam,

(1) MAJOR TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE BEIJING METRO LINE 4 AND DAXING LINE EXCLUSIVE CONCESSION RIGHTS AGREEMENT AND BEIJING METRO LINE 17 EXCLUSIVE CONCESSION RIGHTS AGREEMENT FOR MAJOR ADVERTISING RESOURCES; (2) PROPOSED APPOINTMENT OF DIRECTOR; AND (3) NOTICE OF EGM

I. INTRODUCTION

References are made to the announcements of the Company dated 11 December 2025 and 16 December 2025 in relation to: (i) the 2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and the 2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement that the Company entered into with Beijing MTR and Beijing MTR17 (a wholly owned subsidiary of Beijing MTR), respectively; (ii) proposed appointment of directors. The Company intends to hold the EGM at 2:00 p.m. on Tuesday, 30 December 2025 at Conference Room 704, 7th Floor, Beijing Youth Daily Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC, for the purposes of seeking shareholders' approval for the aforementioned matters.

The purpose of this circular is to provide you with (i) particulars of the aforementioned 2026 Exclusive Concession Rights Agreements; (ii) details of proposed appointment of directors; and (iii) a notice of the EGM, so as to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM.

II. 2026 EXCLUSIVE CONCESSION RIGHTS AGREEMENTS

1. Background

References are made to the announcements of the Company dated 11 December 2023 and 29 December 2023 and the circular dated 14 December 2023 regarding, among others, (i) the Company entered into the 2024–2025 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement with Beijing MTR, pursuant to which the Company was granted the exclusive rights to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR with Concession Fees payable to Beijing MTR since 1 January 2024; and (ii) the Company entered into the 2024–2025 Beijing Metro Line 17 Exclusive Concession Rights Agreement with Beijing MTR17, pursuant to which the Company was granted the exclusive rights to use and operate the Major Advertising Resources in the northern section of Beijing Metro Line 17 operated by Beijing MTR17 with Concession Fees payable to Beijing MTR17 since 1 January 2024. In addition, after the opening of the southern section of Beijing Metro Line 17, the Company has entered into a supplementary agreement with Beijing MTR17, pursuant to which the Company's exclusive concession rights will include the Major Advertising Resources in the southern section of Beijing Metro Line 17, effective from 1 September 2024. Based on the above agreements, each of the relevant exclusive concession periods will end on 31 December 2025; subject to the applicable laws and regulations and the requirements of the Listing Rules, the parties have the right to decide whether to extend the exclusive concession period no later than three (3) months prior to the expiry of the exclusive concession period. The first extension will be for a period of one year commencing from 1 January 2026 to 31 December 2026, and the second extension will be a period of two years commencing from 1 January 2027 to 31 December 2028.

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

2. Principal Terms

Set out below are the principal terms of the 2026 Exclusive Concession Rights Agreements:

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**
Date:	11 December 2025	
Parties:	(1) the Company (as the agent); and (2) Beijing MTR (as the resource provider)	(1) the Company (as the agent); and (2) Beijing MTR17 (as the resource provider)
Subject matter:	Beijing MTR granted the Company the exclusive rights to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR with Concession Fees payable by the Company to Beijing MTR.	Beijing MTR17 granted the Company the exclusive rights to use and operate the Major Advertising Resources in the entire Beijing Metro Line 17 operated by Beijing MTR17 with Concession Fees payable by the Company to Beijing MTR17.

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**
Exclusive concession period:	Commencing from 1 January 2026 and ending on 31 December 2026. Subject to the applicable laws and regulations and the requirements of the Listing Rules, both parties have the right to decide whether to extend the exclusive concession period no later than three (3) months prior to the expiry of the period. The extension will be a period of two years commencing from 1 January 2027 to 31 December 2028.	
Amount of Concession Fees:	The Company will pay the Concession Fees on the basis of "guaranteed fees + extra revenue commission fees".	
	(i) For the guaranteed fee: The guaranteed fee for the concession right of the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line will be RMB24,272,532 (tax inclusive) during the operating period.	(i) For the guaranteed fee: The guaranteed fee for the concession right of the Major Advertising Resources in the entire Beijing Metro Line 17 will be RMB4,424,268 (tax inclusive) during the operating period.

2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement

(ii) The extra revenue commission fees will be calculated based on the actual advertising revenue *(note)* and on a stepwise basis according to the following formula:

The actual advertising revenue tier	The basis for calculating extra revenue commission fees
92% actual advertising revenue ≤ 1.5 times of guaranteed amount	0
1.5 times of guaranteed amount < 92% actual advertising revenue ≤ 1.8 times of guaranteed amount	(92% actual advertising revenue – 1.5 times of guaranteed amount) × 40%
1.8 times of guaranteed amount < 92% actual advertising revenue ≤ 2 times of guaranteed amount	(1.8 times of guaranteed amount – 1.5 times of guaranteed amount) × 40% + (92% actual advertising revenue – 1.8 times of guaranteed amount) × 50%
92% actual advertising revenue > 2 times of guaranteed amount	(1.8 times of guaranteed amount – 1.5 times of guaranteed amount) × 40% + (2 times of guaranteed amount – 1.8 times of guaranteed amount) × 50% + (92% actual advertising revenue – 2 times of guaranteed amount) × 60%

Note: The actual advertising revenue refers to the total value of advertising contracts actually signed by the Company with its advertisers or their agents in respect of the Major Advertising Resources of the relevant metro lines, including revenue from publication fees and production fees. For the calculation of actual advertising revenue for the year or quarter, advertising contracts spanning across years or quarters shall be split and based on the actual publication date stipulated in the contract.

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**
Payment of Concession Fees:	(i) For the guaranteed fees: The Company will pay the guaranteed fees on a quarterly basis (i.e. every three (3) months). Specifically, the first quarterly guaranteed fees will be payable within 15 working days from the commencement date of the exclusive concession period (i.e. 1 January 2026), and thereafter, each subsequent quarterly guaranteed fees will be payable in advance within 15 working days prior to the commencement of the respective quarter. (ii) For the extra revenue commission fees: Without prejudice to the day-to-day operations of the Company and in compliance with the applicable laws and regulations and the Listing Rules, the Company shall appoint an independent auditor previously approved by the resource provider to prepare an audit report on the annual revenue from the advertising business of relevant lines for each of the financial years, which shall be submitted to the resource provider within 60 calendar days from the end of the relevant financial year. The Company shall pay the extra revenue commission fees for that year within 10 working days from the date of publication of the audit report and confirmation by both parties.	
Advertising retention and New Media development:	According to the practice of the MTR industry, for the unsold advertising positions, without prejudice to the Exclusive Concession Rights, the resource provider has the right to use them for the non-commercial advertisements, including its corporate image, newly-opened or other lines, passenger education, operation and non-fare business, product and project promotion, which in total shall not exceed 15% of the total amount of conventional advertising media and the total amount of the subway car media for the whole year, respectively. Among which, the costs on advertising production and mounting and dismounting (i.e. replacement of advertisement images) of conventional advertising media will be borne by the Company, while the production costs of the subway car media will be borne by the resource provider. No consideration is payable by the resource provider to the Company in this regard. Having considered that such arrangements are in line with the practice of the MTR industry and the tender requirements of Beijing MTR, the Directors are of the view that such arrangements are fair and reasonable and in the interests of the Company and its Shareholders as a whole.	

<table>
<tr><th></th><th>2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement</th><th>2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement</th></tr>
<tr><td></td><td colspan="2">For the New Media invested and planned by the resource provider, the Company shall have the right of priority negotiation for the operation. The operation of the New Media will not prejudice the fairness, transparency and justice of treatment to advertising partners by Beijing MTR.</td></tr>
<tr><td>Operating conditions and restrictions:</td><td colspan="2">In the event of force majeure such as the construction and operation, inspection and maintenance, governmental requisition, and centralized dispatch arrangements of the MTR lines, which results in any change in the Major Advertising Resources (the proportion of adjustment and deletion of relevant media shall not exceed 5% of the total media volume of the corresponding category), for any direct or indirect losses caused to the Company as a result of or in connection with such acts in any circumstances, the resource provider shall proactively provide the Company with reasonable and necessary compensation, including but not limited to alternatives such as the corresponding area of advertising resources at stations of the same level, and in the event of material adjustments, the parties shall promptly renegotiate a solution for such adjustments.</td></tr>
<tr><td>Performance deposit:</td><td>The performance deposit already paid by the Company under the 2024–2025 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement (namely RMB6,299,100) shall remain with Beijing MTR as the performance deposit under this agreement, without the Company being required to make any additional payment.</td><td>In view of the expansion of the scope of exclusive operations and the increase in the guaranteed amount, the performance deposit shall be increased to RMB1,151,000 for the whole line. The performance deposit already paid by the Company under the 2024–2025 Beijing Metro Line 17 Exclusive Concession Rights Agreement and its supplementary agreements (comprising RMB990,900 for the northern section and RMB67,500 for the southern section) shall remain with Beijing MTR17 as the performance deposit under this agreement, whereby the Company shall pay the shortfall in the performance deposit (namely RMB92,600) to Beijing MTR17 within ten working days following the signing and effectiveness of this agreement.</td></tr>
</table>

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement
Default clauses:	In the event that the Company fails to pay the Concession Fees for a period of 30 working days overdue or commits any other serious defaults, the resource provider shall have the right to deduct the actual loss of the corresponding amount from the performance deposit and reserve the right to charge interest thereon. For every ten-day period that payment is overdue without the written consent of the resource provider, the resource provider shall be entitled to deduct RMB500,000 directly from the performance deposit as an additional direct penalty.	
Effective conditions:	This agreement shall become effective upon the signatures by representatives of both parties and the affixing of the Company seal as well as the fulfillment of the relevant requirements of Hong Kong Stock Exchange and regulatory authorities by the Company.	

3. Basis for Determining Concession Fees

The Concession Fees under the 2026 Exclusive Concession Rights Agreements retain the "guaranteed fees + extra revenue commission fees" regime from the 2024–2025 Exclusive Concession Rights Agreements while the calculation methods for guaranteed fees and extra revenue commission fees are optimized. For guaranteed fees: the relevant lines will no longer be divided into sections with individually negotiated and accounted guaranteed fees; instead, a unified guaranteed fee for the entire line will be agreed upon and accounted for on the basis of the total actual advertising revenue of the entire line. For extra revenue commission fees: the calculation benchmark will no longer be the total actual advertising revenue; rather, 92% of the actual advertising revenue (equivalent to the actual advertising revenue after deducting the estimated production costs) will serve as the basis for calculating the extra revenue commission fees, which will reduce the payable amount of extra revenue commission fees and increase the profit margin of the Group.

The above charging method was arrived at after arm's length negotiations between the Company and Beijing MTR and Beijing MTR17. Regarding the guaranteed fee, it does not exceed the tax-inclusive amount calculated based on the valuation of the relevant market value of the Exclusive Concession Rights provided by the Independent Appraiser and a 6% VAT rate. As for the extra revenue commission fees, the calculation benchmark has been adjusted from 100% of actual advertising revenue to 92%, and the deducted 8% of actual advertising revenue above is not less than the estimated production costs, after considering the previous operating costs, for which the production costs of 2025 are expected to account for approximately 8% of the actual advertising revenue as well as considering the possible decrease in production costs given that the Company has entered a stable operational stage and the gradual release of the benefits from media upgrades and renovations.

In reaching the above charging method, the Company also considered the revenue from the relevant concession space of key stations along relevant lines of Beijing Metro and communicated with key customers to estimate that the projected advertising revenue in 2026 will be approximately RMB45.37 million. The Group's expected core customers are existing clients, who have contributed advertising revenue of approximately RMB29.56 million for the eleven months ended November 2025, and shown stable cooperation intention for 2026, among which clients from industries such as the Internet, 3C, and FMCG are expected to bring incremental revenue of approximately RMB8.35 million in 2026. With the continued release of benefits from media upgrades and renovations, the average utilization rate of relevant concession space at key stations is expected to further increase in 2026, further boosting advertising revenue.

According to the valuation report issued by the Independent Appraiser, the aggregate market value of the Exclusive Concession Rights as at the valuation date (being 30 September 2025) was RMB27.78 million, including the market value of the Exclusive Concession Rights of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17, which were RMB23.06 million and RMB4.72 million respectively. The above valuation has been prepared by the Independent Appraiser using the discounted cash flow method of the income approach. Accordingly, the valuation constitutes a profit forecast under Rule 14.61 of the Listing Rules.

For details of the valuation report, including the key assumptions used in the underlying valuation, please refer to Appendix I to this circular.

The calculation methods of the above profit forecast have been reviewed by the Company's reporting accountant, WUYIGE Certified Public Accountants LLP. The above profit forecasts do not involve the adoption of accounting policies. The Board has confirmed that the above profit forecast has been formulated after due and careful enquiry by the Board. The report of WUYIGE Certified Public Accountants LLP and the letter from the Board are set out in Appendix II and Appendix III to this circular respectively.

4. Reasons for and Benefits of Entering into the 2026 Exclusive Concession Rights Agreements

The 2026 Exclusive Concession Rights Agreements involve the exclusive concession rights of Major Advertising Resources of important metro lines in Beijing, being Beijing Metro Line 4, Daxing Line and Beijing Metro Line 17. By entering into 2026 Exclusive Concession Rights Agreements, the Company will keep reinforcing and expanding its metro advertising market share in Beijing, which will support the stable development of the Group's outdoor advertising business, enhance the competitiveness of the Company's principal advertising business and facilitate the exploration of sustainable business models.

Since the Company obtained the exclusive concession rights for the Major Advertising Resources on the relevant Beijing metro lines in 2024, the Group's revenue from outdoor advertising business has sustained growth. The Company has now progressed through the initial project phase, which involved establishing operational systems, upgrading media assets, building brand presence, and cultivating client recognition. The relevant management and marketing teams of the Company have entered a stable operational stage, with the number of metro advertising clients growing steadily. The Company's brand has gained market recognition, and the benefits of the media asset upgrades are poised to be progressively realized. Furthermore, the connection of the entire Metro Line 17 for operation is expected to increase passenger flow and enhance the commercial value of related media resources, thereby further boosting advertising revenue of the Company.

Furthermore, when determining the Concession Fees under the 2026 Exclusive Concession Rights Agreements, the calculation methods for both the guaranteed fees and the extra revenue commission fees have been optimized based on the Company's actual revenue from metro advertising business for the above phase, to ensure the Company's profit margin throughout the extended operating period.

The Directors (excluding the independent non-executive Directors whose opinions will be set out in the Letter from the Independent Board Committee in the circular) are of the view that the 2026 Exclusive Concession Rights Agreements and the transactions contemplated thereunder are entered into in the ordinary and usual course of business of the Group, are fair and reasonable, on normal commercial terms, and in the interest of the Company and its Shareholders as a whole.

5. Listing Rules Implications

Capital Group has obtained the voting rights attached to 124,839,974 Shares of the Company (representing approximately 63.27% of the issued share capital of the Company) held by BYDA (enterprise) in accordance with the entrust management arrangement between it and BYDA and its beneficial owner. Therefore, Capital Group is a substantial Shareholder of the Company. As at the Latest Practicable Date, Beijing MTR is owned as to 2% and 47% by Capital Group directly and through Beijing MTR Equity Investment Fund Partnership (Limited Partnership)* (北京京港地鐵股權投資基金合夥企業(有限合夥)) controlled by Capital Group respectively, and therefore is an associate of Capital Group, the de facto controller of the Company. Beijing MTR17 is a wholly-owned subsidiary of Beijing MTR, therefore Beijing MTR and Beijing MTR17 are associates of Capital Group and connected persons of the Company under Chapter 14A of the Listing Rules, thus the entering into of the 2026 Exclusive Concession Rights Agreements constitutes connected transactions of the Company. The transactions under the 2026 Exclusive Concession Rights Agreements also constitute acquisition under Chapter 14 of the Listing Rules.

The transactions contemplated under the 2026 Exclusive Concession Rights Agreements shall be aggregated pursuant to Rules 14.22 and 14A.81 of the Listing Rules. Pursuant to Chapter 14A of the Listing Rules, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) exceed 5%, the transactions under the 2026 Exclusive Concession Rights Agreements constitute a non-exempt connected transaction and are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Pursuant to Chapter 14 of the Listing Rules, as one or more applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) is higher than 25% but lower than 100%, the entering into the 2026 Exclusive Concession Rights Agreements also constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules. Save for Ms. Sun Baojie, Mr. Jing Enji, Ms. Cui Ping and Mr. Wang Hao, all of whom are employed by Capital Group or its subsidiaries, who are materially interested in the transactions under the 2026 Exclusive Concession Rights Agreements and abstain from voting on the relevant Board resolutions, to the knowledge of the Company having made all reasonable enquiries, none of the other Directors is required to abstain from voting on the relevant Board resolution(s).

6. General Information of the Parties to the Transactions

The Company

The Company is a leading media company in the PRC. Its principal business includes sales of multi-interface convergence advertising, youth student travel, new media operation and maintenance, printing and trading of printing-related materials business.

Beijing MTR

Beijing MTR is a company established in the PRC with limited liability. As at the Latest Practicable Date, Beijing MTR is owned as to 2% by Beijing Infrastructure Investment Co., Ltd. (which is owned as to 100% by the People's Government of Beijing Municipality), owned as to 2% and 47% by Capital Group directly and through Beijing MTR Equity Investment Fund Partnership (Limited Partnership)* (北京京港地鐵股權投資基金合夥企業(有限合夥)) controlled by Capital Group respectively, and owned as to 49% by MTR Beijing Line 4 Investment Company Limited (a wholly-owned subsidiary of MTR Corporation Limited (the shares of which are listed on the Hong Kong Stock Exchange under the stock code: 66)). Beijing MTR participates in the investment, construction and operation of Beijing Metro Line 4, 14 and 16 on a PPP model (i.e. Public-Private-Partnership) and is responsible for the operation and management of Daxing Line, as well as the operation of Beijing Metro Line 17 on a leasing basis through Beijing MTR17, a wholly-owned subsidiary established by Beijing MTR. The total mileage is approximately 200 kilometers, with 190.4 kilometers in operation and 114 stations under its management.

Beijing MTR17

Beijing MTR17 is a company established in the PRC with limited liability. Beijing MTR17 is a wholly-owned subsidiary of Beijing MTR and mainly operates Beijing Metro Line 17 on a leasing basis.

III. PROPOSED APPOINTMENT OF DIRECTORS

On 11 December 2025, Mr. Nie Sen ("**Mr. Nie**") and Mr. Li Zhen ("**Mr. Li**") were nominated by the Board as non-executive directors of the ninth session of the Board of the Company, effective from the date of approval by the Shareholders at the extraordinary general meeting.

Biographical details of Mr. Nie

Mr. Nie Sen, aged 39, currently serves as the general manager of the culture and sports division at Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司). Mr. Nie joined Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司) in February 2018 and has successively held positions such as deputy general manager of the infrastructure division, deputy general manager of the environmental industry division and the infrastructure division and deputy general manager of the industrial development division as well as director of the office (party committee office, board office, general manager's office, and party committee office of the administrative bodies), deputy secretary of the party committee of the administrative bodies and general manager of the culture and sports division. Prior to joining Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司), Mr. Nie primarily worked at Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司) and the Urban Comprehensive Management Commission of Dongcheng District, Beijing (北京市東城區城市綜合管理委員會). From January 2012 to February 2018, he successively held roles such as written secretary of the comprehensive management department, information manager, secretary, senior manager and deputy general manager at Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司). From July 2008 to January 2012, he served successively as an intern and staff member at the Urban Comprehensive Management Commission of Dongcheng District, Beijing (北京市東城區城市綜合管理委員會). Additionally, Mr. Nie has concurrently served as the manager of the human resources and administration department (fulfilling the duties of the board secretary) of China Railway Asia-Europe Construction Investment Co., Ltd. (中鐵亞歐建設投資有限公司) from October 2016 to February 2018 and served as the deputy director of the Winter Olympics Project Management Office of Beijing State-owned Assets Management Co., Ltd. (北京市國有資產經營有限責任公司) on a temporary assignment from July 2017 to February 2018. Mr. Nie obtained a bachelor of arts degree in Chinese Language and Literature from the School of Humanities at China University of Political Science and Law, followed by a master of public administration degree in Public Administration from the School of Politics and Public Administration at China University of Political Science and Law.

Biographical details of Mr. Li

Mr. Li Zhen, aged 35, currently serves as the deputy general manager of the culture and sports division at Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司). Mr. Li joined Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司) since March 2020 and has successively held positions such as the general manager of the office of cultural and creative industries, senior manager of the finance division, senior manager of the risk supervision division, assistant general manager of the industrial development division, deputy general manager of the culture and sports division. Prior to joining Beijing Capital Group Co., Ltd. (北京首都創業集團有限公司), Mr. Li primarily worked at the urban renewal platform of Capital Jingzhong (Tianjin) Investment Co., Ltd. (首創經中(天津)投資有限公司城市更新平台) and the Chaoyang District Finance Bureau of Beijing Municipality (北京市朝陽區財政局). From May 2019 to March 2020, he served as the senior manager of investment and development department of the urban renewal platform of Capital Jingzhong (Tianjin) Investment Co., Ltd. (首創經中(天津)投資有限公司城市更新平台). From September 2014 to May 2019, he served in the Chaoyang District Finance Bureau of Beijing Municipality (北京市朝陽區財政局). He has successively served as a staff member of the basic construction section, a deputy principal staff member of the finance section and a member of Youth League Committee of the Bureau (局團總支). Mr. Li also served as the assistant to the president of Beijing Media Corporation Limited (北青傳媒股份有限公司) on a temporary assignment from August 2021 to August 2022. Mr. Li has successively obtained a bachelor's degree in applied mathematics from Hebei University of Economics and Business and a master's degree in applied statistics from Central University of Finance and Economics.

Save as disclosed in the above biographical details and as of the Latest Practicable Date, the above two director candidates do not have any relationship with any directors, senior management, substantial shareholder(s) or controlling shareholder(s) of the Company, nor hold any other positions in the Company or any of its subsidiaries, or any directorships in other listed companies in the last three years. As at the Latest Practicable Date, the above two director candidates do not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Upon the appointment of the above two director candidates as non-executive directors being approved by the Shareholders, the Company will enter into service contracts with them. The term of office of the above two director candidates as non-executive directors will be from the date of approval by the Shareholders at the extraordinary general meeting until the expiration of the term of office of the ninth session of the Board. Pursuant to the Articles of Association, the above two director candidates will be subject to re-election upon the expiry of their term of office. The above two director candidates will not receive any emolument from the Company.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the Shareholders or any information in relation to the appointment of the above two director candidates that needs to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

IV. EGM

A notice convening the EGM to be held at the Conference Room 704, 7th Floor, Beijing Youth Daily Building, No.23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC, at 2:00 p.m. on Tuesday, 30 December 2025, has been set out in this circular.

Votes on the resolutions to be proposed at the EGM shall be taken by way of poll. As at the Latest Practicable Date, Capital Group has obtained the voting rights attached to 124,839,974 Shares of the Company (representing approximately 63.27% of the issued share capital of the Company) held by BYDA (enterprise) pursuant to the entrust management arrangement between Capital Group and BYDA and its beneficial owners. Capital Group has a material interest in the transactions under the 2026 Exclusive Concession Rights Agreements, therefore, Capital Group and its associates, which in aggregate hold the voting rights attached to 124,839,974 shares of the Company (representing approximately 63.27% of the issued share capital of the Company), are required to abstain from voting on the relevant resolutions at the EGM. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed above, there is no Shareholder who has material interests in the matters submitted to the EGM and is required to abstain from voting on the relevant resolutions at the EGM.

Whether or not you are able to attend the EGM, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof, and deposit it with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

V. RECOMMENDATION

The Directors (excluding the independent non-executive Directors whose opinions will be set out in the Letter from the Independent Board Committee in the circular) are of the view that the terms of the 2026 Exclusive Concession Rights Agreements and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and its Shareholders as a whole. Therefore, the Directors recommend the Independent Shareholders to vote in favour of the resolution in relation to the transactions under the 2026 Exclusive Concession Rights Agreements.

VI. OTHER INFORMATION

Your attention is drawn to (i) the Letter from the Independent Board Committee set out in this circular which contains information on the transaction under the 2026 Exclusive Concession Rights Agreements, and the recommendations of the Independent Board Committee to the Independent Shareholders; and (ii) the Letter from the Independent Financial Adviser set out in this circular which contains information on the transactions under the 2026 Exclusive Concession Rights Agreements, the recommendations of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the same, and the principal factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice.

By order of the Board
Beijing Media Corporation Limited
Chairman
Sun Baojie

The following is the letter from the Independent Board Committee to the Independent Shareholders in respect of the transactions under the 2026 Exclusive Concession Rights Agreements, which has been prepared for the purpose of inclusion in this circular.

BEIJING MEDIA CORPORATION LIMITED
北青傳媒股份有限公司

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

(Stock Code: 1000)

16 December 2025

To the Independent Shareholders

Dear Sir or Madam,

We refer to the circular of the Company dated 16 December 2025 (the "**Circular**") of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed to form the Independent Board Committee to consider and advise you as to whether, in our opinion, the transactions under the 2026 Exclusive Concession Rights Agreements (details of which are set out in the Letter from the Board) are fair and reasonable so far as the Independent Shareholders are concerned.

BaoQiao Partners Capital Limited has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the transactions under the 2026 Exclusive Concession Rights Agreements. Details of the advice from BaoQiao Partners Capital Limited, together with the principal factors taken into consideration in arriving at such advice, have been set out in the Circular.

Your attention is also drawn to the Letter from the Board set out in the Circular and the additional information set out in the appendices to the Circular.

Having considered (i) the terms and conditions of the transactions under the 2026 Exclusive Concession Rights Agreements, (ii) the discussion with the management of the Company about the background to and nature of the transactions under the 2026 Exclusive Concession Rights Agreements, (iii) the basis for determining the Concession Fees, (iv) the business and financial effects of the transactions under the 2026 Exclusive Concession Rights Agreements, and (v) the advice given by the Independent Financial Advisor and the principal factors and reasons taken into consideration by them in arriving at their advice, we are of the view that the transactions under the 2026 Exclusive Concession Rights Agreements (i) have been negotiated on an arm's length basis; (ii) will be conducted on normal commercial terms, or on terms no less favorable than those available to or from independent third parties under prevailing local market conditions; and (iii) are entered into in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of Company and its Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM so as to approve the transactions under the 2026 Exclusive Concession Rights Agreements.

Yours faithfully,
For and on behalf of the
Independent Board Committee of
Beijing Media Corporation Limited
Independent Non-executive Directors
Shi Hongying
Chan Yee Ping, Michael
Du Guoqing
Kong Weiping

The following is the full text of the letter of advice from BaoQiao Partners Capital Limited to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.

寶橋 BAOQIAO PARTNERS

BAOQIAO PARTNERS CAPITAL LIMITED

Room C01, 26/F, United Centre,
95 Queensway, Admiralty, Hong Kong

16 December 2025

To the Independent Board Committee and the Independent Shareholders of
Beijing Media Corporation Limited

Dear Sir or Madam,

MAJOR TRANSACTION AND CONNECTED TRANSACTION IN RELATION TO THE BEIJING METRO LINE 4 AND DAXING LINE EXCLUSIVE CONCESSION RIGHTS AGREEMENT AND BEIJING METRO LINE 17 EXCLUSIVE CONCESSION RIGHTS AGREEMENT FOR MAJOR ADVERTISING RESOURCES

INTRODUCTION

We refer to our engagement as the independent financial adviser ("**Independent Financial Adviser**") to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the 2026 Exclusive Concession Rights Agreements (the "**Transactions**"), details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular issued by the Company to the Shareholders dated 16 December 2025 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

As disclosed in the Letter from the Board, the 2024–2025 Exclusive Concession Rights Agreements will be expired at the end of 2025, to keep reinforcing and enhancing the metro advertising market share in Beijing, on 11 December 2025, the Company entered into the 2026 Exclusive Concession Rights Agreement with Beijing MTR and Beijing MTR17, pursuant to which, (i) the exclusive advertising concession operating period will be extended for a year to 31 December 2026; (ii) considering the middle section of Beijing Metro Line 17 operated by Beijing MTR17 will be opened which connects the entire line for full operation at the end of 2025, the exclusive concession operating scope in 2026 will cover the Major

Advertising Resources in Beijing Metro Line 4 and Daxing Line and in the entire Beijing Metro Line 17; (iii) the pricing basis for Concession Fees is optimized while retaining the original "guaranteed fees + extra revenue commission fees" regime, subject to Independent Shareholders' approval at the EGM.

As at the Latest Practicable Date, Beijing MTR is owned as to 2% directly and 47% indirectly by Capital Group, the de facto controller of the Company, and Beijing MTR17 is a wholly-owned subsidiary of Beijing MTR. Therefore, Beijing MTR and Beijing MTR17 are associates of Capital Group and connected persons of the Company, under Chapter 14A of the Listing Rules.

Pursuant to Chapter 14A of the Listing Rules, as one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) exceed 5%, the transactions contemplated under the 2026 Exclusive Concession Rights Agreements constitute a non-exempt connected transaction and are subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Pursuant to Chapter 14 of the Listing Rules, as one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) is higher than 25% but lower than 100%, the entering into the 2026 Exclusive Concession Rights Agreements also constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

An Independent Board Committee comprising of all the independent non-executive Directors, namely Ms. Shi Hongying, Mr. Chan Yee Ping, Michael, Ms. Du Guoqing and Mr. Kong Weiping, has been established to advise the Independent Shareholders in respect of the transactions contemplated under the 2026 Exclusive Concession Rights Agreements. We, BaoQiao Partners Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

In the last two years, prior to the Latest Practicable Date, we have been appointed as the independent financial adviser by the Company to advise the independent board committee and the independent shareholders of the Company in respect of the possible major and connected transaction in relation to the disposal of target property through public tender, as set out in the circular of the Company dated 3 December 2024.

As at the Latest Practicable Date, we do not have any relationship with, or have any interest in, the Group, Beijing MTR, Beijing MTR17 and their respective associates that could reasonably be regarded as relevant to our independence. Apart from the normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no other arrangement exists whereby we had received or will receive any fees or benefits from the Company or any other parties that could reasonably be regarded as relevant to our independence. As such, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained or referred to in the announcements in relation to the 2026 Exclusive Concession Rights Agreements (the "**Announcements**") dated 11 December 2025 and 16 December 2025, the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company (collectively, the "**Management**"). We have reviewed, among others, the annual report of the Company for the year ended 31 December 2024 ("**FY2024**") (the "**2024 Annual Report**"), the interim report of the Company for the six months ended 30 June 2025 ("**HY2025**") (the "**2025 Interim Report**"), the valuation report on the Exclusive Concession Rights (the "**Valuation Report**"), certain corporate and financial information of the Group, and the information set out in the Announcements and the Circular. We have assumed that all information and representations that have been provided by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all material respects and not misleading or deceptive at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and representations made by the Management in the Circular and/or discussed with/provided to us were reasonably made after due enquiries and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers, the Management, which have been provided to us.

The Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group and having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, Beijing MTR, Beijing MTR17 and their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of entering into of the 2026 Exclusive Concession Rights Agreements. Our opinion is necessarily based on financial, economic, market and other conditions in effect, and the facts, information, representations and opinions made available to us, at the Latest Practicable Date.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of approving the 2026 Exclusive Concession Rights Agreements and the transactions contemplated thereunder, and this letter, except for its inclusion in the Circular and for display on the websites of the Stock Exchange (www.hkexnews.com.hk) and the Company (www.bjmedia.com.cn) as required under the Listing Rules, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In giving our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Transactions, we have taken into consideration the following factors and reasons:

1. Background Information of the Parties Involved

Information on the Company and the Group

As disclosed in the Letter from the Board, the Company is a leading media company in the PRC. Its principal business includes sales of multi-interface convergence advertising, youth student travel, new media operation and maintenance, printing and trading of printing-related materials business.

Set out below is a summary of the audited consolidated financial information of the Group for the year ended 31 December 2023 ("**FY2023**") and FY2024 as extracted from the 2024 Annual Report and the unaudited consolidated financial information of the Group for the six months ended 30 June 2024 ("**HY2024**") and HY2025 as extracted from the 2025 Interim Report:

	FY2024	**FY2023**	**HY2025**	**HY2024**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(Audited)	(Audited)	(Unaudited)	(Unaudited)
Total operating income				
— Advertising	117,494	98,908	46,038	51,808
— Printing	4	1,009	—	2
— Trading of printing materials	42,451	77,659	8,654	29,905
— Other revenue	49,243	34,374	11,293	16,222
	209,192	211,950	65,985	97,937
Net losses attributable to Shareholders of the Company	(2,042)	(15,199)	(19,047)	(9,420)

	As at 31 December 2024	As at 30 June 2025
	RMB'000	*RMB'000*
	(Audited)	(Unaudited)
Total assets	712,753	721,635
Total liabilities	63,824	66,418
Total equity attributable to Shareholders of the Company	637,736	653,049

Financial performance of the Group

The Group's operating income is generated from (i) sales of multi-interface convergence advertising, new media operation and maintenance (i.e. collectively under the advertising segment), (ii) printing; (iii) trading of printing-related materials business, and (iv) other business, including youth student travel.

FY2023 vs FY2024

The Group's total operating income was approximately RMB209.2 million for FY2024, representing a decrease of approximately 1.3% or RMB2.8 million as compared to approximately RMB212.0 million for FY2023. As disclosed in the 2024 Annual Report, the advertising revenue increased by approximately RMB18.6 million to approximately RMB117.5 million for FY2024, primarily driven by contributions from newly developed metro outdoor advertising business and the increase in revenue from the financial and automobile sectors serviced by the Group's advertising centre. However, this growth was offset by a decrease in the operating income from the trading of print-related materials business from approximately RMB77.7 million for FY2023 to approximately RMB42.5 million for FY2024 as a result of the contraction of the printing and print-related sales business. Overall, the total operating income for FY2024 declined despite the uplift in advertising revenue.

The Group reported a reduction in net loss attributable to Shareholders of the Company from approximately RMB15.2 million for FY2023 to approximately RMB2.0 million for FY2024. As disclosed in the 2024 Annual Report, the Group reported a reversal of the credit impairment loss of approximately RMB11.6 million for FY2024 as compared to the credit impairment loss of approximately RMB7.1 million for FY2023 as a result of the realised gain on disposal of investment properties and partial recovery of accounts receivables.

HY2024 vs HY2025

The Group's total operating income was approximately RMB66.0 million for HY2025, representing a decrease of approximately 32.7% or RMB32.0 million as compared to approximately RMB98.0 million for HY2024. As disclosed in the 2025 Interim Report, the decline was primarily driven by the contraction of the printing and related trading business, which decreased from approximately RMB29.9 million in HY2024 to approximately RMB8.7 million in HY2025. In addition, advertising revenue declined from approximately RMB51.8 million to approximately RMB46.0 million, mainly due to reduced income from traditional advertising channels. These adverse impacts were partially offset by the continued growth of the outdoor advertising business (including the new metro outdoor advertising business) and the Beijing City Culture Annual Pass business that promoted the capital's cultural tourism resources. Overall, the year-on-year decrease in operating income reflects the combined impact of these factors.

The Group reported a net loss attributable to Shareholders of the Company of approximately RMB19.0 million for HY2025, representing an increase of approximately RMB9.6 million of approximately RMB9.4 million for HY2024. The increase in net loss was primarily attributable to a decline in operating income and the recognition of a bad debt loss of approximately RMB1.8 million, as opposed to a reversal of credit impairment gain of RMB2.9 million in HY2024.

Financial position of the Group

As at 31 December 2024 and 30 June 2025, the Group's total assets amounted to approximately RMB712.8 million and approximately RMB721.6 million respectively, which comprised mainly (i) financial assets held for trading of approximately RMB114.3 million and approximately RMB127.4 million; (ii) bank balances and cash of approximately RMB81.5 million and approximately RMB41.5 million; (iii) investment properties of approximately RMB53.6 million and approximately RMB95.7 million, as at 31 December 2024 and 30 June 2025 respectively; as well as (iv) investment in other equity instruments of approximately RMB341.3 million at the end of both reporting year/period.

As at 31 December 2024 and 30 June 2025, the total liabilities of the Group amounted to approximately RMB63.8 million and approximately RMB66.4 million respectively, which mainly included (i) accounts payable of approximately RMB21.2 million and approximately RMB17.1 million; (ii) contract liabilities of approximately RMB9.7 million and approximately RMB14.7 million; and (iii) other payables of approximately RMB18.0 million and approximately RMB17.5 million, as at 31 December 2024 and 30 June 2025 respectively.

Total equity attributable to Shareholders of the Company increased by approximately RMB15.2 million from approximately RMB637.8 million as at 31 December 2024 to approximately RMB653.0 million as at 30 June 2025, due primarily to the increase in the other comprehensive income from changes in fair value of investment properties of approximately RMB34.2 million, which was partially offset by the net loss attributable to Shareholders of the Company for HY2025.

Information on Beijing MTR and Beijing MTR17

As disclosed in the Letter from the Board, Beijing MTR is a company established in the PRC with limited liability. As at the Latest Practicable Date, Beijing MTR is owned as to 2% by Beijing Infrastructure Investment Co., Ltd (which is owned as to 100% by the People's Government of Beijing Municipality), owned as to 2% and 47% by Capital Group directly and through Beijing MTR Equity Investment Fund Partnership (Limited Partnership)* (北京京港地鐵股權投資基金合夥企業(有限合夥)) controlled by Capital Group respectively, and owned as to 49% by MTR Beijing Line 4 Investment Company Limited (a wholly-owned subsidiary of MTR Corporation Limited (the shares of which are listed on the Hong Kong Stock Exchange under the stock code: 66)). Beijing MTR participates in the investment, construction and operation of Beijing Metro Line 4, 14 and 16 on a PPP model (i.e. Public-Private-Partnership) and is responsible for the operation and management of Daxing Line, as well as the operation of Beijing Metro Line 17 on a leasing basis through Beijing MTR17, a wholly-owned subsidiary established by Beijing MTR. The total mileage is approximately 200 kilometers, with 190.4 kilometers in operation and 114 stations under its management.

As disclosed in the Letter from the Board, Beijing MTR17 is a company established in the PRC with limited liability. Beijing MTR17 is a wholly-owned subsidiary of Beijing MTR and mainly operates Beijing Metro Line 17 on a leasing basis.

2. Reasons for and benefits of the Transactions

As disclosed in the Letter from the Board, we note that by entering into the 2026 Exclusive Concession Rights Agreements, the Company will keep reinforcing and expanding its metro advertising market share in Beijing, which will support the stable development of the Group's outdoor advertising business, enhance the competitiveness of the Company's principal advertising marketing business and facilitate the exploration of sustainable business models. Since the Company obtained the exclusive concession rights for the Major Advertising Resources on the relevant Beijing metro lines in 2024, the Group's revenue from outdoor advertising business has sustained growth.

As disclosed in section "1. Background Information of the Parties Involved" of this letter, as well as in the 2024 Annual Report and 2025 Interim Report, the Group's revenue from outdoor advertising has shown consistent growth. In addition, the contribution of the overall advertising revenue to principal operating revenue increased from approximately 49.7% in FY2023 to 65.0% in FY2024, and further to 73.5% in HY2025. According to the Letter from the Board, the Company has successfully completed the initial phase of its project, with the Company's brand gaining market recognition. Operations of the metro advertising business have also stabilized, supported by a steady increase in metro advertising clients. Looking ahead, the full-line opening of Metro Line 17 under the 2026 Exclusive Concession Rights Agreements is expected to drive higher passenger traffic and enhance the value of media assets, thereby supporting continued growth in advertising revenue.

Furthermore, when determining the Concession Fees under the 2026 Exclusive Concession Rights Agreements, the calculation methods for both the guaranteed fees and the extra revenue commission fees have been optimised based on the Company's actual revenue (please refer to the paragraph headed "Basis for Determining Concession Fees" in this letter for details) from metro advertising business for the above phase, to ensure the Company's profit margin throughout the extended operating period.

Having considered the above, we concur with the Directors' view that the entering into of the 2026 Exclusive Concession Rights Agreements and the transactions contemplated thereunder is conducted in the ordinary and usual course of business of the Group and is in the interest of the Company and the Shareholders as a whole.

3. Principal terms of the 2026 Exclusive Concession Rights Agreements

Set out below are the principal terms of the 2026 Exclusive Concession Rights Agreements, further details of which are set out under the section headed "2026 Exclusive Concession Rights Agreements" of the Letter from the Board.

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**
Date:	11 December 2025	
Parties:	(1) the Company (as the agent); and	(1) the Company (as the agent); and
	(2) Beijing MTR (as the resource provider)	(2) Beijing MTR17 (as the resource provider)

	2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**
Subject matter:	Beijing MTR granted the Company the exclusive rights to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR with Concession Fees payable by the Company to Beijing MTR.	Beijing MTR17 granted the Company the exclusive rights to use and operate the Major Advertising Resources in the entire Beijing Metro Line 17 operated by Beijing MTR17 with Concession Fees payable by the Company to Beijing MTR17.
Exclusive concession period for:	Commencing from 1 January 2026 and ending on 31 December 2026. Subject to the applicable laws and regulations and the requirements of the Listing Rules, both parties have the right to decide whether to extend the exclusive concession period no later than three (3) months prior to the expiry of the period. The extension will be a period of two years commencing from 1 January 2027 to 31 December 2028.	
Amount of concession fee:	The Company will pay the Concession Fees on the basis of "guaranteed amount + extra revenue commission fees".	
	(i) For the guaranteed amount: The guarantee fee for the concession right of the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line will be RMB24,272,532 (tax inclusive) during the operating period.	(i) For the guaranteed amount: The guarantee fee for the concession right of the Major Advertising Resources in the entire Beijing Metro Line 17 will be RMB4,424,268 (tax inclusive) during the operating period.

2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement	**2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement**

(ii) The extra revenue commission fees will be calculated based on the actual advertising revenue (*note*) and on a stepwise basis according to the following formula:

The actual advertising revenue tier	**The basis for calculating extra revenue commission fees**
92% actual advertising revenue ≤1.5 times of guaranteed amount	0
1.5 times of guaranteed amount < 92% actual advertising revenue ≤1.8 times of guaranteed amount	(92% actual advertising revenue – 1.5times of guaranteed amount) × 40%
1.8 times of guaranteed amount < 92% actual advertising revenue ≤2 times of guaranteed amount	(1.8 times of guaranteed amount – 1.5 times of guaranteed amount) × 40% + (92% actual advertising revenue – 1.8 times of guaranteed amount) × 50%
92% actual advertising revenue > 2 times of guaranteed amount	(1.8 times of guaranteed amount – 1.5 times of guaranteed amount) × 40% + (2 times of guaranteed amount – 1.8 times of guaranteed amount) × 50% + (92% actual advertising revenue – 2 times of guaranteed amount) × 60%

Note: The actual advertising revenue refers to the total value of advertising contracts actually signed by the Company with its advertisers or their agents in respect of the Major Advertising Resources of the relevant metro lines, including revenue from publication fees and production fees. For the calculation of actual advertising revenue for the year or quarter, advertising contracts spanning across years or quarters shall be split and based on the actual publication date stipulated in the contract.

Basis for Determining Concession Fees

As disclosed in the Letter from the Board, the Concession Fees under the 2026 Exclusive Concession Rights Agreements retain the "guaranteed amount + extra revenue commission fees" structure from the 2024–2025 Exclusive

Concession Rights Agreements while the calculation methods for guaranteed amount and extra revenue commission fees were optimized. For guaranteed fees: the relevant lines will no longer be divided into sections with individually negotiated and accounted guarantee fees; instead, a unified guarantee fee ("**Unified Guarantee Fee**") for the entire line will be agreed upon and accounted for on the basis of the total actual advertising revenue of the entire line. For extra revenue commission fees: the calculation benchmark will no longer be the total actual advertising revenue; rather, 92% of the actual advertising revenue (equivalent to the actual advertising revenue after deducting the estimated production costs) will serve as the basis for calculating the extra revenue commission fees, which will reduce the payable amount of extra revenue commission fees and increase the profit margin of the Group. The above charging method was arrived at after arm's length negotiations between the Company and Beijing MTR and Beijing MTR17.

As disclosed in the Letter from the Board, we note that the guaranteed fee will not exceed the tax-inclusive amount calculated based on the valuation of the relevant market value of the Exclusive Concession Rights provided by the Independent Valuer (as defined in the following section) and a 6% VAT rate. As for the extra revenue commission fees, the calculation benchmark has been adjusted from 100% of actual advertising revenue to 92%. In addition, the 8% deduction of actual advertising revenue above will not be less than the estimated production costs for 2026. This assessment takes into account the projected full-year production costs for 2025, which represent approximately 8% of projected advertising revenue, based on actual results for 9M2025 and possible decrease in production costs given that the Company has entered a stable operational stage and the gradual release of the benefits from media upgrades and renovations.

Furthermore, the Company estimated the projected advertising revenue for 2026 to be approximately RMB45.37 million, based on the revenue from the relevant concession space of key stations along relevant lines of Beijing Metro and communication with key customers. As disclosed in the Letter from the Board and based on the information provided by the Management, we note that the Group's core customers are expected to remain its existing clients, who have contributed advertising revenue of approximately RMB29.56 million for the eleven months ended November 2025, and have shown stable cooperation intention for 2026, among which sales team estimates indicate incremental revenue of about RMB8.35 million from the Internet, 3C, and FMCG clients in 2026. In addition, the upgrades and renovations of media are expected to further enhance the average utilization rate of relevant concession space at key stations in 2026, subsequently boosting advertising revenue.

Based on our review of the 2024–2025 Exclusive Concession Rights Agreements and the 2026 Exclusive Concession Rights Agreements, save for the Unified Guarantee Fee and the calculation basis for extra revenue commission fees, the basis for determination of the Concession Fees remains the same for both the 2024–2025 Exclusive Concession Rights Agreements and the 2026 Exclusive Concession Rights Agreements. In addition, as confirmed by the Management, the advertising revenue for 2024 and estimated revenue for 2025 did/would not meet the threshold required to calculate the extra revenue commission.

Pursuant to the 2026 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and 2026 Beijing Metro Line 17 Exclusive Concession Rights Agreement, the guaranteed amounts for the one year ending 31 December 2026 are approximately RMB24.27 million (tax inclusive) and RMB4.42 million (tax inclusive) or a total of RMB28.69 million (tax inclusive) respectively.

4. The Valuation Report

Asia-Pacific Consulting and Appraisal Limited (i.e. Independent Valuer) has been engaged by the Group to conduct a valuation (the "**Valuation**") of the market value of the Exclusive Concession Rights under the 2026 Exclusive Concession Rights Agreements as at 30 September 2025. According to the valuation report issued by the Asia-Pacific Consulting and Appraisal Limited (the "**Independent Valuer**"), the aggregate market value of the Exclusive Concession Rights as at 30 September 2025, being the valuation date ("**Valuation Date**") was RMB27.78 million, including the market value of the Exclusive Concession Rights of (i) Beijing Metro Line 4, Daxing Line and (ii) Beijing Metro Line 17, which were RMB23.06 million and RMB4.72 million respectively.

Competence of the Independent Valuer

We have reviewed and enquired the qualification and experience of the Independent Valuer. We have (i) reviewed the terms of engagement of the Independent Valuer with the Company (including their scope of work); (ii) reviewed the qualification of the Independent Valuer including its previous experience in valuation, as well as the valuation methodology adopted for the Valuation; (iii) enquired whether the Independent Valuer is independent of the Company, Beijing MTR, Beijing MTR17 and their respective associates. From the mandate letter and other relevant information provided by the Independent Valuer and based on our discussion with them, we were satisfied with the terms of engagement of the Independent Valuer as well as their qualification for preparation of the Valuation Report. the Independent Valuer also confirmed that they are independent of the Company, Beijing MTR, Beijing MTR17 and their respective associates.

Valuation methodologies

Based on the Valuation Report, the market value of the Exclusive Concession Rights as at the Valuation Date was assessed by the Independent Valuer by using discounted cash flow ("**DCF**") method under income approach.

We have reviewed the Valuation Report and discussed with the Independent Valuer in relation to the methodologies adopted for and the basis and assumption used in arriving the market value of the Exclusive Concession Rights. In the course of our discussion with the Independent Valuer and as disclosed in the Valuation Report, we note that the Independent Valuer has considered the three generally accepted appraisal approaches for the Valuation, namely, market approach, cost approach and income approach. The Independent Valuer noted that there are no publicly active market comparable transactions for the subject assets. Furthermore, the Exclusive Concession Right is more dependent on the future benefit through its operation and the cost approach does not directly incorporate information about the economic benefits contributed by the subject assets. Considering the nature of the Exclusive Concession Rights, both the market approach and cost approach are inappropriate for valuing the Exclusive Concession Rights.

In light of the above, the Independent Valuer concluded that the income approach, which is based on the conversion of expected periodic benefits of ownership into an indication of value, is the most suitable approach for determining value of the Exclusive Concession Rights.

Review by the reporting accountants of the Company and the Directors

We noted that (i) the reporting accountants, namely WUYIGE Certified Public Accountants LLP, confirmed that in their opinion, the forecasts have been properly prepared, in all material respects, on the basis of assumptions adopted by the Directors as to the arithmetical accuracy of the calculations of the profit forecast; and (ii) the Board confirms that the profit forecast of the Exclusive Concession Rights of the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 has been made by the Board after due and careful enquiry. Please refer to Appendix II and Appendix III to the Circular for details.

Financial forecast and other relevant assumptions

We had further reviewed and enquired the Independent Valuer on the methodologies, basis and assumptions applied for the DCF model. We understood that the values of the Exclusive Concession Rights depend on the present worth of future economic benefits to be derived from the projected sales income. Indications of value have been developed by discounting projected future net cash flows at discount rates which are appropriate for the risks of the business.

We had conducted the following works for our due diligence purpose:

Forecast Period

According to the Valuation Report, the forecast period of the estimated cash flows forecast of the Exclusive Concession Rights is 1 year with reference to the operating period of the Exclusive Concession Rights from 1 January 2026 and ending on 31 December 2026 ("**Forecast Period**").

As the Forecast Period covers the whole effective period of the 2026 Exclusive Concession Rights Agreements, we are of the view that the Forecast Period is reasonable.

Net Cash Flow

As stated in the Valuation Report, net cash flow = EBIAT – change in NWC – CAPEX + D&A + Recovery Amount

A. EBIAT

Upon our enquiry, we understood that:

(i) the forecasted revenue of the Exclusive Concession Rights ("**Forecasted Revenue**") amounted to approximately RMB45.37 million for the Forecast Period, which mainly comprises advertising display services and advertising production services. The Forecasted Revenue of advertising display services ("**ADS Revenue**") is compiled in terms of an advertising space at metro stations and estimated based on the price and publication rate/frequency of each advertising space. For the Forecasted Revenue of advertising production services ("**APS Revenue**"), a fixed percentage of 30% of the ADS Revenue ("**Fixed Ratio**") has been applied during the Forecast Period as APS Revenue, reflecting the close correlation between APS Revenue and ADS Revenue.

(ii) the forecasted earnings before interest and taxes ("**EBIT**") amounted to approximately RMB30.32 million for the Forecast Period, which was calculated as the aforesaid Forecasted Revenue minus total operating expenses of the Exclusive Concession Rights.

To assess the fairness and reasonableness of the ADS Revenue, we obtained the workings of the Valuation (the "**Valuation Workings**") from the Independent Valuer. Pursuant to the Valuation Workings, we noted that the ADS Revenue was made with reference to (i) the prices of advertising spaces at metro stations of Beijing Metro Line 4, Daxing Line and Beijing Metro Line 17 (collectively, the "**Metro Lines**"); (ii) the discount offered to clients (the "**Discount to Clients**") and (iii) the publication rate/frequency of advertising space at the Metro Stations (the "**Publication Rate**").

In respect of the prices of the advertising spaces, we have obtained from the Company (i) a list of current price quotation of the Company for advertising spaces at metro stations of the Metro Lines as at the Valuation Date, (ii) the historical actual prices charged for advertising spaces by the Company for FY2024 and 9 months ended 30 September 2025 ("**9M2025**"), and (iii) a list of quotations of 2 peer advertising companies, both of which are Independent Third Parties and are engaged in advertising operations on the existing metro lines serving the stations scheduled to be connected with the Beijing Metro Line 17 during the Forecast Period. Based on the above information, we note that for existing advertising spaces at stations that the Company currently operate ("**Existing Advertising Spaces**"), majority of the prices adopted in the Valuation are close to the historical prices and align with the quotation prices the Company offered to its clients. Higher prices are adopted for 2 Existing Advertising Spaces as enhancement works will be carried out by the Company in 2026. For the stations that the Beijing Metro Line 17 scheduled to be connected with during the Forecast Period, the estimated advertising prices on such stations are reference against the quotations of the peer companies for the same stations, which are broadly comparable to the Company's quoted prices for advertising spaces at stations of a similar tier (in terms of passenger turnover and geographical location of the stations) that are currently in operation.

For the APS Revenue, we obtained from the Company the breakdown of the actual revenue containing information of the publish price, Discount to Clients, the actual production services revenue and actual revenue of advertising display services of the Existing Advertising Spaces for FY2024 and 9M2025 ("**Historical Revenue Breakdown**"), and we note that the Fixed Ratio is determined with reference to the average ratios calculated based on the actual production services revenue divided by the actual revenue of advertising display services for both FY2024 and 9M2025.

In respect of the Discounts to Clients, the estimated Discount to Clients for the Existing Advertising Spaces for the Forecast Period is based on the historical discounts to the publish price as listed in the Historical Revenue Breakdown.

In respect of the Publication Rate, we obtained the historical average Publication Rate of the advertising spaces for FY2024 and 9M2025, for Existing Advertising Spaces, we note that the majority of the estimated Publication Rates for the Forecast Period are close to the rates calculated based on the average Publication Rates of FY2024 and 9M2025, while a small portion of the advertising spaces are estimated at rates higher than the historical levels. Based on our discussion with the Company, this is mainly attributable to the enhancement works on advertising spaces carried out by the Company in October 2024, July 2025 and to be carried out in 2026. According to the Company's operating data, the Publication Rates of the renovated spaces increased following the upgrades, and the Company anticipates this upward trend will continue during the Forecast Period.

Having considered the above, we consider the Forecasted Revenue to be reasonable.

The overall operating costs, including staff costs, production related costs, selling expenses and administrative expenses ("**2026 Costs and Expenses**") for the Forecast Period are determined with reference to the projected expenses for the full year 2025 based on the actual expenses of 9M2025. Based on our discussion and the operating data we obtained from the Management, we note that the 2026 Costs and Expenses, as a percentage to revenue, represent a decrease of approximately 8% as compared to the full year 2025. This reduction reflects the anticipated benefits of economies of scale as the business matures. Specifically, fixed and semi-variable costs will be spread across a larger revenue base, procurement and production efficiencies will lower production and maintenance costs for advertising spaces, and administrative functions are expected to remain stable without expanding proportionally with sales growth.

Besides, to assess the reasonableness of relevant cost/expenses/EBIT of the Exclusive Concession Rights for the Forecast Period, the Independent Valuer compared the ratio of EBIT to revenue (the "**EBIT Margin**") of the Exclusive Concession Rights, being approximately 67% with the comparable companies. According to the Valuation Report, the market value of the Exclusive Concession Rights is a pre-concession right fee value, which is the economic benefit the owner of the Exclusive Concession Rights could derive from the operation of the advertising business without concession fee, they adjusted EBIT of the Project to deduct the concession fee of the Exclusive Concession Rights ("**Adjusted EBIT**") and calculated the Adjusted EBIT to revenue (the "**Adjusted EBIT Margin**") of the Project, being approximately 7% for the year ended 31 December 2026.

According to the Valuation Report, the Independent Valuer selected 7 comparable companies (the "**Comparable Companies**") based on the following selection criteria: (i) the comparable companies are publicly listed; and (ii) the comparable companies are principally engaged in out of door advertising business in the PRC including

Hong Kong with such relevant segments having accounted for no less than 50% of their respective total revenues for the latest financial year ended. We understood from the Independent Valuer that the list of Comparable Companies is exhaustive based on their selection criteria and to their best endeavour. In addition, we further reviewed the background information of the Comparable Companies and noted that (i) the Comparable Companies met the aforementioned selection criteria; and (ii) the EBIT Margin Range applied in the Valuation was accurate. As a result, we considered the Comparable Companies to be fair and representative for the purpose of our analyses herein and the Adjusted EBIT Margin of the Project was within the range of EBIT Margin of the comparable companies selected by the Independent Valuer for the five years ended 31 December 2024 (the "**EBIT Margin Range**").

Having considered the above and that the income tax rate applied in the Valuation was 25%, we consider the forecasted EBIAT of the Exclusive Concession Rights to be reasonable.

B. NWC, CAPEX, D&A & Recovery Amount

NWC

As disclosed in the Valuation Report, the Company estimated that the receipt on revenue and payment on the cost and expenses will be executed in the corresponding financial period and the change in working capital in the Forecast Period was estimated as zero.

2026 CAPEX

The capital expenditure during the Forecast Period (i.e. 2026) mainly includes upgrading media assets and electronic equipment for the advertising spaces on certain stations of the Metro Lines.

Recovery amount of upgrading media assets at the end period

The recovery amount, which represents the compensation to be received by the Company from Beijing MTR and Beijing MTR17 if the 2026 Exclusive Concession Rights Agreement is terminated due to the reason attributable to the Company during the agreed operating period (i.e. 2026), is calculated as the compensatory fees less the media management fees as agreed between parties.

We also note that the Independent Valuer adopted the current accounting policies in forecasting depreciation and amortization for the Forecast Period.

Based on the above, we are of the view that the net cash flow is fair and reasonable.

Discount rate

The discount rate (weighted average cost of capital ("**WACC**") of the Exclusive Concession Rights) applied to the Valuation was approximately 10.50%. To assess the parameters adopted in the calculation of the discount rate, we conducted the following works, including, reviewing various valuation standards/guidelines as well as data published by relevant experts or scholars and collecting data for the calculation of relevant parameters.

Cost of equity

We noted that the Independent Valuer adopted the capital asset pricing model ("**CAPM**") to assess the cost of equity of the Exclusive Concession Rights. In arriving at the cost of equity, the Independent Valuer took into account (i) risk-free rate; (ii) equity risk premium; (iii) beta; and (iv) specific risk premium.

For our due diligence purposes, we performed the following works:

(i) The Independent Valuer adopted the risk-free rate of 1.37% in the Valuation, which was determined with reference to of China Government bond with maturity of one year quoted on the website (www.chinabond.com.cn).

We note from《資產評估專家指引第12號 — 收益法評估企業價值中折現率的測算》(Asset Appraisal Expert Guideline No. 12 — Calculation of Discount Rate in Income Approach Appraisal of Enterprise Value*, the ("**Expert Guideline No. 12**") as promulgated by the China Appraisal Society, that the risk-free interest rate is usually represented by the yield of government bonds. It is essential to ensure that the remaining maturity of government bonds is appropriately aligned with the forecast period of cashflow.

We cross-checked the yield of one-year China Government bonds as at the Valuation Date on the website of China Central Depository & Clearing Co., Ltd. ("**CCDC**") (i.e. www.chinabond.com.cn) and noted that the risk-free rate adopted by the Independent Valuer is consistent to that published by CCDC.

(ii) The comparable companies used for the calculation of re-levered beta are same as the abovementioned Comparable Companies for the analyses in Adjusted EBIT Margin. We considered that the list of Comparable Companies is fair and representative for the calculation of unlevered beta. We noted that the beta adopted by the Independent Valuer was generally in line with those as extracted from Capital IQ and Wind, two reliable third-party database service providers. The beta adopted by the Independent Valuer (i.e. re-leveraged beta) is further calculated based on the average unlevered beta and debt to equity ratio of the relevant comparable companies. We also note that the calculation of beta is in line with the guidance of the Expert Guideline No. 12.

(iii) The Independent Valuer adopted 7.31% as equity risk premium, which made reference to the "Kroll Cost of Capital Navigator" provided by Kroll, LLC. (formerly known as Duff & Phelps, which was founded in 1932 and is a multinational financial and risk advisory firm).

Kroll Cost of Capital Navigator is a platform that provides data and tools to help users estimate the cost of capital, including the market risk premium, which are commonly used in valuation analysis.

We also note from the Expert Guideline No. 12 that market price premium can be determined with reference to (1) indices of securities market in the PRC; (2) the premium of other mature capital markets; or (3) the statistics as published by relevant experts or professional bodies.

Based on our above analyses, we are of the view that the equity risk premium adopted by the Independent Valuer is fair and reasonable.

(iv) The Independent Valuer adopted the size premium of 2.66%. We note from the Expert Guideline No. 12 that, the size premium can be obtained through statistical analysis of capital market data, or by referencing data published by relevant experts, scholars, or professional institutions; and other specific risk premiums can be determined through empirical judgment and analysis.

As the size premium of 2.66% was made reference to the "Kroll Cost of Capital Navigator", we consider the adoption of specific risk premium is justifiable.

Cost of Debt

We further note that the Independent Valuer adopted 2.25% as the cost of debt, which is the same as one-year loan prime rate (LPR) net of tax effect as announced by the National Interbank Funding Center (全國銀行間同業拆借中心) on 22 September 2025. The LPR is calculated by the National Interbank Funding Center (全國銀行間同業拆借中心), serving as the pricing reference for bank lending in China. Currently, the LPR consists of rates with two maturities, i.e. one year and over five years. As the duration of the exclusive concession period for advertisements is one year, we consider the adoption of the cost of debt by referencing to one-year LPR is reasonable. Accordingly, we are of the view that the cost of debt is fair and reasonable.

Based on the above, we are of the view that the WACC (i.e. the discount rate) adopted by the Independent Valuer is justifiable.

General Assumptions

We note in the Valuation Report that the general assumptions used in the Valuation, including but not limited to (i) no material change in the existing political, economic, social, legal, tax conditions where the appraised entity operates; and (ii) the projected income will be according to the business plan of the subject assets and could be achieved with the efforts of Company's management etc., are common assumptions adopted in various business valuation projects.

Our opinion

We consider that we have made adequate assessments on the Valuation in respect to the Valuation Report and we are of the opinion that the valuation methodologies and the basis and assumptions adopted by the Independent Valuer are in line with market practice and fair and reasonable.

5. Other key terms:

Payment of Concession Fees:

(i) For the guaranteed fees:

The Company will pay the guaranteed fees on a quarterly basis (i.e. every three (3) months). Specifically, the first quarterly guarantee fees will be payable within 15 working days from the commencement date of the exclusive concession period (i.e. 1 January 2026), and thereafter, each subsequent quarterly guarantee fees will be payable in advance within 15 working days prior to the commencement of the respective quarter.

(ii) For the extra revenue commission fees:

Without prejudice to the day-to-day operations of the Company and in compliance with the applicable laws and regulations and the Listing Rules, the Company shall appoint an independent auditor previously approved by the resource provider to prepare an audit report on the annual revenue from the advertising business of relevant lines for each of the financial years, which shall be submitted to the resource provider within 60 calendar days from the end of the relevant financial year. The Company shall pay the extra revenue commission fees for that year within 10 working days from the date of publication of the audit report and confirmation by both parties.

Advertising retention and New Media development:	According to the practice of the MTR industry, for the unsold advertising positions, without prejudice to the Exclusive Concession Rights, the resource provider has the right to use them for the non-commercial advertisements, including its corporate image, newly-opened or other lines, passenger education, operation and non-fare business, product and project promotion, which in total shall not exceed 15% of the total amount of conventional advertising media and the total amount of the subway car media for the whole year, respectively. Among which, the costs on advertising production and mounting and dismounting (i.e. replacement of advertisement images) of conventional advertising media will be borne by the Company, while the production costs of the subway car media will be borne by the resource provider. No consideration is payable by the resource provider to the Company in this regard. Having considered that such arrangements are in line with the practice of the MTR industry and the tender requirements of Beijing MTR, the Directors are of the view that such arrangements are fair and reasonable and in the interests of the Company and its Shareholders as a whole. For the New Media invested and planned by the resource provider, the Company shall have the right of priority negotiation for the operation. The operation of the New Media will not prejudice the fairness, transparency and justice of treatment to advertising partners by Beijing MTR.

Operating conditions and restrictions:	In the event of force majeure such as the construction and operation, inspection and maintenance, governmental requisition, and centralized dispatch arrangements of the MTR lines, which results in any change in the Major Advertising Resources (the proportion of adjustment and deletion of relevant media shall not exceed 5% of the total media volume of the corresponding category), for any direct or indirect losses caused to the Company as a result of or in connection with such acts in any circumstances, the resource provider shall proactively provide the Company with reasonable and necessary compensation, including but not limited to alternatives such as the corresponding area of advertising resources at stations of the same level, and in the event of material adjustments, the parties shall promptly renegotiate a solution for such adjustments.
Performance deposit:	The performance deposit already paid by the Company under the 2024–2025 Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement (namely RMB6,299,100) shall remain with Beijing MTR as the performance deposit under this agreement, without the Company being required to make any additional payment.
	In view of the expansion of the scope of exclusive operations and the increase in the guaranteed amount, the performance deposit shall be increased to RMB1,151,000 for the whole line. The performance deposit already paid by the Company under the 2024–2025 Beijing Metro Line 17 Exclusive Concession Rights Agreement and its supplementary agreements (comprising RMB990,900 for the northern section and RMB67,500 for the southern section) shall remain with Beijing MTR17 as the performance deposit under this agreement, whereby the Company shall pay the shortfall in the performance deposit (namely RMB92,600) (the "**Additional Performance Deposit**") to Beijing MTR17 within ten working days following the signing and effectiveness of this agreement.

Default clauses:	In the event that the Company fails to pay the Concession Fees for a period of 30 working days overdue or commits any other serious defaults, the resource provider shall have the right to deduct the actual loss of the corresponding amount from the performance deposit and reserve the right to charge interest thereon. For every ten-day period that payment is overdue without the written consent of the resource provider, the resource provider shall be entitled to deduct RMB500,000 directly from the performance deposit as an additional direct penalty.
Effective conditions:	This agreement shall become effective upon the signatures by representatives of both parties and the affixing of the Company seal as well as the fulfilment of the relevant requirements of Hong Kong Stock Exchange and regulatory authorities by the Company.

Save for the Additional Performance Deposit of RMB92,600, we note that the above other key terms of the Transactions (e.g. Payment of Concession Rights Fees, Advertising retention and New Media development, Operating conditions and restrictions, Performance deposit and default clause were the same as those set out in the 2024–2025 Exclusive Concession Rights Agreements.

RECOMMENDATION

Having considered the principal factors and reasons above, we are of the view that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions will be conducted in the ordinary and usual course of the business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders and the Independent Board Committee to advise the Independent Shareholders to vote in favour of the relevant resolution(s) at the EGM to approve the transactions under the 2026 Exclusive Concession Rights Agreements.

Yours faithfully,
For and on behalf of
BaoQiao Partners Capital Limited
Irene Poon
Executive Director

Ms. Irene Poon is a responsible officer registered under the SFO to carry out Type 6 (advising on corporate finance) regulated activity for BaoQiao Partners Capital Limited and has over 20 years of experience in the accounting and corporate financial services industry.

CONSULTING & APPRAISAL
亚太評估

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Wan Chai, Hong Kong

11 December 2025

The Board of Directors
Beijing Media Corporation Limited

Dear Sirs,

In accordance with the instructions received from Beijing Media Corporation Limited (the "**Company**"), we have undertaken a valuation exercise which requires Asia-Pacific Consulting and Appraisal Limited ("**APA**") to express an independent opinion on the market value of exclusive concession right of Beijing Metro Line 4 and Daxing Line, and Beijing Metro Line 17 respectively (collectively, the "**Exclusive Concession Rights**") in relation to the Company's extension for the concession right project of major advertising resources of Beijing MTR Corporation Limited ("**Beijing MTR**") and Beijing Jinggang Line 17 Metro Co., Ltd. ("**Beijing MTR17**") (the "**Project**") as at 30 September 2025 (the "**Valuation Date**").

The purpose of this valuation is for reference in the circular of the Company.

We will not accept any responsibility or liability to any person other than the Company in respect of, or arising out of, the contents of this report may be shown. If others choose to rely in any way on the contents of this report they do so entirely at their own risk.

Our valuation was carried out on a market value basis which is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion".

In this valuation, the market value of the Exclusive Concession Rights is a pre-concession right fee value, which is the economic benefit that the owner of the Exclusive Concession Rights could derive from the operation of the advertising business in Beijing Metro Line 4 and Daxing Line, and Beijing Metro Line 17 without concession fees.

INTRODUCTION

Beijing Media Corporation Limited is a media company in the PRC. Its principal business includes sales of multi-interface convergence advertising, youth student travel, new media operation and maintenance, printing and trading of printing-related materials business.

Refer to the announcements of the Company dated 11 December 2023 and 29 December 2023 and the circular dated 14 December 2023 regarding, among others, (i) the Company entered into the 2024–2025 Beijing Metro Line 4 and Daxing Line exclusive concession rights agreement with Beijing MTR, pursuant to which the Company was granted the exclusive rights to use and operate the major advertising resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR with concession fees payable to Beijing MTR since 1 January 2024; and (ii) the Company entered into the 2024–2025 Beijing Metro Line 17 exclusive concession rights agreement with Beijing MTR17, pursuant to which, the Company was granted the exclusive right to use and operate the major advertising resources in the northern section of Beijing Metro Line 17 operated by Beijing MTR17 with concession fees payable to Beijing MTR17 from 1 January 2024. In addition, after the opening of the southern section of Beijing Metro Line 17, the Company entered into a supplementary agreement with Beijing MTR17, pursuant to which, the Company's exclusive concession rights will include the major advertising resources in the southern section of Beijing Metro Line 17, with effective from 1 September 2024. Based on the above agreements, both the relevant exclusive concession periods will end on 31 December 2025. Subject to the applicable laws and regulations, both parties have the right to decide whether to extend the exclusive concession period no later than three (3) months prior to the expiry of the exclusive concession period. The first extension will be for a period of one year commencing from 1 January 2026 to 31 December 2026, and the second extension will be a period of two years commencing from 1 January 2027 to 31 December 2028.

Given the above exclusive concession rights will be expired at the end of 2025, to keep reinforcing and enhancing the metro advertising market share in Beijing, the Company intends to enter into the 2026 Beijing Metro Line 4 and Daxing Line exclusive concession rights agreement and the 2026 Beijing Metro Line 17 exclusive concession rights agreement (the "**2026 Exclusive Concession Rights Agreements**") with Beijing MTR and Beijing MTR17 respectively, pursuant to which, (i) the exclusive concession operating period will be extended for a year from 1 January 2026 to 31 December 2026; (ii) considering middle section of Beijing Metro Line 17 operated by Beijing MTR17 will be opened and be in full operation at the end of 2025, the exclusive concession operating scope in 2026 will cover major advertising resources in Beijing Metro Line 4 and Daxing Line, and in the entire Beijing Metro Line 17.

The Company will pay concession right fees by the way of "guaranteed amount + extra revenue commission fees".

VALUATION METHODOLOGY

In arriving at the assessed value, we have considered three generally accepted approaches, namely market approach, cost approach and income approach.

Market Approach considers prices recently paid for similar assets, with adjustments made to market prices to reflect condition and utility of the appraised assets relative to the market comparative. Assets for which there is an established secondary market may be valued by this approach. Benefits of using this approach include its simplicity, clarity, speed and the need for few or no assumptions. It also introduces objectivity in application as publicly available inputs are used. However, one has to be wary of the hidden assumptions in those inputs as there are inherent assumptions on the value of those comparable assets. It is also difficult to find comparable assets. Furthermore, this approach relies exclusively on the efficient market hypothesis.

Cost Approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation or obsolescence present, whether arising from physical, functional or economic causes. The cost approach generally furnishes the most reliable indication of value for assets without a known secondary market. Despite the simplicity and transparency of this approach, it does not directly incorporate information about the economic benefits contributed by the subject assets.

Income Approach is the conversion of expected periodic benefits of ownership into an indication of value. It is based on the principle that an informed buyer would pay no more for the project than an amount equal to the present worth of anticipated future benefits (income) from the same or a substantially similar project with a similar risk profile. This approach allows for the prospective valuation of future profits and there are numerous empirical and theoretical justifications for the present value of expected future cash flows. However, this approach relies on numerous assumptions and the result may be very sensitive to certain inputs. It also presents a single scenario only.

In our opinion, the market approach and cost approach are inappropriate for valuing the subject asset. Firstly, the market approach requires market transactions of comparable assets as an indication of value. However, there are no publicly active comparable transactions for the subject asset. Secondly, the value of the subject asset is more dependent on the future benefit from the operation of the Project, but, the cost approach does not directly incorporate information about the economic benefits contributed by the subject asset. In light of the above analysis, the income approach is the most suitable approach for determining the value of the subject asset.

In this valuation exercise, the value of principal business of the subject asset was developed through the application of the income approach technique known as the discounted cash flow method ("**DCF**"). This method eliminates the discrepancy in the time value of money by using a discount rate to reflect all business risks including intrinsic and extrinsic uncertainties in relation to the subject asset.

Under this method, values depend on the present worth of future economic benefits to be derived from the projected sales income. Indications of value have been developed by discounting projected future net cash flows at discount rates which are appropriate for the risks of the business.

In arriving at the assessed value, the core business of the subject asset as well as its related expenses such as sales costs, marketing costs, management costs and tax liabilities are considered in the valuation model.

BASIS OF OPINION

We have conducted our valuation with reference to the International Valuation Standards issued by the International Valuation Standards Council. The valuation procedures employed include a review of legal status and economic condition of the Project and an assessment of key assumptions, estimates, and representations made by the proprietor. All matters essential to the proper understanding of the valuation are disclosed in this report.

The following factors form an integral part of our basis of opinion:

- The economic outlook in general;
- The nature of business of the subject asset;
- The projected financial performance of the subject asset;
- Financial and business risk of the business including continuity of income and the projected future results;
- Consideration and analysis on the micro and macro economy affecting the subject business; and
- Other operational and market information in relation to the subject asset's business.

We planned and performed our valuation so as to obtain all the information and explanations that we considered necessary in order to provide us with sufficient evidence to express our opinion on the subject asset.

GENERAL ASSUMPTIONS

In determining the market value of the Exclusive Concession Rights, the following general assumptions were made:

- It is assumed that the projected revenue and income will be according to the proposed business plan of the subject asset and could be achieved with the effort of the Company's management;

- All relevant legal approvals and business certificates or licenses to operate the business in which the Project operates or intends to operate have been or would be officially obtained and renewable upon expiry;

- In order to realize the future economic benefit of the business and maintain a competitive edge, manpower, equipment and facilities are necessary to be employed. For the valuation exercise, we have assumed that all proposed facilities and systems will work properly and will be sufficient for future operation;

- It is assumed that there will be no material changes in the international financial environment, global economic environment and national macroeconomic conditions, and that there will be no material change in the political, economic and social environment in which the appraised entity operates;

- It is assumed that the operational and contractual terms stipulated in the relevant contracts and agreements will be honored;

- It is assumed the accuracy of the financial and operational information provided to us by the Company and relied to a considerable extent on such information in arriving at our opinion of value;

- There are no hidden or unexpected conditions associated with the asset valued that might adversely affect the reported value. Further, we assume no responsibility for changes in market conditions after the Valuation Date.

MAJOR ASSUMPTIONS AND PARAMETERS

Major assumptions related to value of the Exclusive Concession Rights under DCF are listed below:

Forecast Period

Forecast period of the Exclusive Concession Rights is one year with reference to the operating period of the Project from 1 January 2026 to 31 December 2026.

Income Tax Rate

With reference to the primary income tax rate of the PRC, 25% of income tax rate is applied.

Financial Forecast

Revenue of the subject asset mainly comprises advertising display services and advertising production, installation, and dismantling services. We are provided with the revenue forecasts of the subject asset for the operating period. The forecasts are compiled in terms of an advertising space at metro stations and estimated based on the price which was determined by publish price multiplied by price discount to client and publication rate/frequency of advertising space.

The projected total operating expenses mainly consist of production, installation, and dismantling costs, staff costs, travelling and entertainment expenses and other operating expenses.

In the financial forecast, the publish price is estimated with reference to 2026 year publish price, the price discount to client, the publication rate/frequency of advertising space and the operating expenses are forecasted based on the estimation of the Company with reference to historical data of the Project.

Details of major financial forecast are listed as follows:

Amounts in RMB'000	**2026**
Revenue	**45,370**
— Beijing Metro Line 4 and Daxing Line	37,258
— Beijing Metro Line 17	8,112

Amounts in RMB'000	**2026**
Total operating expenses	**15,055**
— Beijing Metro Line 4 and Daxing Line	12,119
— Beijing Metro Line 17	2,936

Amounts in RMB'000	**2026**
EBIT Margin	**66.82%**
EBIT	**30,315**
— Beijing Metro Line 4 and Daxing Line	25,139
— Beijing Metro Line 17	5,176

Amounts in RMB'000	**2026**
EBIAT	**22,736**
— Beijing Metro Line 4 and Daxing Line	18,854
— Beijing Metro Line 17	3,882

Additional information of the rationale and basis for the financial forecast refers to Annex.

Change in Working Capital ("NWC")

With reference to the management operation plan, the management estimated that the receipt on revenue and payment on the cost and expenses will be executed in corresponding financial period, so there is no material NWC expected in the business and the change in working capital in the forecast period is estimated as zero in this exercise.

Capital Expenditure ("CAPEX")

In this case, the capital expenditure includes upgrading media assets and electronic equipment for the Project. According to the management's business plan, the CAPEX is estimated as follows:

Amounts in RMB'000	Initial Investment	2026
CAPEX	**4,156**	**1,801**
— Beijing Metro Line 4 and Daxing Line	3,459	1,351
— Beijing Metro Line 17	697	450

Depreciation and Amortization ("D&A")

Based on the estimated CAPEX and D&A period, the D&A is estimated as follows in the forecasted period:

Amounts in RMB'000	2026
Depreciation	**2,352**
— Beijing Metro Line 4 and Daxing Line	1,911
— Beijing Metro Line 17	441

Recovery Amount of upgrading media assets at the end period of the Project ("Recovery Amount")

According to the supplementary agreement entered into by the Company and Beijing MTR and Beijing MTR17 about the upgrading of media assets, If the aforesaid exclusive concession rights agreements (including extension agreements) are terminated due to the reason attributable to the Company during the agreed operating period (including normal termination, early termination, and breach termination), Beijing MTR and Beijing MTR17 shall pay compensation to the Company and the Company shall pay the media management fee to Beijing MTR and Beijing MTR17 in accordance with the provisions set forth in the supplementary agreement. Based on above supplementary agreement and capital expenditure in upgrading media assets, the Recovery Amount is estimated as follows in the end of forecasted period:

Amounts in RMB'000	At the End of the Project
Recovery Amount	**3,004**
— Beijing Metro Line 4 and Daxing Line	2,415
— Beijing Metro Line 17	589

Net Cash Flow Forecast

With reference to above the estimated parameters, the net cash flow forecast was calculated as follows:

Amounts in RMB'000	Initial Investment	2026	Recovery Amount
Net Cash Flow	**–4,156**	**23,287**	**3,004**
— Beijing Metro Line 4 and Daxing Line	–3,459	19,414	2,415
— Beijing Metro Line 17	–697	3,873	589

Net Cash Flow = EBIAT – change in NWC – CAPEX + D&A + Recovery Amount

Discount Rate

The discount rate applied to the valuation of the Exclusive Concession Rights under the DCF based on the weighted average cost of capital ("**WACC**") of the Project, WACC is the weighted average of cost of equity and cost of debt, cost of equity is determined by capital asset pricing model ("**CAPM**"), cost of debt refers to the borrowing rate over one year's term from the People's Bank of China, net of tax effect. In arriving at the WACC, the key parameters and calculation are listed as follows:

(i) risk-free rate

the risk-free rate adopted as 1.37% represented the yield of China Government bond with maturity of 1 year quoted on the website (www.chinabond.com.cn);

(ii) equity risk premium

equity risk premium adopted as 7.31% refers to the "Kroll Cost of Capital Navigator" research regarding equity risk premium published by Kroll, LLC;

(iii) beta

the beta adopted as 0.89 refers to the beta of the comparable companies through Capital IQ data base, detailed information of comparable companies and their respective beta refers to Annex;

(iv) size premium

size premium adopted as 2.66% refers to the "Kroll Cost of Capital Navigator" research regarding size premium published by Kroll, LLC;

Cost of equity = (i) + (ii) × (iii) + (iv) = 1.37% + 7.31% × 0.89 + 2.66% = 10.52%

(v) debt to market capitalization ratio ("D/E")

debt to market capitalization ratio adopted as 0% refers to the ratio of the Project.

(vi) cost of debt

Cost of debt adopted as 2.25%, which is determined with reference to the borrowing rate over one year's term from the People's Bank of China, net of tax effect.

(vii) WACC

WACC is calculated by multiplying the cost of each capital component by its proportional weight, the formula and calculation are as follows:

$$
\begin{aligned}
\text{WACC} &= \text{E/(E + D)} \times \text{cost of equity} + \text{D/(E + D)} \times \text{cost of debt (net of tax effect)} \\
&= 1/(1 + \text{D/E}) \times \text{cost of equity} + \text{D/E}/(1 + \text{D/E}) \times \text{cost of debt (net of tax effect)} \\
&= \text{Cost of equity}/(1 + (\text{v})) + (\text{vi}) \times (\text{v})/(1 + (\text{v})) \\
&= (10.52\%/(1 + 0\%) + 2.25\% \times 0\%/(1 + 0\%) = 10.50\% \text{ (rounded))}
\end{aligned}
$$

CALCULATION OF VALUATION RESULT

The basic formula of DCF model is: Present Value of Net Cash Flow = Net Cash Flow/(1 + Discount Rate)^Discount Period

The calculation of the market value of the Exclusive Concession Rights at the Valuation Date is as follows:

Unit: RMB'000

		Initial Investment	Year 2026	Recovery Amount
(i)	**Net Cash Flow**			
	— Beijing Metro Line 4 and Daxing Line	–3,459	19,414	2,415
	— Beijing Metro Line 17	–697	3,873	589
(ii)	**Discount rate**		10.50%	10.50%
(iii)	**Discount period***		0.5	1.0
(iv)	**Discount factor**	1.00	0.95	0.90
(v)	**Present Value of Net Cash Flow***			
	— Beijing Metro Line 4 and Daxing Line	–3,459	18,468	2,186
	— Beijing Metro Line 17	–697	3,684	533
(vi)	**Tax Amortization Benefit**			
	— Beijing Metro Line 4 and Daxing Line	5,864		
	— Beijing Metro Line 17	1,201		
(vii)	**Market Value of the Exclusive Concession Right *(rounded)****			
	— Beijing Metro Line 4 and Daxing Line	23,060		
	— Beijing Metro Line 17	4,720		

* *(iii) Since the cash inflows and outflows occur continuously year-round, it could be inaccurate to assume that the cash proceeds are all received at the end of each year. As a compromise, mid-year discounting is oftentimes integrated into DCF model to assume that free cash flows are received in the middle of the annual period. The mid-year convention treats forecasted free cash flows as if they were generated at the midpoint of the period. So, the first year is discounted by half a year (0.5 years).*

* *(iv) = 1/(1 + ii)^(iii)*

* *(v) = (i)* × (iv)

* *(vi) is tax benefit, which reflects the additional value accruing to the subject asset brought about by the ability to deduct the amortization of the subject asset over its operating period.*

* *(vii) = (v) + (vi)*

SENSITIVITY ANALYSIS

Sensitivity analysis in market value of the Exclusive Concession Rights was carried out by varying discount rate and revenue, the results of sensitivity analysis are summarized as follows:

Sensitivity Analysis — Discount Rate

	Market Value *(RMB'000)*	Changes in Market Value *(%)*
Discount Rate — 11.50% (Base + 1%)		
— Beijing Metro Line 4 and Daxing Line	22,890	-0.74%
— Beijing Metro Line 17	4,690	-0.64%
Discount Rate — 10.50% (Base)		
— Beijing Metro Line 4 and Daxing Line	23,060	
— Beijing Metro Line 17	4,720	
Discount Rate — 9.50% (Base–1%)		
— Beijing Metro Line 4 and Daxing Line	23,240	0.78%
— Beijing Metro Line 17	4,760	0.85%

Sensitivity Analysis — Revenue

	Market Value *(RMB'000)*	Changes in Market Value *(%)*
Revenue — Increase (Base (1 + 5%))		
— Beijing Metro Line 4 and Daxing Line	24,350	5.59%
— Beijing Metro Line 17	4,990	5.72%
Revenue — Base		
— Beijing Metro Line 4 and Daxing Line	23,060	
— Beijing Metro Line 17	4,720	
Revenue — Decrease (Base (1–5%))		
— Beijing Metro Line 4 and Daxing Line	21,770	-5.59%
— Beijing Metro Line 17	4,450	-5.72%

VALUATION COMMENT

The conclusion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. Further, while the assumptions and other relevant factors are considered by us to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company and Asia-Pacific Consulting and Appraisal Limited.

We do not intend to express any opinion on matters which require legal or other specialized expertise or knowledge, beyond what is customarily employed by valuers. Our conclusions assume continuation of prudent management of the Company over whatever period of time that is reasonable and necessary to maintain the character and integrity of the assets valued.

This report is issued subject to our limiting conditions as attached.

OPINION OF VALUE

Based on the results of our investigations and analyses, we are of the opinion that the market value of the Exclusive Concession Rights in Beijing Metro Line 4 and Daxing Line, and the Beijing Metro Line 17 as at the Valuation Date is reasonably stated as follows:

The Exclusive Concession Right of the Project	**Market value** *(RMB'000)*
Beijing Metro Line 4 and Daxing Line	23,060
Beijing Metro Line 17	4,720

Yours faithfully,
for and on behalf of
Asia-Pacific Consulting and Appraisal Limited

Jack W. J. Li
CFA, MRICS, MBA
Partner

Note: Jack W. J. Li is a Chartered Surveyor who has over 15 years' experience in the valuation in the PRC, Hong Kong and the Asia-Pacific region.

David G.D Cheng
MRICS
Partner

Note: David G.D. Cheng is a Chartered Surveyor who has over 20 years' experience in the valuation of assets in the PRC, Hong Kong and the Asia-Pacific region.

ANNEX — ADDITIONAL INFORMATION

Financial Forecast

Rationale and basis for the relevant financial forecast provided by the Company shown as follows:

Revenue of the Project comprises advertising display services and advertising production. The forecasts are compiled in terms of an advertising space at metro stations and estimated based on the price which was determined by publish price multiplied by price discount to client and publication rate/frequency of advertising space.

The publish price is determined based on the historical publish price of 2025, majority of publish price for 2026 is consistent with the historical data.

The price discount to client and the publication rate/frequency provided by the Company with reference to historical data and considering a certain degree of adjustment based on upgrading of media assets, building of brand presence, and cultivating client recognition.

The revenue growth is primarily attributable to the following factors:

Since the Company obtained the exclusive concession rights for major advertising resources on the relevant Beijing metro lines in 2024, the revenue from outdoor advertising business has sustained growth. The Company has now progressed through the initial project phase, which involved establishing operational systems, upgrading media assets, building brand presence, and cultivating client recognition. The relevant management and marketing teams of the Company have entered a stable operational stage, with the number of metro advertising clients growing steadily. The Company's outdoor brand has gained market recognition, and the benefits of the media asset upgrades are poised to be progressively realized. Furthermore, the full-line opening of Metro Line 17 is expected to increase passenger flow and enhance the commercial value of related media resources, thereby further boosting advertising revenue.

In this case, the operating expenses include operating and maintenance fee on advertising media, advertising production cost, the staff cost, D&A and other overheads. the operating expenses excluding D&A was determined by the historical data together with operating plan. D&A was estimate based on the CAPEX and D&A period of assets.

In respect of the operating expenses and EBIT Margin, excluding the information provided by the Company, to assess the reasonableness of operating expenses/EBIT Margin of the Project, we compared the EBIT Margin with the comparable companies.

EBIT Margin of the Project is approximately 67% for the year ended 31 December 2026. However, the market value of the Exclusive Concession Rights is a pre-concession right fee value, which is the economic benefit the owner of the Exclusive

Concession Rights could derive from the operation of the advertising business in the Project without concession fees. To compare with the comparable companies, the EBIT of the Project should be adjusted to deduct the concession fees of the Project (the "**Adjusted EBIT**") and calculated the Adjusted EBIT to revenue (the "**Adjusted EBIT Margin**") of the Project, being approximately 7% for the year ended 31 December 2026.

As sourced from Capital IQ and annual report of the comparable companies, the range of median of EBIT Margin of the comparable companies for the five years ended 31 December 2024 is approximately from 5% to 35% (without negative EBIT Margin).

Based on the above analysis, the Adjusted EBIT Margin of the Project was estimated prudently within the range of EBIT Margin of the comparable companies.

Comparable Company

In determining comparable companies, the initial selection criteria include the followings:

- The comparable companies are publicly listed;
- The comparable companies are principally engaged in out of door advertising business in the PRC including Hong Kong with such relevant segments having accounted for no less than 50% of their respective total revenues for the latest available financial data.

As sourced from Capital IQ and Wind, two reliable third party database service provider, an exhaustive list of comparable companies satisfying the above criteria was obtained on a best effort basis, the list of these comparable companies and their respective beta are show as follows:

Stock Code	Company Name	Beta
1993.HK	Asiaray Media Group Limited	0.73
002027.CH	Focus Media Information Technology Co., Ltd.	0.83
8112.HK	Cornerstone Financial Holdings Limited	0.76
301102.CH	Mega-info Media Co., Ltd.	1.62
8091.HK	OOH Holdings Limited	0.82
LZMH.NasdaqCM	LZ Technology Holdings Limited	N/A
838071.CH	Zhejiang Fine-sun Media Inc., Ltd.	N/A
Average (rounded)		0.95

Notes: The Beta of LZMH.NasdaqCM and 838071.CH is not available as at the Valuation Date.

Parameters of WACC

In calculation of WACC, we adopted CAPM to estimate the required return on equity capital. CAPM is a fundamental tenet of modern portfolio theory, which has been generally accepted as a basis for marketplace valuations of equity capital. The CAPM technique is widely accepted in the investment and financial analysis communities for the purpose of estimating a company's required return on equity capital. The equation of CAPM is shown as follows:

Expected Required Return on Equity = Risk Free Rate + Nominal Beta (β) × Risk Premium + Specific Risk Adjustment

The return on equity required of a company represents the total rate of return investors expect to earn, through a combination of dividends and capital appreciation, as a reward for risk taking. CAPM is used to calculate the required rate of return on equity investment by using publicly-traded companies.

The rationality and basis for key parameters of WACC are as follows:

(i) risk-free rate

Considering the operation location of the Project is in China, and the operation period is 1 year, the risk-free rate with reference to the yield of one-year China Government bond with same maturity to the period of the Project was adopted.

(ii) risk premium

In this exercise, risk premium is equity risk premium which represents the additional return over and above the risk-free rate, being the additional return, which investors would require when putting a portfolio of assets at risk in the market. With reference to professional research companies' statistics is one of way to determine equity risk premium. In this exercise, we adopted the statistical data of "Kroll Cost of Capital Navigator" research widely used in valuation industry.

(iii) beta

To match the period of the Project, the average one-year beta of the comparable companies was applied.

(iv) specific risk premium

Excluding the systematic risks, non-systematic risks which are specific to a company should be taken into account. In this project, the size premium for small size company was considered to reflect the specific risk of the Project.

Size Premium was determined with reference to premium for micro cap of the "Kroll Cost of Capital Navigator" research.

(v) cost of debt

According to communicating with the Company, the Company has no actual borrowing rate and intended borrowing rate can be referred, so we referred to one year loan prime from the People's Bank of China with same maturity to the period of the Project as an alternative. The one-year loan prime rate net of tax effect is 2.25%.

COMFORT LETTER REGARDING THE PROFIT FORECAST OF THE EXCLUSIVE CONCESSION RIGHTS OF THE MAJOR ADVERTISING RESOURCES OF BEIJING METRO LINE 4 AND DAXING LINE AND BEIJING METRO LINE 17

Dear Directors of Beijing Media Corporation Limited:

Reference is made to the "Market Value Appraisal Report on the Exclusive Concession Rights of the Major Advertising Resources for Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 Involved in the Renewal by Beijing Media Corporation Limited" (《北青傳媒股份有限公司續簽涉及的北京地鐵四號線和大興線及北京地鐵十七號線的主要廣告資源之獨家代理經營權市場價值評估報告》) (the "**Valuation Report**") issued by Asia-Pacific Consulting and Appraisal Limited. We have reviewed the arithmetical accuracy of the calculations of the discounted cash flow forecast on which Asia-Pacific Consulting and Appraisal Limited prepared the valuation of the Exclusive Concession Rights of the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17. The underlying forecast is regarded as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

DIRECTORS' RESPONSIBILITIES

The directors of the Company are solely responsible for the forecast. The forecast has been prepared using a set of bases and assumptions, the completeness, reasonableness and validity of which are the sole responsibility of the directors of the Company.

ACCOUNTANTS' INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics issued by the Chinese Institute of Certified Public Accountants, which requires that a certified public accountant should follow the principles of integrity, objectivity and impartiality, acquire and maintain professional competence, maintain due care, and fulfill the obligation of confidentiality.

We have complied with the "Quality Management Standards NO. 5101 for Firms — Quality Management on Engagements" issued by the Ministry of Finance of the PRC, and have accordingly put in place a comprehensive risk-based quality control system, which includes documented policies and procedures for compliance with the relevant code of ethics, professional standards and applicable legal and regulatory requirements.

ACCOUNTANT'S RESPONSIBILITY

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the relevant forecast based on our work. The relevant forecast does not involve the adoption of accounting policies.

We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 500 "Reporting on Profit Forecasts, Statements of Sufficiency of Working Capital and Statements of Indebtedness" issued by Hong Kong Institute of Certified Public Accountants and the "China Standard on Other Assurance Engagements No.3101, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by Ministry of Finance of China. These standards require that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the forecast in accordance with the assumptions. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the relevant forecast prepared based on the assumptions adopted by the Directors. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Accordingly, we do not express an audit opinion.

OPINIONS

In our opinion, on the basis of the procedures performed:

The forecast has been properly prepared, in all material respects, on the basis of assumptions adopted by the Directors as to the arithmetical accuracy of the calculations of the forecast.

WUYIGE Certified Public Accountants LLP

Beijing • the PRC
11 December 2025

Reference is made to the "Market Value Appraisal Report on the Exclusive Concession Rights of the Major Advertising Resources for Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 Involved in the Renewal by Beijing Media Corporation Limited" (《北青傳媒股份有限公司續簽涉及的北京地鐵四號線和大興線及北京地鐵十七號線的主要廣告資源之獨家代理經營權市場價值評估報告》) (the "**Valuation Report**") issued by Asia-Pacific Consulting and Appraisal Limited.

We have reviewed the bases and assumptions on which Asia-Pacific Consulting and Appraisal Limited prepared the valuation of the Exclusive Concession Rights of the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17. We have also considered the report issued by WUYIGE Certified Public Accountants LLP, the reporting accountant of the Company, as to the arithmetical accuracy of the calculations of the discounted cash flow forecast in respect of the Exclusive Concession Rights of the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 and whether relevant forecast has been properly compiled, in all material respects, in accordance with the assumptions set out in the Valuation Report.

Based on the above, in accordance with Rules 14A.68(7) and 14.60A(3) of the Hong Kong Listing Rules, we confirm that the profit forecast of the Exclusive Concession Rights of the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 has been made by us after due and careful enquiry.

By Order of the Board
Beijing Media Corporation Limited
Sun Baojie
Chairman of the Board

11 December 2025

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for the years ended 31 December 2022, 2023 and 2024 are disclosed on pages 77 to 174 of the annual report for 2022 (https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0421/2023042101363.pdf), pages 76 to 184 of the annual report for 2023 (https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0424/2024042401646.pdf) and pages 81 to 194 of the annual report for 2024 (https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042801615.pdf) respectively, while the financial information for the six months ended 30 June 2025 is disclosed on pages 23 to 114 of the interim report for 2025(https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0919/2025091900596.pdf), which are available on the Company's website (http://www.bjmedia.com.cn) and the website of the Hong Kong Stock Exchange (www.hkexnews.hk).

2. INDEBTEDNESS STATEMENT

Bank Loans and Other Borrowings

As at the close of business on 31 October 2025 (being the latest practicable date for determining the indebtedness of the Group), the Group had no outstanding bank loans and other borrowings.

Lease Commitments

As at the close of business on 31 October 2025 (being the latest practicable date for determining the indebtedness of the Group), the Group's unsecured and/or secured lease commitments arising from operating leases and other matters are as follows:

Operating Lease Commitment — Properties

As at the close of business on 31 October 2025 (being the latest practicable date for determining the indebtedness of the Group), the Group had total future minimum lease payments under non-cancelable operating leases (with the leasing terms listed below) in respect of leased properties as follows:

Unit: RMB'000

Within 1 year	863
1–2 years	56
Total	919

External Guarantees and Contingent Liabilities

As at the close of business on 31 October 2025 (being the latest practicable date for determining the indebtedness of the Group), the Group had no external guarantees and contingent liabilities. Save as disclosed above, as at the close of business on 31 October 2025 (being the latest practicable date for determining the indebtedness of the Group), the Group did not have any outstanding loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (excluding common trading bills) or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

The Directors had confirmed there were no significant adverse changes in liabilities or contingent liabilities of the Group since 31 October 2025.

3. WORKING CAPITAL

Taking into account the funds available and indebtedness of the Group, the Directors are of the opinion that the Group has sufficient working capital for its present requirements for at least the next 12 months from the date of this circular in the absence of unforeseeable circumstances.

The Company has obtained the relevant confirmations as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2024, being the date of the latest published audited financial statements of the Group.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the sales of multi-interface convergence media advertising, event planning, new media operation and maintenance, printing and trading of printing-related materials and youth student travel.

In 2025, the Group will accelerate business transformation and development, enhance quality and efficiency, consolidate its operating foundation, and build up the core competitiveness of the enterprise.

In 2025, the Group will actively explore the integration of technology and business innovation, enrich the outdoor advertising products system, promote the transformation of the metro media and the application of AIGC technology in combination with the trend of digital transformation, build core competitiveness of outdoor advertising business, accelerate the construction and commercialisation of its own new media matrix and increase the operating revenue.

In 2025, 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, and leverage on the regional customer advantages of its subsidiaries, Beiqing Community Media and Jingjian Media, to deepen the integration of the governmental business, improve the quality and increase the efficiency, in order to gain a larger market share and realise revenue growth, 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 2025, the Group will further expand its business model of integration of culture, sports and tourism, focus on brand building and activity planning, continue to build cultural and creative IP activities, promote cooperation in youth cultural and sports competitions such as KOD Street Dance and realise revenues, and explore the channel advantages of the Beijing City Culture Annual Pass (北京城市文化年票) business and promote sales through platform operation.

In 2025, the Group will continue to deepen its management, optimise systems, organisations and talents systems, 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 high-quality development of the enterprise.

In 2025, on the basis of consolidating existing business, the Group will seize the opportunities presented by the industry transformation and the recovery of the social economy. The Group will be bold in making attempts and actively explore new possibilities, fostering new opportunities amidst crises and opening up new prospects amidst changes, determining to become a media group in China that possesses the ability to expand across different media markets and leads the industry peers.

6. EFFECT OF THE TRANSACTIONS UNDER THE 2026 EXCLUSIVE CONCESSION RIGHTS AGREEMENTS ON THE EARNING, ASSETS AND LIABILITIES OF THE GROUP

Pursuant to the 2026 Exclusive Concession Rights Agreements, the Directors estimate that the Group will record a surplus in respect of the transactions contemplated thereunder. It is estimated that such transactions will have a positive effect on the overall financial performance of the Group. It is estimated that the transactions will not have any material impact on the assets and liabilities of the Group. The concession fees will be recognized in profit or loss when actually incurred in accordance with the actual settlement amount. Such accounting treatment has been agreed by the Group's reporting auditor.

7. MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis of the Group for the three financial years ended 31 December 2024 is set out below:

(1) For the financial year ended 31 December 2024

Group Business Review

The Group is principally engaged in four core businesses: (1) advertising business, which comprises the sales of multi-interface convergence media advertising and event planning; (2) youth student travel business, which provides services such as youth cultural activities, group camp reception and curriculum research and development; (3) new media operation and maintenance, which provides comprehensive services such as government-affiliated and corporate new media operation and maintenance; and (4) printing and trading of printing-related materials business, which undertakes printing of newspaper and trading of printing related materials.

The Group's total operating income for 2024 was RMB209,192 thousand, representing a decrease of 1.30% as compared with the corresponding period in 2023 (2023: RMB211,950 thousand). Operating costs of the Group for 2024 were RMB185,108 thousand, representing an increase of 2.57% as compared with those for the corresponding period of 2023 (2023: RMB180,469 thousand). Net loss attributable to shareholders of the Company for 2024 was RMB2,042 thousand, representing a decrease of 86.56% as compared with those for the corresponding period of 2023 (2023: net loss attributable to shareholders of the Company of RMB15,199 thousand).

The Group recorded significant loss reductions due to (1) the gain after tax on disposal of investment properties by a subsidiary of the Company, Beiqing Outdoor; and (2) a decrease in credit impairment losses due to recovery of certain accounts receivable of the Company and its subsidiaries. In addition, the Group also actively optimized its operational and management efficiency, which effectively reduced cost of sales and finance costs.

Financial Resources and Liquidity

As at 31 December 2024, current assets of the Group was RMB294,314 thousand (31 December 2023: RMB308,444 thousand), including bank balances and cash of RMB81,523 thousand (31 December 2023: RMB77,384 thousand) and non-current assets of the Group was RMB418,439 thousand (31 December 2023: RMB406,467 thousand).

As at 31 December 2024, current liabilities of the Group was RMB63,118 thousand (31 December 2023: RMB81,018 thousand); and non-current liabilities was RMB706 thousand (31 December 2023: RMB4,630 thousand).

As at 31 December 2024, Shareholders' equity of the Group was RMB648,929 thousand (31 December 2023: RMB629,263 thousand).

Gearing Ratio

As at 31 December 2024, gearing ratio of the Group was 9.84% (31 December 2023: 13.61%) (which is calculated by dividing the Group's total liabilities by its total equity).

Bank Borrowings, Overdrafts and Other Borrowings

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

Financing Cost

Financing cost of the Group for 2024 was RMB172 thousand (2023: RMB256 thousand).

Capital Expenditure

Capital expenditure of the Group for 2024 was RMB4,239 thousand (2023: RMB2,073 thousand). Capital expenditure of the Group for 2024 mainly comprises the expenditures consistent with business strategies including expenditures on office equipment and intangible assets.

Contingent Liabilities and Pledge of Assets

As at 31 December 2024, the Group did not have any contingent liabilities or any pledge of assets.

Material Investments

The Company entered into the single asset management contract with Capital Securities and the Beijing Branch of Bank of Communications Co., Ltd. on 19 April 2022, pursuant to which, the Company entrusted Capital Securities to provide asset management and investment services, with a term of one year from the date of approval by the independent Shareholders at the annual general meeting (i.e. 17 June 2022). The above single asset management scheme has been approved by the Shareholders of the Company to make certain optimization adjustments and extend the term for another three years to 16 June 2026. As at 31 December 2024, the Company's investments in the above asset management accounted for more than 5% of the Group's total assets. For details of the above transaction, please refer to the announcements dated 19 April 2022 and 25 April 2023 and the circulars dated 26 May 2022 and 25 May 2023 of the Company.

As at 31 December 2024, the Company's investments in Beiyang Media and Keyin Media account for over 5% of the Group's total assets. Details of such significant investments are as below:

(1) Basic information of relevant investees:

Company name	Place of registration	Principal place of operation	Business nature	Shareholding	Fair value at the end of the period	Proportion of total assets
				(%)		(%)
Beiyang Publishing & Media Co., Ltd.	Shijiazhuang	Shijiazhuang	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	264,379	37.09
Beijing Keyin Media and Culture Co., Ltd.	Beijing	Beijing	Organizing exchange activities on culture and art, and design, production and provision of agency service of advertisements	16.00	36,444	5.11
Beijing Youth Daily Newspaper Internet Communication Technology Co., Ltd.	Beijing	Beijing	Internet information service	5.00	3,577	0.50
Beijing International Advertising & Communication Group Co., Ltd.	Beijing	Beijing	Design, production and provision of agency service of advertisements	11.44	36,853	5.17

(2) Major financial information of significant investee:

Company name	Net profit attributable to owners of the Parent for the year	Accumulated undistributed profits at the end of the year	Dividend income recognised for the year
Beiyang Publishing & Media Co., Ltd.	1,284,182	7,429,112	8,197
Beijing Keyin Media and Culture Co., Ltd.	(96)	167,572	662

(3) The investment strategies of major investments:

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 thousand shares of Beiyang

Media, representing 2.43% of the aggregate share capital of Beiyang Media. The Group'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 thousand shares of Keyin Media, representing 16% of the aggregate share capital of Keyin Media. The Group's investment in Keyin Media is mainly based on its good operating conditions and listing plans. Upon the Group'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.

Save as disclosed above, as of 31 December 2024, the Group had no material investments or any plan related to material investment or acquisition of assets.

Material Acquisition and Disposal of Assets

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

As resolved by the Board on 27 November 2024 and approved by the independent Shareholders at the extraordinary general meeting of the Company held on 23 December 2024, the Company disposed of six properties (C1501, C1501', C1502, C1503, C1505, C1506) located on the 15th floor of Block C, Grand Place, No. 5 Huizhong Road, Chaoyang District, Beijing, which are held by Beiqing Outdoor (a wholly-owned subsidiary of the Company) and used for lease in full (the "**Target Property**"). The disposal of the Target Property was carried out through CBEX by the way of Public Tender. On 16 December 2024, Beiqing Outdoor was notified by CBEX that Capital Securities was the successful bidder for the Target Property at a winning bidding price of RMB20.7065304 million. On the same day, Beiqing Outdoor and Capital Securities entered into the Asset Transfer Agreement, stipulating that Beiqing Outdoor has agreed to sell and Capital Securities has agreed to purchase the Target Property at the winning bidding price. For details of the above transactions, please refer to the announcements dated 27 November 2024, 23 December 2024 and 26 December 2024 and the circular dated 3 December 2024 of the Company.

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

Foreign Exchange Risks

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

Staff

The Group is committed to building and cultivating a diversified and high-quality talent team, maintains a working environment for diversified development, strictly forbids discrimination in gender, region, religion and nationality, etc. during recruitment, and treats different types of employees equally. As at 31 December 2024, the Group had a total of 335 staff members (31 December 2023: 346) including 214 female staff members and 121 male staff members, accounting for 64% and 36% of the total staff members, respectively. The decrease in the number of the staff as compared with 2023 was mainly due to the business adjustment of certain subsidiaries of the Company. Differences in background of the staff members and job demand and other matters are the main factors affecting the gender diversity of staff members. During the Reporting Period, the Group's employee remuneration amounted to approximately RMB80,588 thousand in total. The staff remuneration and benefits of the Group are both determined by reference to market rates, national policies and individual performance. The Group actively encouraged the self-development of the employees, and carried out abundant staff training activities. In 2024, the

Group carried out staff training in respect of management capacity of middle-level cadre, listing compliance, connected transactions, new media business, video shooting technology and new employee induction, etc., to enhance the overall quality of staff from management, business and compliance perspectives.

Remuneration Policy

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

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

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

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

(2) For the financial year ended 31 December 2023

Group Business Review

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 turnover includes revenue from printing publications arranged by BYD Logistics; and (3) trading of print-related materials, which involves the supply and trading of, among others, newsprint, ink, lubricants, films, presensitized plate and rubber sheet to customers including commercial printers.

The year 2023 marks a post-pandemic recovery period for Chinese economy, where long-term fundamentals were stable and picking up, and the pulling effect of domestic demand continued to strengthen. From the market perspective, the consumption demand for advertising was also gradually released, and the advertising industry was recovering with both opportunities and challenges along with new changes in the industry due to the development of science and technology.

The Group's total operating income for 2023 was RMB200,784 thousand (2022: RMB158,397 thousand), representing an increase of 26.76% as compared with the corresponding period in 2022. The increase in total operating income was mainly attributable to (1) the fact that Beiqing Community Media, a subsidiary of the Company, achieved an operating income of RMB55,441 thousand (2022: RMB28,782 thousand) in 2023, representing an increase of 92.62% as compared with the corresponding period in 2022 through the expansion of its convergence media publicity and comprehensive services business; (2) Beiqing Innovation Cultural, a subsidiary of the Company, taking the opportunity from market recovery after the COVID-19 pandemic, steadily promoted the youth study business, and recorded an operating income of RMB20,826 thousand (2022: RMB3,850 thousand), representing an increase of 440.94% as compared with the corresponding period in 2022.

Operating costs of the Group for 2023 were RMB171,661 thousand (2022: RMB150,916 thousand), representing an increase of 13.75% as compared with those for the corresponding period of 2022. Net loss attributable to shareholders of the Company for 2023 was RMB15,320 thousand (2022: net loss attributable to shareholders of the Company of RMB23,500 thousand), representing a decrease of 34.81% in loss as compared with those for the corresponding period of 2022. The Group continued to achieve loss reduction thanks to: (1) an increase in total operating income of RMB42,387 thousand; (2) the effective utilisation of idle funds by the Company, which achieved a gain on the changes in fair value of RMB8,895 thousand through the asset management business of the single asset management scheme; (3) turnaround from loss to profit of Beiqing Community Media, a subsidiary of the Company, whose net profit in 2023 was RMB4,060 thousand.

Financial Resources and Liquidity

As at 31 December 2023, current assets of the Group was RMB305,244 thousand (31 December 2022: RMB310,393 thousand), including bank balances and cash of RMB76,285 thousand (31 December 2022: RMB82,948 thousand) and non-current assets of the Group was RMB406,367 thousand (31 December 2022: RMB394,716 thousand).

As at 31 December 2023, current liabilities of the Group was RMB72,007 thousand (31 December 2022: RMB73,547 thousand); and non-current liabilities was RMB4,630 thousand (31 December 2022: RMB3,901 thousand).

As at 31 December 2023, Shareholders' equity of the Group was RMB634,974 thousand (31 December 2022: RMB627,661 thousand).

Gearing Ratio

As at 31 December 2023, gearing ratio of the Group was 12.07% (31 December 2022: 12.34%) (which is calculated by dividing the Group's total liabilities by its total equity).

Bank Borrowings, Overdrafts and Other Borrowings

As at 31 December 2023, bank loans, overdrafts and other borrowings of the Group was Nil (31 December 2022: Nil). Most of the cash and cash equivalent held by the Group was denominated in Renminbi.

Financing Cost

Financing cost of the Group for 2023 was RMB170 thousand (2022: RMB5 thousand).

Capital Expenditure

Capital expenditure of the Group for 2023 was RMB1,962 thousand (2022: RMB930 thousand). Capital expenditure of the Group for 2023 mainly comprises the expenditures consistent with business strategies including expenditures on office equipment and intangible assets.

Contingent Liabilities and Pledge of Assets

As at 31 December 2023, the Group did not have any contingent liabilities or any pledge of assets.

Material Investments

The Company entered into the single asset management contract with Capital Securities and the Beijing Branch of Bank of Communications Co., Ltd. on 19 April 2022, pursuant to which, the Company entrusted Capital Securities to provide asset management and investment services, with a term of one year from the date of approval by the independent shareholders at the Annual General Meeting (i.e. 17 June 2022). The above single asset management scheme has been approved by the shareholders of the Company to make certain optimization adjustments and extend the term for another three years to 16 June 2026.

As at 31 December 2023, the Company's investments in the above asset management accounted for over 5% of the Group's total assets in value. The details of such significant investments are set out below:

(1) Basic information of relevant companies:

Company name	**Place of registration**	**Primary operation place**	**Business nature**	**Shareholding**	**Fair value as at 31 December 2023**	**Proportion of total assets**
				(%)	*(RMB'000)*	*(%)*
Beiyang Publishing & Media Co., Ltd.	Shijiazhuang, Hebei	Shijiazhuang, Hebei	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	242,369	34.06
Beijing Keyin Media 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	5.22

(2) Major financial information of significant investees:

Company name	**Net profit attributable to owners of the parent company for the year ended 31 December 2023**	**Accumulated undistributed profits as at 31 December 2023**	**Dividend received for the year ended 31 December 2023**
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Beiyang Publishing & Media Co., Ltd.	—	—	—
Beijing Keyin Media Culture Co., Ltd.	7,786	171,798	729

(3) The investment strategies of major investments:

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.

Save as disclosed above, as of 31 December 2023, the Group had no material investments or any plan related to material investment or acquisition of assets.

Material Acquisition and Disposal of Assets

On 11 December 2023, the Company entered into the exclusive concession rights agreements with Beijing MTR and its wholly owned subsidiary, Beijing MTR17, pursuant to which the Company was granted the exclusive rights to use and operate the major advertising resources in Beijing Metro Line 4 and Daxing Line and the northern section of Beijing Metro Line 17, for a period of two years commencing from 1 January 2024 and ending on 31 December 2025. In terms of the above arrangements, the Company shall pay concession fees to Beijing MTR and Beijing MTR17 on the basis of "guarantee fees + extra revenue commission fees"; among which, for the guarantee fees, the guaranteed fees for the first operating year of exclusive concession for the Beijing Metro Line 4, Daxing Line and the northern section of Beijing Metro Line 17 are RMB18,630 thousand, RMB4,700 thousand and RMB3,670 thousand, respectively, with an annual increment of 2%; and extra revenue commission fees will be calculated based on the actual advertising revenue and on a stepwise basis according to the relevant formula. The above transaction enables the Group to enrich its outdoor advertising business, take advantage of its main business of convergence media advertising sales and the major advertising resources of the relevant metro lines, so as to increase its operating income and generate better returns to Shareholders. For details of the above transaction which constitutes connected transaction and major transaction of the Company under the Listing Rules, please refer to the announcement dated 11 December 2023 and circular dated 14 December 2023 of the Company.

Save as disclosed above, during the year ended 31 December 2023, the Group had no material acquisition or disposal of subsidiaries, joint ventures, associates, etc.

Foreign Exchange Risks

Renminbi is the functional currency of the Group. The Group's operations 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.

Staff

The Group is committed to building and cultivating a diversified and high-quality talent team, maintains a working environment for diversified development, strictly forbids discrimination in gender, region, religion and nationality, etc., and treats different types of employees equally. As at 31 December 2023, the Group had a total of 346 staff members (31 December 2022: a total of 329) including 224 female staff members and 122 male staff members, accounting for 64.7% and 35.3% of the total staff members, respectively. The increase in the number of the staff as compared with 2022 was mainly due to the reasonable increase of the normal business needs of certain subsidiaries of the Company. Differences in background of the staff members and job demand and other matters are the main factors affecting the gender diversity of staff members. In 2023, the Group's employee remuneration amounted to approximately RMB67,396 thousand in total. The staff remuneration and benefits of the Group are both determined by reference to market rates, national policies and individual performance. The Group actively encouraged the self-development of the employees, and carried out abundant staff training activities. In 2023, the Group carried out staff training in respect of management capacity of middle-level cadre, listing compliance, new media business, video shooting technology and new employee induction, etc., to enhance the overall quality of staff from management, business and compliance perspectives.

Remuneration Policy

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

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

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

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

(3) For the financial year ended 31 December 2022

Group Business Review

The Group is principally engaged in three core businesses: (1) advertising sales, which contributes to part of the Group's turnover; (2) printing, whose turnover includes revenue from printing publications arranged by BYD Logistics; (3) trading of print-related materials, which involves the supply and trading of, among others, newsprint, ink, lubricants, films, presensitized plate and rubber sheet to customers including commercial printers.

Due to the ongoing impact of COVID-19 pandemic and the escalation of global geopolitical conflicts, energy crisis, and persistently high inflation, the economy recovery has slowed down with a turbulent global economy, while China's economy was also affected and faced unprecedented challenges in 2022.

The Group's total operating income for 2022 was RMB158,397 thousand (2021: RMB187,552 thousand), representing a decrease of 15.55% as compared with the corresponding period in 2021. Due to the impact of COVID-19 pandemic, the competition from new media and changes in policy, the operating revenue of the various business sectors of the Group declined to varying degrees. In particular, Beiqing Community Media, a subsidiary of the Company, recorded a decrease in operating revenue by RMB17,297 thousand in 2022 due to the decline in offline business and the impact of changes in the management policy of the industry.

The Group recorded a significant decrease of loss, thanks to (1) bad debts accrued over years and the provision for asset impairment significantly decreased by RMB37,264 thousand in 2022; (2) proactively taking measures of reducing costs and enhancing efficiency, including optimizing human resources allocation, strictly controlling costs and reducing business expenses. The administrative expenses were therefore significantly decreased by RMB6,891 thousand, representing a decrease of 18.64% as compared with those for the corresponding period of 2021; (3) turnaround from loss to profit of BYD Logistics, a subsidiary of the Company, whose net profit in 2022 was RMB810 thousand, achieving not only operating profits but also financial profit after provision.

Financial Resources and Liquidity

As at 31 December 2022, current assets of the Group was RMB310,393 thousand (31 December 2021: RMB335,041 thousand), including bank balances and cash of RMB82,948 thousand (31 December 2021: RMB264,322 thousand) and non-current assets of the Group was RMB394,716 thousand (31 December 2021: RMB392,519 thousand).

As at 31 December 2022, current liabilities of the Group was RMB73,547 thousand (31 December 2021: RMB77,477 thousand); and non-current liabilities was RMB3,901 thousand (31 December 2021: RMB4,525 thousand).

As at 31 December 2022, Shareholders' equity of the Group was RMB627,661 thousand (31 December 2021: RMB645,558 thousand).

Gearing Ratio

As at 31 December 2022, gearing ratio of the Group was 12.34% (31 December 2021: 12.70%) (which is calculated by dividing the Group's total liabilities by its total equity).

Bank Borrowings, Overdrafts and Other Borrowings

As at 31 December 2022, bank loans, overdrafts and other borrowings of the Group was Nil (31 December 2021: Nil). Most of the cash and cash equivalent held by the Group was denominated in Renminbi.

Financing Cost

Financing cost of the Group for 2022 was RMB5 thousand (2021: RMB18 thousand).

Capital Expenditure

Capital expenditures of the Group for 2022 was RMB930 thousand (2021: RMB719 thousand). Capital expenditures of the Group for 2022 mainly comprises office equipment and intangible assets expenditures, which are consistent with business strategies.

Contingent Liabilities and Pledge of Assets

As at 31 December 2022, the Group did not have any contingent liabilities or any pledge of assets.

Material Investments

To increase the cash revenue of the Group, 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 to effectively manage existing idle funds through conducting 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, with a term of one year commencing from 17 June 2022, being the date of approval by the Independent Shareholders at the EGM. Within the validity period of the single asset management contract, the maximum daily balance of the entrusted assets managed by Capital Securities shall not exceed RMB200,000 thousand. For details of the above transaction, please refer to the announcement of the Company dated 19 April 2022 and the circular of the Company dated 26 May 2022.

As at 31 December 2022, the Company's investments in Beiyang Publishing &Media Co., Ltd. and Beijing Keyin Media Culture Co., Ltd. accounted for approximately over 5% of the Group's total assets in value. The details of such significant investments are set out below:

(1) Basic information of relevant companies:

Company name	Place of registration	Primary operation place	Business nature	Shareholding	Fair value as at 31 December 2022	Proportion of total assets
				(%)	*(RMB'000)*	*(%)*
Beiyang Publishing &Media Co., Ltd.	Shijiazhuang, Hebei	Shijiazhuang, Hebei	Production, printing, publishing and distribution of books, newspapers and magazines	2.43	222,256	31.52
Beijing Keyin Media Culture Co., Ltd.	Beijing	Beijing	Organizing exchange activities on culture and art, and design, production and provision of agency service of advertisements	16.00	35,874	5.09

(2) Major financial information of significant investees:

Company name	Net profit attributable to owners of the parent company for the year ended 31 December 2022	Accumulated undistributed profits as at 31 December 2022	Dividend received for the year ended 31 December 2022
	(RMB'000)	*(RMB'000)*	*(RMB'000)*
Beiyang Publishing & Media Co., Ltd.	—	—	—
Beijing Keyin Media Culture Co., Ltd.	2,458	164,014	11,160

(3) The investment strategies of major investments:

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 has made investment in Beiyang Media mainly based on the following: 1) the sound operating status of Beiyang Media; 2) its share reform, listing and other capital operation plans, to achieve better investment returns. Upon investment by the Company, Beiyang Media has been operating well, with stable growth in both assets and revenues in recent years. The Company is optimistic about the future operation of Beiyang Media and intends to hold its shares 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 has made investment in Keyin Media mainly based on its sound operating status and listing plan. Upon investment by the Company, Keyin Media has been operating well and has been in a profitable position in recent years. The Company is optimistic about the future operation of Keyin Media and intends to hold its shares for a long term.

Save as disclosed above, for the year ended 31 December 2022, the Group had no material investments or any plan related to material investment or acquisition of assets.

Material Acquisition and Disposal of Assets

For the year ended 31 December 2022, the Group had no material acquisition or disposal of subsidiaries, joint ventures or associates.

Foreign Exchange Risks

Renminbi is the functional currency of the Company. The Company's operations conducted in the PRC are mainly settled in Renminbi. However, certain payables are settled in foreign currency (mainly Hong Kong dollars). Therefore, the Company 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.

Staff

The Group is committed to building and cultivating a diversified and high-quality talent team, maintains a working environment for diversified development, strictly forbids discrimination in gender, region, religion and nationality, etc., and treats different types of employees equally. As at 31 December 2022, the Group had a total of 329 staff members (31 December 2021: 289) including 219 female staff members and 110 male staff members, accounting for 66.57% and 33.43% of the total staff members, respectively. The increase in the number of the staff as compared with 2021 was mainly due to the reasonable increase of the normal business needs of new subsidiaries and certain subsidiaries of the Company. Differences in background of the staff members and job demand and other matters are the main factors affecting the gender diversity of staff members. During the year ended 31 December 2022, the Group's employee remuneration amounted to approximately RMB51,846 thousand in total. The staff remuneration and benefits of the Group are both determined by reference to market rates, national policies and individual performance. The Group actively encouraged the self-development of the employees, and carried out abundant staff training activities. In 2022, the Group carried out staff training in respect of employee induction and management capacity of middle-level cadre, connected transactions, etc.

Remuneration Policy

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

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

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

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

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The unaudited pro forma consolidated balance sheet of the Group has been prepared based on the unaudited condensed consolidated balance sheet of the Group as at 30 June 2025, which has accounted for the financial impact arising from the Exclusive Concession Rights Agreements, to illustrate the possible impact on the financial position of the Group as if the transaction had taken place on 30 June 2025. The unaudited pro forma financial information has been prepared by the Directors for illustrative purposes only and because of its hypothetical nature, it may not reflect the true financial position of the Group should the transaction have been completed on 30 June 2025 or any future date. The unaudited pro forma financial information should be read in conjunction with other financial information contained elsewhere in this circular.

Unit: RMB'000

Item	**Unaudited Balance Sheet as at 30 June 2025**note 1	**Unaudited pro forma Balance Sheet as at 30 June 2025**note 2
Current assets:		
Bank balances and cash	41,463	41,463
Trading financial assets	127,388	127,388
Accounts receivable	39,897	39,897
Prepayments	9,390	9,390
Other receivables	22,366	22,366
Inventories	52	52
Other current assets	28,669	28,669
Total current assets	**269,225**	**269,225**
Non-current assets:		
Long-term equity investment	—	—
Investment in other equity instruments	341,253	341,253
Investment properties	95,743	95,743
Fixed assets	1,219	1,219
Right-of-use assets	695	695
Intangible assets	8,298	8,298
Long-term deferred expenses	5,202	5,202
Other non-current assets	—	—
Total non-current assets	**452,410**	**452,410**
Total assets	**721,635**	**721,635**

Item	Unaudited Balance Sheet as at 30 June 2025[note 1]	Unaudited pro forma Balance Sheet as at 30 June 2025[note 2]
Current liabilities:		
Notes payable	7,552	7,552
Accounts payable	17,125	17,125
Contract liabilities	14,653	14,653
Employee benefit payables	6,250	6,250
Tax payables	971	971
Other payables	17,469	17,469
Non-current liabilities due within one year	750	750
Other current liabilities	942	942
Total current liabilities	**65,712**	**65,712**
Non-current liabilities:		
Deferred income tax liabilities	706	706
Total non-current liabilities	**706**	**706**
Total liabilities	**66,418**	**66,418**

Notes:

1. The unaudited consolidated balance sheet of the Group as at 30 June 2025 is extracted from the Group's interim report 2025 dated 19 September 2025 issued by the Group.

2. In respect of the agreements entered into between the Group and Beijing MTR Corporation Limited and Beijing Jinggang Line 17 Metro Co., Ltd., under which the Group was granted the exclusive right to use and operate the Major Advertising Resources of Beijing Metro Line 4 and Daxing Line operated by Beijing MTR, and the northern section of the Beijing Metro Line 17 operated by Beijing MTR17, the concession fees will be accounted for in the profit or loss when they are actually incurred based on the actual settlement amount. It is estimated that this transaction will not have a material impact on the assets and liabilities of the Group.

B. REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the text of a report from WUYIGE Certified Public Accountants LLP, the reporting accountant of the Company, in respect of unaudited pro forma financial information of the Group for the purpose of incorporation in this circular.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the Directors of Beijing Media Corporation Limited:

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of the exclusive concession rights in relation to major advertising resources in Beijing Metro Line 4 and Daxing Line and in the Beijing Metro Line 17 (prepared by the directors (the "**Directors**") of Beijing Media Corporation Limited (the "**Company**") for illustrative purposes only). The unaudited pro forma financial information consists of the unaudited pro forma consolidated balance sheet as at 30 June 2025 (the "**Unaudited Pro Forma Financial Information**") as set out on pages 85 to 86 of the Company's circular dated 16 December 2025, in connection with the entering into of the Exclusive Concession Rights Agreements (the "**Transaction**"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages 85 to 86 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Transaction on the Company's financial position as at 30 June 2025 as if the Transaction had taken place at 30 June 2025. As part of this process, information about the Company's financial position has been extracted by the Directors from the Group's interim financial information for the period ended 30 June 2025 set out in the interim report, on which no audit or review report has been published.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing pro forma financial information for inclusion in circulars in accordance with Rule 14.67 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Chinese Institute of Certified Public Accountants (CICPA). The Code requires certified public accountants to comply with the principles of integrity, objectivity and impartiality, acquire and maintain professional competence and exercise due care, as well as fulfill confidentiality obligations. We have complied with the "Quality Management Standards NO. 5101 for Firms — Quality Management on Engagements" issued by the Ministry of Finance of the PRC, and have accordingly put in place a comprehensive risk-based quality control system, which includes documented policies and procedures for compliance with the relevant code of ethics, professional standards and applicable legal and regulatory requirements.

ACCOUNTANT'S RESPONSIBILITY

Our responsibility is to express opinions, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinions to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with the China Standard on Other Assurance Engagements No. 3101 — "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Ministry of Finance of the People's Republic of China, and with reference to Hong Kong Standard on Assurance Engagements 3420, "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Circular", issued by the Hong Kong Institute of Certified Public Accountants (HKICPA). This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to Accounting Guideline 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Circular is solely to illustrate the impact of the Transaction on the unadjusted financial information of the Entity as if the event had occurred or the Transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 30 June 2025 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

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

OPINION

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Company; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

WUYIGE Certified Public Accountants LLP
Beijing, PRC

16 December 2025

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO), which are required to be notified to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.

As at the Latest Practicable Date: Directors Ms. Sun Baojie, Ms. Cui Ping and Mr. Wang Hao and Director candidates Mr. Nie Sen and Mr. Li Zhen are employees of Capital Group; Director Mr. Wang Zechen is an employee of Beijing Chengshang Cultural Communication Co., Ltd.; Director Mr. Li Xiaowei is an employee of Leshi Internet Information & Technology Corp., Beijing. While Capital Group, Beijing Chengshang Cultural Communication Co., Ltd. and Leshi Internet Information & Technology Corp., Beijing had interests in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as detailed below:

Name of Shareholder	Class of Shares	Nature of Shares	Nature of Interest	Number of Shares	% of Class Issued Share Capital	% of Total Share Capital
Capital Group[Note 1]	Other	Domestic shares	N/A	124,839,974	87.60	63.27
Beijing Chengshang Cultural Communication Co., Ltd.	Beneficial owner	Domestic shares	N/A	7,367,000	5.17	3.73
Leshi Internet Information & Technology Corp., Beijing	Beneficial owner	H share	Long position	19,533,000	35.58	9.90

Information disclosed above is based on the information published on the HKEX news website of the Hong Kong Stock Exchange (www.hkexnews.hk) unless otherwise stated in the note below.

Note:

1. The Committee of the Beijing Municipality of the Youth League of Communist Party of China entrusted Capital Group to manage the affiliates of BYDA (excluding the Company) from 18 June 2020, and the entrust term will end on 17 June 2030 in accordance with the entrust agreements signed by the parties on 20 May 2021 and 8 May 2025. The Company has been included in the scope of above entrust arrangement since 20 May 2021, pursuant to which, Capital Group will exercise the rights and duties of investors/shareholders stipulated in the Company's articles of association within the term of entrust management, including but not limited to, the control, voting rights, operation rights and income rights over the Company. Therefore, Capital Group has interest in the 124,839,974 domestic shares held by BYDA.

Save as disclosed above, as at the Latest Practicable Date, none of other Directors or Director candidates holds position in a company which has an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up.

4. INTERESTS OF DIRECTORS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. DIRECTORS' INTEREST IN ASSETS OR CONTRACTS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group was made up, or was proposed to be acquired or disposed of by or leased to any member of the Group; and none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group as a whole.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group in which more than one year's notice or payment of compensation (other than statutory compensation) shall be given by the latter upon termination.

7. EXPERT'S QUALIFICATION AND CONSENT

BaoQiao Partners Capital Limited, Asia-Pacific Consulting and Appraisal Limited and WUYIGE Certified Public Accountants LLP have respectively given and have not withdrawn their written consent to the issue of this circular with the inclusion of their letter and references to their names in the form and context in which they appears.

The following are the qualifications of experts who have given their opinions or advice which are contained in this circular:

Name	Qualification
BaoQiao Partners Capital Limited	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity as defined under the SFO
Asia-Pacific Consulting and Appraisal Limited	an independent appraiser
WUYIGE Certified Public Accountants LLP	Certified Public Accountant and Registered Public Interest Entity Auditor

8. EXPERT'S INTERESTS

As at the Latest Practicable Date, none of the above experts have any direct or indirect interest in any asset which had been acquired, or disposed of by, or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited financial statements of the Group were made up, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, and did not have any shareholding in any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

9. MATERIAL CONTRACTS

Save for the following contracts, no material contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the Latest Practicable Date:

1. On 11 December 2023, the Company entered into (i) the Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement with Beijing MTR, pursuant to which the Company was granted the exclusive rights to use and operate the Major Advertising Resources in Beijing Metro Line 4 and Daxing Line operated by Beijing MTR; and (ii) the Beijing Metro Line 17 Exclusive Concession Rights Agreement with Beijing MTR17, a wholly owned subsidiary of Beijing MTR, pursuant to which the Company was granted the exclusive rights to use and operate the Major Advertising Resources in the northern section of Beijing Metro Line 17 operated by Beijing MTR17. In terms of the above arrangements, the

Company shall pay Concession Fees to Beijing MTR and Beijing MTR17 on the basis of "guaranteed fees + extra revenue commission fees"; among which, the guaranteed fees for the first operating year of exclusive concession for the Beijing Metro Line 4, Daxing Line and the northern section of Beijing Metro Line 17 are RMB18,630 thousand, RMB4,700 thousand and RMB3,670 thousand, respectively, with an annual increment of 2%; and extra revenue commission fees will be calculated based on the actual advertising revenue and on a stepwise basis according to the relevant formula;

2. As resolved by the Board on 27 November 2024 and approved by the Independent Shareholders at the extraordinary general meeting of the Company held on 23 December 2024, the Company disposed of six properties (C1501, C1501', C1502, C1503, C1505, C1506) located on the 15th floor of Block C, Grand Place, located at No. 5 Huizhong Road, Chaoyang District, Beijing, which were held by Beiqing Outdoor (a wholly-owned subsidiary of the Company) and used for lease in full (the "**Target Property**"). The disposal of the Target Property was carried out through CBEX by way of Public Tender. On 16 December 2024, Beiqing Outdoor was notified by CBEX that Capital Securities was the successful bidder for the Target Property at a winning bidding price of RMB20.7065304 million. On the same day, Beiqing Outdoor and Capital Securities entered into the asset transfer agreement, stipulating that Beiqing Outdoor has agreed to sell and Capital Securities has agreed to purchase the Target Property at the winning bidding price.

10. MATERIAL LITIGATION

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

11. METHOD OF VOTING AT THE EGM

According to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM will demand a poll in relation to the proposed resolutions at the EGM.

12. MISCELLANEOUS

(a) The joint company secretaries of the Company are Ms. Liu Jia and Mr. Yu Leung Fai. Ms. Liu Jia, by virtue of her relevant experience, has been confirmed capable of discharging the functions of company secretary by the Hong Kong Stock Exchange in November 2022 pursuant to note 2 to Rule 3.28 of the Listing Rules and qualified for the position of company secretary of the Company under the Listing Rules. Mr. Yu Leung Fai is a member of the American Institute of Certified Public Accountants, Certified Practicing Accountants of Australia, the Hong Kong Institute of Certified Public Accountants and the Hong Kong Trustees' Association.

(b) The registered office of the Company is situated at Building A, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the PRC.

(c) The H share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited which is situated at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

13. DOCUMENTS ON DISPLAY

Copies of the following documents are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at http://www.bjmedia.com.cn for a period of fourteen (14) days from the date of this circular:

(a) The 2026 Exclusive Concession Rights Agreements;

(b) Letter from the Independent Board Committee;

(c) Letter from the Independent Financial Adviser;

(d) "Market Value Appraisal Report on the Exclusive Concession Rights of the Major Advertising Resources for Beijing Metro Line 4 and Daxing Line and Beijing Metro Line 17 Involved in the Renewal by Beijing Media Corporation Limited" (《北青傳媒股份有限公司續簽涉及的北京地鐵四號線和大興線及北京地鐵十七號線的主要廣告資源之獨家代理經營權市場價值評估報告》) issued by Asia-Pacific Consulting and Appraisal Limited;

(e) The written consents referred to in the section headed "7. Expert's Qualification and Consent" in Appendix IV to this Circular;

(f) Report from the Reporting Accountant Relating to the Profit Forecast; and

(g) Letter from the Board Relating to the Profit Forecast.

BEIJING MEDIA CORPORATION LIMITED

北 青 傳 媒 股 份 有 限 公 司

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

(Stock Code: 1000)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Beijing Media Corporation Limited (the "**Company**") will be held at 2:00 p.m. on Tuesday, 30 December 2025 at Conference Room 704, 7th Floor, Beijing Youth Daily Building, No. 23 Baijiazhuang Dongli, Chaoyang District, Beijing, the People's Republic of China (the "**PRC**"), for the purpose of considering and, if thought fit, passing the following resolutions. Terms used in this notice shall have the same meanings as defined in the circular of the Company dated 16 December 2025 unless the context otherwise requires.

As Ordinary Resolutions

1. To consider and, if thought fit, to approve:

   "**THAT**

   a. Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and Beijing Metro Line 17 Exclusive Concession Rights Agreement dated 11 December 2025 and entered into between the Company and Beijing MTR Corporation Limited* and Beijing Jinggang Line 17 Metro Co., Ltd.*, respectively;

   b. any one director of the Company be and is hereby authorized to sign or execute such other documents or supplemental agreements or deeds on behalf of the Company and to do all such things and take all such actions as he may consider necessary or desirable for the purpose of giving effect to Beijing Metro Line 4 and Daxing Line Exclusive Concession Rights Agreement and Beijing Metro Line 17 Exclusive Concession Rights Agreement and completing the transactions contemplated thereunder with such changes as he may consider necessary, desirable or expedient."

2. To consider and, if thought fit, to approve the appointment of Mr. Nie Sen as a non-executive director of the Company, and to authorize any director of the Company to execute a service contract or such other documents or supplemental agreements or deeds on behalf of the Company;

3. To consider and, if thought fit, to approve the appointment of Mr. Li Zhen as a non-executive director of the Company, and to authorize any director of the Company to execute a service contract or such other documents or supplemental agreements or deeds on behalf of the Company.

By order of the Board
Beijing Media Corporation Limited
Chairman
Sun Baojie

Beijing, the PRC
16 December 2025

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

Please also refer to the published notice on the Company's website www.bjmedia.com.cn.

Notes:

1. Eligibility for Attending the EGM

Holders of H shares whose names appear on the register of the Company maintained by Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, on Monday, 29 December 2025 shall be entitled to attend the EGM.

Holders of H shares intending to attend and vote at the EGM to be held on Tuesday, 30 December 2025 shall lodge all the transfer documents for H shares with the relevant share certificates to the H share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Wednesday, 24 December 2025.

2. Proxy

(1) Shareholders entitled to attend and vote at the EGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.

(2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.

(3) To be valid, the notarized power of attorney or other document(s) of authorization (if any) and the form of proxy shall be delivered to (i) the registered office address of the Company for holders of domestic shares; and (ii) Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, for holders of H shares, no less than 24 hours before the time fixed for convening the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.

(4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. Registration Procedures for Attending the EGM

A shareholder or his proxy shall produce his identification document when attending the EGM. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorized by its board of directors or other governing bodies shall produce a copy of the resolutions of the board of directors or other governing bodies of such shareholder appointing such person to attend the meeting.

4. Closure of Register of Members of H Shares

The register of members of H Shares will be closed from Monday, 29 December 2025 to Tuesday, 30 December 2025 (both days inclusive).

5. Method of Voting at the EGM

Pursuant to Rule 13.39 (4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM will demand a poll in relation to all the proposed resolutions at the EGM.

6. Miscellaneous

(1) The EGM is expected to be held for less than half a working day. Shareholders attending the EGM shall be responsible for their own travelling and accommodation expenses.

(2) The address of the Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(3) The registered office and the contact details of the Company are:

Building A, No. 23 Baijiazhuang Dongli,
Chaoyang District, Beijing 100026, the PRC
Telephone: (+86) 1085340766