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BEIJING MEDIA CORPORATION LIMITED

北青傳媒股份有限公司

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

(Stock Code: 1000)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

FINANCIAL HIGHLIGHTS:

1. Total operating income of the Group for the year of 2019 was RMB219,927 thousand, representing a decrease of RMB124,698 thousand or 36.18% as compared with 2018.
2. Net loss of the Group attributable to the shareholders of the Company for the year of 2019 was RMB196,538 thousand, net loss of the Group attributable to the shareholders of the Company for the year of 2018 was RMB277,310 thousand.
3. Earnings per share was RMB-0.99 in 2019, earnings per share was RMB-1.39 in 2018.
4. As of 31 December 2019, the equity of the Group attributable to the shareholders of the Company was RMB768,760 thousand, the gearing ratio of the Group was 12.64%.
5. The Board did not propose to declare a final dividend for the year 2019.

The Board announces the consolidated results of the Group for the year ended 31 December 2019 which have been prepared in accordance with the PRC Accounting Standards and the disclosure requirements of the Listing Rules and the Hong Kong Companies Ordinance.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2019

Item	Notes	RMB'000	
		For the year ended 31 December 2019	For the year ended 31 December 2018
Total operating income	<i>1</i>	219,927	344,625
Total operating costs		263,468	398,968
Operating cost	<i>1</i>	212,548	325,681
Tax and surcharges		5,375	6,125
Selling expenses		19,269	22,325
Administrative expenses		34,328	46,145
Financial expenses	<i>3</i>	(8,052)	(1,308)
Including: Interest expenses		444	706
Interest income		8,560	2,093
Add: Other income		370	1,590
Investment income			
(Loss represented in “-”)	<i>4</i>	(195)	(10,224)
Including: Gain from investments in associates	<i>4</i>	(2,355)	(12,415)
Profit on the changes in fair value			
(Loss represented in “-”)		(13,475)	(3,282)
Credit impairment losses			
(Loss represented in “-”)		(95,885)	(190,233)
Impairment loss of assets			
(Loss represented in “-”)		(46,318)	(32,117)
Gain on disposal of asset			
(Loss represented in “-”)		54	47
Operating profit		(198,990)	(288,562)
Add: non-operating income	<i>5</i>	697	43
Less: non-operating expenses	<i>6</i>	162	2,119
Total profit		(198,455)	(290,638)
Less: Income tax expenses	<i>7</i>	16,056	1,575
Net profit		(214,511)	(292,213)
Net profit attributable to:			
Net profit from continuing operations		(214,511)	(292,213)
Net profit from discontinued operations		—	—
Shareholders of the Company		(196,538)	(277,310)
Non-controlling shareholders		(17,973)	(14,903)

CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the year ended 31 December 2019

		<i>RMB'000</i>	
		For the year ended	For the year ended
Item	<i>Notes</i>	31 December 2019	31 December 2018
Other net comprehensive income after tax		645	3,620
Other net comprehensive income after tax attributable to owners of the Parent Company		475	3,607
Including: Other comprehensive income unqualified for subsequent reclassification into profit or loss		(179)	3,628
Including: Change in fair value of other equity instruments investments		(179)	3,628
Including: Other comprehensive income subsequently reclassified into profit or loss		654	(21)
Including: Items attributable to investees under equity method subsequently reclassified to profit or loss		622	(41)
Exchange differences from retranslation of financial statements		32	20
Other net comprehensive income after tax attributable to non-controlling shareholders		170	13
Total comprehensive income		(213,866)	(288,593)
Total comprehensive income attributable to shareholders of the Parent Company		(196,063)	(273,703)
Total comprehensive income attributable to non-controlling shareholders		(17,803)	(14,890)
Earnings per share:			
Basic earnings per share (RMB)	8	(0.99)	(1.39)
Diluted earnings per share (RMB)	8	(0.99)	(1.39)
Dividends	9	—	—

CONSOLIDATED BALANCE SHEET

As at 31 December 2019

		As at	RMB'000
Item	Notes	31 December 2019	As at 31 December 2018
Current assets:			
Bank balances and cash		217,264	199,925
Notes receivable		—	7,908
Accounts receivable	10	172,598	254,059
Prepayments		9,375	18,528
Other receivables	11	6,086	99,649
Inventories		12,181	21,087
Other current assets		35,212	32,322
Total current assets		452,716	633,478
Non-current assets			
Long-term equity investment		9,738	22,140
Other equity instruments investment	12	215,923	218,427
Other non-current financial assets	13	54,356	52,028
Investment properties		131,832	150,161
Fixed assets		2,078	3,828
Construction in progress		—	1,953
Right-of-use assets		4,166	—
Intangible assets		20,981	30,807
Goodwill		—	—
Long-term prepaid expenses		3,655	685
Deferred income tax assets		—	16,789
Other non-current assets		—	28,990
Total non-current assets		442,729	525,808
Total assets		895,445	1,159,286

CONSOLIDATED BALANCE SHEET (CONTINUED)*As at 31 December 2019*

Item	<i>RMB'000</i>	
	At at 31 December 2019	At at 31 December 2018
Current liabilities:		
Notes payable	5,669	9,581
Accounts payable	10,306	14,309
Contractual liabilities	27,405	47,617
Employee benefit payables	7,689	7,726
Tax payables	382	2,233
Other payables	40,445	51,065
Non-current liabilities due within one year	239	—
Total current liabilities	92,135	132,531
Non-current liabilities		
Long-term loan	—	6,927
Leased liabilities	322	—
Deferred income tax liabilities	7,991	9,236
Total non-current liabilities	8,313	16,163
Total liabilities	100,448	148,694
Shareholders' equity:		
Share capital	197,310	197,310
Capital reserves	934,421	934,421
Other comprehensive income	105,909	105,434
Surplus reserves	130,931	130,931
Undistributed profits	(599,811)	(401,551)
Total equity attributable to shareholders of the Company	768,760	966,545
Non-controlling interest	26,237	44,047
Total shareholders' equity	794,997	1,010,592
Total liabilities and shareholders' equity	895,445	1,159,286
Net current assets	360,581	500,947
Total assets less current liabilities	803,310	1,026,755

BASIS FOR PREPARATION

The Group's financial statements for the year ended 31 December 2019 have been prepared on a going concern basis and based on the actual transactions and matters incurred, in accordance with Accounting Standards for Business Enterprises ("ASBE") issued by the Ministry of Finance of the People's Republic of China, including adoption of nine revised and new basic and specific standards issued by MOF ("New PRC Accounting Standards") and other relevant regulations issued by MOF ("PRC Accounting Standards") in 2014; and based on the applicable disclosure rules under the Rules Governing the Listing of Securities on Hong Kong Stock Exchange and Hong Kong Companies Ordinance as well as the accounting policies and estimates as stated in Note V "Significant accounting policies and accounting estimates" of the Group's 2019 annual report.

ON A GOING CONCERN BASIS

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

STATEMENT OF COMPLIANCE OF ACCOUNTING STANDARDS FOR BUSINESS ENTERPRISES

The Group's financial statements have been prepared in conformity with the "PRC Accounting Standards", and present truly and completely the consolidated financial position as at 31 December 2019 and their consolidated operating results, consolidated cash flows and other relevant information for the year then ended.

NOTES TO THE FINANCIAL STATEMENTS

1. TOTAL OPERATING INCOME, OPERATING COSTS

(1) Principal operations — by business

Item	For the year ended 31 December 2019		For the year ended 31 December 2018	
	Operating revenue	Operating costs	Operating revenue	Operating costs
Advertising	96,965	98,635	125,782	123,457
Printing	3,457	3,221	6,832	5,509
Trading of print-related materials	102,620	100,112	188,434	177,394
Distribution	535	580	859	1,171
Other revenue	2,216	4,000	8,949	12,158
	<u>205,793</u>	<u>206,548</u>	<u>330,856</u>	<u>319,689</u>
Total	<u>205,793</u>	<u>206,548</u>	<u>330,856</u>	<u>319,689</u>

- (2) For the year ended 31 December 2019, the sum of operating income from the top five customers is RMB64,955 thousand, representing 29.53% of total operating income.

2. SEGMENT INFORMATION

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

Business segments	Principal activities
Advertising:	Sales of advertising spaces and outdoor advertising of the media or activities operated by BYDA, Chongqing Youth Daily, Beiqing Community Newspaper.
Printing:	Provision of printing services.
Trading of print-related materials:	Sales of paper, ink, lubricant, film, pre-coating photo sensitive liquid plate and rubber plate used for printing and other print-related materials.
Distribution:	Distribution of newspaper that are mainly published by Chongqing Youth Daily.

(1) For the year ended 31 December 2019

Item	Advertising	Printing	Trading of print-related material	Distribution	Unallocated amount	Elimination	Total
Operating income	97,831	12,461	121,599	535	18,219	(30,718)	219,927
Including: Income from external transactions	96,965	3,457	102,620	535	16,350	—	219,927
Income from intra-segment transactions	866	9,004	18,979	—	1,869	(30,718)	—
Total operating costs	140,998	12,359	120,869	1,274	18,686	(30,718)	263,468
Provision for impairment	70,738	1,605	15,662	27	54,171	—	142,203
Gains on changes in fair value	—	—	—	—	(13,475)	—	(13,475)
Investment income	—	—	—	—	35,361	(35,556)	(195)
Gain on disposal of asset	—	—	—	—	54	—	54
Other income	—	—	—	—	370	—	370
Operating profit (loss)	(113,905)	(1,503)	(14,932)	(766)	(32,328)	(35,556)	(198,990)
Net non-operating income and expenses	(70)	55	541	(2)	11	—	535
Total profit	(113,975)	(1,448)	(14,391)	(768)	(32,317)	(35,556)	(198,455)
Income tax expenses	11,366	421	4,112	—	157	—	16,056
Net profit	(125,341)	(1,869)	(18,503)	(768)	(32,474)	(35,556)	(214,511)
Total assets	373,150	9,801	95,636	605	755,719	(339,466)	895,445
Total liabilities	87,263	4,951	48,315	940	33,072	(74,093)	100,448
Supplementary information							
Depreciation and amortization expenses	5,873	38	370	21	1,315	—	7,617
Capital expenditure	2,560	—	—	1	459	—	3,020
Impairment of assets	70,738	1,605	15,662	27	54,171	—	142,203
Non-cash expenses excluding depreciation and impairment of assets	—	—	—	—	—	—	—

(2) For the year ended 31 December 2018

Item	Advertising	Printing	Trading of print-related material	Distribution	Unallocated amount	Elimination	Total
Operating income	129,065	19,475	212,459	859	24,974	(42,207)	344,625
Including: Income from external transactions	125,782	6,832	188,434	859	22,718	—	344,625
Income from intra-segment transactions	3,283	12,643	24,025	—	2,256	(42,207)	—
Total operating costs	183,341	18,863	209,172	1,479	28,320	(42,207)	398,968
Impairment of assets	102,208	301	3,281	4	86,126	30,430	222,350
Gains on changes in fair value	—	—	—	—	(3,282)	—	(3,282)
Investment income	—	—	—	—	(10,224)	—	(10,224)
Gain on disposal of asset	—	—	—	—	47	—	47
Other income	—	—	—	—	1,590	—	1,590
Operating profit (loss)	(156,484)	311	6	(624)	(101,341)	(30,430)	(288,562)
Net non-operating income and expenses	(919)	(78)	(852)	2	(229)	—	(2,076)
Total profit	(157,403)	233	(846)	(622)	(101,570)	(30,430)	(290,638)
Income tax expenses	309	20	220	—	1,026	—	1,575
Net profit	(157,712)	213	(1,066)	(622)	(102,596)	(30,430)	(292,213)
Total assets	664,898	17,898	195,251	1,388	772,418	(492,567)	1,159,286
Total liabilities	168,107	12,189	132,976	730	31,884	(197,192)	148,694
Supplementary information							
Depreciation and amortization expenses	2,814	38	418	21	435	—	3,726
Capital expenditure	2,156	1	14	2	245	—	2,418
Impairment of assets	102,208	301	3,281	4	86,126	30,430	222,350
Non-cash expenses excluding depreciation and impairment of assets	—	—	—	—	—	—	—

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

3. FINANCIAL EXPENSES

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Interest expenses	444	706
Less: Interest income	8,560	2,093
Add: Exchange loss	—	1
Less: Exchange gain	—	—
Add: Commissions and other expenses	64	78
Total	<u>(8,052)</u>	<u>(1,308)</u>

4. GAIN ON INVESTMENT

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Share of profit of associates	(2,355)	(12,415)
Gain on disposal of interests in an associate	—	—
Investment income received from the disposal of financial assets at fair value through profit or loss	—	1,509
Investment income received from holding investments of other equity instruments	—	2,848
Other investment income:		
Other investment income	2,160	(2,166)
Sub-total of other investment income	<u>2,160</u>	<u>(2,166)</u>
Total	<u>(195)</u>	<u>(10,224)</u>

5. NON-OPERATING INCOME

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Government grants unrelated to routine activities	55	—
Transfer-in without any payment	621	—
Compensation benefit	—	25
Other	21	18
Total	<u>697</u>	<u>43</u>

6. NON-OPERATING EXPENSES

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Losses on damage or abandonment of non-current assets	9	2
Loss from debt restructuring	13	934
Public donations expenses	—	—
Compensation and late payment charges	136	1,041
Others	4	142
	<hr/>	<hr/>
Total	162	2,119

7. INCOME TAX EXPENSES

(1) Income tax expenses

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Current income tax expenses	108	1,261
Deferred income tax expenses	15,948	314
	<hr/>	<hr/>
Total	16,056	1,575

(2) Current income tax expenses

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Current income tax — PRC	—	730
Under-provision in prior years — PRC	108	531
	<hr/>	<hr/>
Total	108	1,261

No provisions for Hong Kong profits tax of the Group during the year, as there was no profit generated from Hong Kong.

(3) Reconciliation table of total profit to income tax expenses

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Total profit	(198,455)	(290,638)
Income tax calculated at the applicable tax rate of 25%	(49,614)	(72,660)
Tax effect of non-taxable income	2,519	2,930
Tax effect of non-deductible expenses	189	8,494
Tax effect of the Company's losses in current year	46,065	58,360
The effect on reverse of deferred income tax assets recognized earlier	16,789	3,920
Under-provision in prior years	108	531
Total	16,056	1,575

Note: The Company is an enterprise mainly engaged in providing newspaper advertising services in PRC. Pursuant to the "Notice on the Continual Implementation of Certain Taxation Policies relating to the Transformation of Operational Culture Entities into Enterprises in the Cultural Regime Reform issued by the Ministry of Finance, the State Administration of Taxation and the Central Publicity Department" (Cai Shui [2019] No. 16), the enterprises that have completed the transformation before 31 December 2018 can continue to enjoy the five-year EIT exemption starting from 1 January 2019.

8. EARNINGS PER SHARE

Item	For the year ended 31 December 2019	For the year ended 31 December 2018
Comprehensive income attributable to shareholders of the Company	(196,063)	(273,703)
Weighted average number of issued ordinary shares (thousand shares)	197,310	197,310
Basic earnings per share (RMB)	(0.99)	(1.39)

The basic earnings and diluted earnings per share for the years ended 31 December 2018 and 2019 are the same as there was no dilution incurred during the periods.

9. DIVIDENDS

- (1) As the cumulative distributable profits in 2019 are insufficient to pay dividend, the directors did not propose payment of final dividend for 2019.
- (2) For the period, the Company did not distributed any dividends.

10. ACCOUNTS RECEIVABLE

Item	As at 31 December 2019	As at 31 December 2018
Accounts receivable	425,129	416,072
Less: Provision for bad debts	252,531	162,013
Net accounts receivable	<u>172,598</u>	<u>254,059</u>
For reporting purpose, analysis as:		
Non-current assets — long-term receivables	—	—
Current assets — accounts receivable	<u>172,598</u>	<u>254,059</u>
Total	<u><u>172,598</u></u>	<u><u>254,059</u></u>

11. OTHER RECEIVABLES

Item	As at 31 December 2019	As at 31 December 2018
Interest receivable	—	39
Dividends receivable	—	—
Other receivables	203,042	291,199
Less: Provision for bad debts	<u>196,956</u>	<u>191,589</u>
Net other receivables	<u><u>6,086</u></u>	<u><u>99,649</u></u>

12. INVESTMENT IN OTHER EQUITY INSTRUMENTS

(1) Investment in other equity instruments

Item	Investment cost	As at 31 December 2019	As at 31 December 2018	Accumulated gains and losses for the period Amount transferred from other comprehensive income to retained earnings	Reason for transfer
Beijing Keyin Media and Culture Co., Ltd.	6,560	45,061	46,110	—	
Beiyang Publishing & Media Co., Ltd.	103,000	168,017	167,856	—	
Beijing Youth Daily Newspaper Internet Communication Technology Co., Ltd.	500	2,845	4,461	—	
Flint Ink (Beijing) Co., Ltd.	2,069	—	—	(2,069)	Disposal of investment
Total	112,129	215,923	218,427	(2,069)	

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

Type	As at 31 December 2019	As at 31 December 2018
Unlisted equity investments, China	215,923	218,427
Total	215,923	218,427

13. OTHER NON-CURRENT FINANCIAL ASSETS

Item	As at 31 December 2019	As at 31 December 2018
Beijing Runxin Dingtai Investment Center (limited partnership)	51,639	49,666
Suzhou Huaying Culture Industry Investment Enterprise	2,717	2,362
Total	54,356	52,028

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP BUSINESS REVIEW

The Group is principally engaged in three core business: (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; and (3) trading of print-related materials, which involves the supply and trading of newsprint, ink, lubricants, films, PS boards and rubber sheets to customers including commercial printers, among other things.

The Group's total operating income for 2019 was RMB219,927 thousand, representing a 36.18% decrease as compared with 2018 (2018: RMB344,625 thousand). Net loss attributable to shareholders of the Company for 2019 was RMB196,538 thousand (2018: RMB277,310 thousand).

The decline in financial results for 2019 are mainly due to the following reasons:

1. The influence of the overall macro situation and macroeconomic policy.
2. The influence of the swift development in new media.
3. The further decline in the Company's core operating income.

In 2020, the Group will promote the construction of a new media matrix for advertising products by improving its convergence media platform.

In 2020, the Company will open up the content and operation platform to explore new areas of business.

In 2020, the Group will further enhance its management and form effective incentive mechanism.

In 2020, affected by the novel coronavirus pneumonia epidemic and a variety of factors at home and abroad, the economic downward pressure has increased. The Group will strive to enhance comprehensive competitiveness, push forward and capture more market shares on the basis of improving its incentive mechanism.

Advertising Business

During 2019, revenue from the Group's advertising business was RMB96,965 thousand (RMB125,782 thousand for the corresponding period in 2018), representing a year-on-year decrease of 22.91%.

In 2019, due to market impact, the Company's advertising business operation focused on key industries striving to stabilize business, stabilize team, stabilize advertising revenue and stabilize market share of its original business. In particular, advertising revenues in tourism, sports, financial insurance and shows, etc. all increased over the same period of the proceeding year.

In 2019, the Company further promoted the transformation of convergence media and adopted the following measures in respect of advertising business:

1. Establishing an innovative management model of business division system to promote business results in key industries

In accordance with the market demand and the overall development needs of the industry, four business divisions including finance, automobile, real estate, and Internet have been established on the basis of advancing the direct-to-customer marketing to cater for different customers and market demands of sub-sectors. In particular, the finance business division focused on two-way operation + content driving and achieved favourable operating results and the automobile business division integrated advantageous resources, effectively cooperated with acquisitions and operations and formed synergies.

2. Improving convergence media marketing platform and promoting product business and service transformation

The new media customer resources database was established and improved, and privileges, temporary welfare policies and packaging policies were launched according to the established customer grade to promote the overall sales of print media and new media and increase advertising revenue.

The operation of resources within the Group, the teams and the customers has been initially realized. Data analysis, integrated marketing planning and implementation capabilities as well as integrated convergence media marketing platform consisting of newspaper, website, APP, WeChat, Weibo, etc. were used to customize new digital marketing models for customers and expand new customer resources.

3. Strengthening team appraisal and motivation

Enhance team management starting from personnel, accountability, appraisal, rewards and punishments, with a view to giving play of team motivation: developing a reward and punishment mechanism targeted at the operating indicators of each business divisions and implementing strict appraisal; strengthening the new media training of advertising business personnel and improving their professional capabilities to adapt to the continuous upgrade of convergence media products.

Film and Television Business

In 2019, the Company gave full play to its advantages in content and built quality films and television projects by participating in early planning and development. The TV series “Setting Sail” (《启航》) presented by the Company as the lead-presenter with the theme of urban reform and development was aired through multiple platforms including CCTV-1, Heilongjiang Satellite TV and Anhui Satellite TV. The TV series was highly ranked in terms of viewership and awarded “Outstanding Commendatory TV Series” by China Television Drama Production Industry Association and gained good social benefits. Meanwhile, the Company optimized its copyright resources and achieved satisfactory economic benefits. The Company transferred the copyright of the TV series “The Story of Zheng Yang Gate” (《正陽門下》) to Daqianmen (Beijing) Media Co., Ltd. at the consideration of RMB2,000 thousand in January 2019. In addition to continuing its focus on key projects in the film and television market, the Company will rely on the existing large-scale live broadcast platform to explore the development of short video business models and enrich the branded content for the media culture of Beijing Media.

Results of major subsidiaries of the Group

Beiqing Community Media is a 52.661%-owned subsidiary of the Company. Relying on its media brand advantages and marketing methods, Beiqing Community Media uses mobile internet technology to integrate online and offline resources of the community, and pursues the Beiqing’s strategy of “going down to grassroots” through the multi-channel joint communication means of paper media + government services + community activities. With nearly 7 years of endeavor, it established a multi-integrated sustainable business model based on the three major business segments, namely Beiqing Community Daily, government services and community activities. Up to now, Beiqing Community Media has a total of 11 newspapers of Beiqing Community Daily across the whole urban area of Beijing, including Chaoyang, Dongcheng, Wangjing, Shunyi, Changping and Beijing Administrative Sub-centers, reaching nearly 5 million readers. At the same time, the branches of Beiqing Community Media operated a total of 32 certified WeChat public accounts, and assisted relevant government authorities in operating 36 public accounts. It operated a total of 68 public accounts.

In 2019, Beiqing Community Media continued to promote cooperation in government service and social organizations procurement, and undertook new media operating projects. Beiqing Community Media provided the government with a variety of offline activities and media publicity services, while helping build information communication platforms and service platforms for governmental services, based on its experience accumulated over the years in operation in the community as well as a large number of subscribers in the WeChat public accounts, headlines accounts, and self-operated media accounts of major portal news APPs. Beiqing Community Media undertook the cooperation with the government departments and social organizations to publish newspapers, establishing a total of 5 magazines, including “Shichahai Culture Monthly” (《什刹海文化月刊》), “Beixinqiao Scenery” (《北新橋風景》), “Sui Yuan” (《隨園》), “Ju

Kuan” (《聚寬》) and “News” (《建聞》). In addition, it was commissioned to organize various government and social organization events, including the national fitness “Beijing Record” Challenging Competition (北京記錄挑戰賽), “The 17th International Book Festival Community Reading Session” (第十七屆國際圖書節社區閱讀分會場活動), Chinese traditional virtue education promotion activity of “Cultivating Family Motto, Spreading Virtues, and Establishing a new style” (「講家訓、傳美德、樹新風」中華傳統美德教育推廣行動), and “70th Anniversary of the Founding of the People’s Republic of China “Beijing International Sculpture Park” (「建國70周年」北京國際雕塑公園遊園活動). It also continued to cooperate with the Chaoyang District Government, and was commissioned for the development of the official news APP project of Chaoyang District. It established public opinion studio through collaboration with the Network Information Office of CPC Beijing Xicheng District Committee to provide comprehensive services such as monitoring of public opinion.

In 2019, based on such key segments as real estate, automobile and household, Beijing Community Media tapped industry resources and expanded its innovative marketing business model from traditional community newspaper advertisements to include a complete marketing solution for customers to create community newspaper advertisements + online promotion + offline activities + product distribution. The advertising effort was enhanced to expand brand influence through the seamless connection with residents through different online and offline media, while highlighting its own channel advantages. A number of brand events including “Country Garden Winter Olympics Beijing Community Campaign” (碧桂園冬奧北京社區行), “FAW Toyota Community Campaign” (一汽豐田社區行) and “Community Home Expo” (社區家博會) were held throughout the year, which not only served the residents of the community, but also met the customer’s propaganda and marketing needs, and achieved a win-win situation for both corporate reputation and business.

Beijing Network Culture is a wholly-owned subsidiary of the Company. Beijing Network Culture, as a limited partner, formed Beijing Runxin Dingtai Investment Centre (limited partnership) (the “**Fund**”) in 2013. Currently, the Fund also actively promoted various investment projects to realize exits via listing, mergers and acquisitions and restructuring, backdoor listing and NEEQ market transfer, etc. Among the companies the Fund invested in, three companies were listed successfully in 2019. In particular, Nanjing Well Pharmaceutical Co., Ltd. (stock code: 603351) was listed on the main board of Shanghai Stock Exchange on 30 January 2019, and Jushri Technologies, Inc (stock code: 300762) was listed on ChiNext of Shenzhen Stock Exchange on 14 March 2019. Xi’an Bright Laser Forming Technologies Co., Ltd. (present name: the Xi’an Bright Laser Technologies Co., Ltd.) (stock code: 688333) was listed on the Science and Technology Innovation Board of Shanghai Stock Exchange on 22 July 2019. In addition, Beijing TINAVI Medical Technology Co., Ltd. had applied for listing on the Science and Technology Innovation Board of Shanghai Stock Exchange on 7 August 2019 and has entered the inquiry stage. It is expected to be listed in 2020.

Chongqing Media is a 60%-owned subsidiary of the Company. In 2019, Chongqing Media focused on brand building, extensively promoted the transformation of new media and successfully obtained the license for Internet news information service, which built a communication system integrating newspapers, WeChat, Weibo, APP and other platforms. By integrating WeChat, Weibo and Chongqing Headlines (重慶頭條) APP as well as the media resources of third-party platforms, Chongqing Media reached in-depth cooperation with customers in terms of advertisement and interactive technology development, realizing double benefits in advertisement and technology development. On the one hand, Chongqing Media insisted on in-depth and high-quality news reports and facilitated public welfare publicity to display the city image and youth style, which achieved positive communication effect. In particular, it planned a large topic-specific coverage on “70 years of Loyalty to Serve the Country” (精忠報國70年) and published 70 original articles, with a total viewership of more than 10 million; the views of the short video reflecting youth style “Yaobudaotai” (《吆不倒台》) reached over 6 million; and it published more than 300 topic-specific coverage on high-end and significant competitions and events, such as the national “Two Sessions”, with a total views of over 5 million. On the other hand, Chongqing Media innovated R&D products and actively expanded its media influence. Chongqing Headlines (重慶頭條) APP has been upgraded to the more complete version 2.1.4, with a good user experience and more than 1 million downloads. The self-developed city affairs City APP organically combines sports and welfare, and adjusts the product in time to interact with fans to enhance fans experience, attracting more than 150,000 people to participate in the event. Chongqing.com and Chongqing Headlines (重慶頭條) APP simultaneously launched a special project of “Internet Information Law Popularization Website”(網信普法進網站), with a total views of more than 5 million. The key development project “Chongqing Youth Daily Online Law Popularization Game” (重慶青年報網信普法小遊戲) has 240,000 participants and nearly 600,000 views. The combined total views for the multi-matrix and multi-accounts of Chongqing Media, such as Today Headlines Account (今日頭條號), the Qi’e Account (企鵝號) and the Qutoutiao Account (趣頭條號) has reached more than 100 million in half year. As a next step, Chongqing Media will focus on the exploration of applications for news in the 5G field, expecting to reduce the loss through various efforts.

BYD Logistics is a 92.84%-owned subsidiary of the Company and is principally engaged in printing and trading business of printing-related materials. In 2019, BYD Logistics’s revenue from sales declined due to the effect of the industry environment, the shrinking printing market, and the decline in paper market demand. In the case of discontinued production of advantageous paper suppliers, BYD Logistics actively sought alternative products, obtained agency rights for similar imported paper, and developed new product cooperation channels, which effectively made up for the shortage of similar paper, seized market opportunities. Sales of alternative products surpassed the sales of such paper products in the same period in 2018. BYD Logistics will actively stock up in order to increase revenue after the stabilization of market price of paper.

Beiqing Outdoor is a wholly-owned subsidiary of the Company which principally engages in the operation of urban outdoor single column billboards. In 2019, in face of the shrinking traditional advertising business and the expiration of the operation rights of previously operated single column billboards, Beiqing Outdoor continued to establish a good agency relationship with the cooperating parties, with an aim to increase source of revenue without increasing costs, and to seek new business opportunities.

Based on the operating environment and operating conditions of Qingyou Information, Qingyou Information completed the cancellation on 28 August 2019 to achieve the strategic plan of “highlighting the main business and streamlining the organization” of the Company. Qingyou Information was formerly a wholly-owned subsidiary of the Company with a registered capital of RMB30,000 thousand. After the cancellation, the cash of RMB27,556 thousand inflowed back to the Company, and the employees of Qingyou Information have been properly arranged.

Prospects and Future Plans

In 2020, the Group will continue to adopt cost control measures in all dimensions.

In 2020, the Group will continue to optimize its industrial and product structure, enrich product portfolio, and integrate resources to increase efficiency.

In 2020, the Group will continue to strengthen its operations and management, improve its operational quality, and enhance its competitiveness.

In 2020, the Group will continuously improve internal control, strengthen system construction and risk management.

In 2020, the Group will conduct capital operations where appropriate.

In 2020, with the existing businesses still as the core, the Group will actively expand into new businesses, cultivate new profit growth point, and persistently consolidate and leverage the relationship with BYDA to promote the development of the Group’s business, enhance its brand influence and stand out among peers as a leading media group with cross-media platforms in the PRC.

FINANCIAL POSITION AND OPERATIONAL RESULTS

1. Total Operating Income

Total operating income of the Group for 2019 was RMB219,927 thousand (2018: RMB344,625 thousand), representing a decrease of 36.18% as compared with 2018, of which, revenue from advertising sales was RMB96,965 thousand (2018: RMB125,782 thousand), representing a decrease of 22.91% as compared with 2018; revenue from printing was RMB3,457 thousand (2018: RMB6,832 thousand), representing a decrease of 49.40% as compared with 2018; and revenue from trading of print-related materials was RMB102,620 thousand (2018: RMB188,434 thousand), representing a decrease of 45.54% as compared with 2018.

2. Operating Cost and Sales Tax and Surcharges

Operating cost of the Group for 2019 was RMB212,548 thousand (2018: RMB325,681 thousand), representing a decrease of 34.74% as compared with 2018, of which, cost of advertising sales was RMB98,635 thousand (2018: RMB123,457 thousand), representing a decrease of 20.11% as compared with 2018; cost of printing was RMB3,221 thousand (2018: RMB5,509 thousand), representing a decrease of 41.53% as compared with 2018; and cost of trading of print-related materials was RMB100,112 thousand (2018: RMB177,394 thousand), representing a decrease of 43.57% as compared with 2018. Tax and surcharges were RMB5,375 thousand (2018: RMB6,125 thousand), representing a decrease of 12.24% as compared with 2018.

3. Gross Profit

Gross profit of the Group for 2019 was RMB7,379 thousand (2018: RMB18,944 thousand), representing a decrease of 61.05% as compared with 2018; gross profit margin of the Group for 2019 was 3.36% (2018: 5.50%).

4. Selling Expenses

Selling Expenses of the Group for 2019 was RMB19,269 thousand (2018: RMB22,325 thousand), representing a decrease of 13.69% as compared with 2018.

5. Administrative Expenses

Administrative expenses of the Group for 2019 was RMB34,328 thousand (2018: RMB46,145 thousand), representing a decrease of 25.61% as compared with 2018.

6. Financial Expenses

Financial expenses of the Group for 2019 was RMB-8,052 thousand (2018: RMB-1,308 thousand), representing an increase of 515.60% in absolute value as compared with 2018, of which, interest income was RMB8,560 thousand (2018: RMB2,093 thousand), representing an increase of 308.98% as compared with 2018; and foreign exchange loss was Nil (foreign exchange loss for 2018: RMB1 thousand).

7. Share of Loss of Associates

Share of loss of associates of the Group for 2019 was RMB2,355 thousand (2018: loss of RMB12,415 thousand), representing a decrease of loss of 81.03% as compared with 2018.

8. Operating Profit

Operating profit of the Group for 2019 was RMB-198,990 thousand (2018: RMB-288,562 thousand), representing a decrease of loss of 31.04% as compared with 2018.

9. Income Tax Expenses

Income tax expenses of the Group for 2019 was RMB16,056 thousand (2018: RMB1,575 thousand), representing an increase of RMB14,481 thousand or 919.43% as compared with 2018. According to the requirements of the “Notice on the Continual Implementation of Certain Taxation Policies relating to the Transformation of Operational Culture Entities into Enterprises in the Cultural Regime Reform issued by the the Ministry of Finance, the State Administration of Taxation and the Central Publicity Department” (Cai Shui [2019] No. 16), enterprises which completed the transformation prior to 31 December 2018 can continue to be exempted from a five-year enterprise income tax since 1 January 2019.

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

Net loss of the Group for 2019 was RMB214,511 thousand (2018: net loss of RMB292,213 thousand), of which, net loss attributable to shareholders of the Company was RMB196,538 thousand (2018: RMB277,310 thousand).

11. Final Dividend

The Board did not propose a final dividend for the year 2019 (2018: Nil).

12. Net Current Assets

As at 31 December 2019, net current assets of the Group was RMB360,581 thousand (31 December 2018: RMB500,947 thousand). Current assets mainly comprised bank balances and cash of RMB217,264 thousand (31 December 2018: RMB199,925 thousand), notes receivable was Nil (31 December 2018: RMB7,908 thousand), accounts receivable of RMB172,598 thousand (31 December 2018: RMB254,059 thousand), prepayments of RMB9,375 thousand (31 December 2018: RMB18,528 thousand), other receivables of RMB6,086 thousand (31 December 2018: RMB99,649 thousand), inventories of RMB12,181 thousand (31 December 2018: RMB21,087 thousand), non-current assets due within one year was Nil (31 December 2018: Nil), and other current assets of RMB35,212 thousand (31 December 2018: RMB32,322 thousand). Current liabilities mainly comprised notes payable of RMB5,669 thousand (31 December 2018: RMB9,581 thousand), and accounts payable of RMB10,306 thousand (31 December 2018: RMB14,309 thousand), receipts in advance was Nil (31 December 2018: Nil), contracted liabilities of RMB27,405 thousand (31 December 2018: 47,617 thousand), employee benefit payables of RMB7,689 thousand (31 December 2018: RMB7,726 thousand), tax payables of RMB382 thousand (31 December 2018: RMB2,233 thousand), other payables of RMB40,445 thousand (31 December 2018: RMB51,065 thousand), non current liabilities due within one year of RMB239 thousand (31 December 2018: Nil).

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2019, current assets of the Group was RMB452,716 thousand (31 December 2018: RMB633,478 thousand), including bank balances and cash of RMB217,264 thousand (31 December 2018: RMB199,925 thousand) and non-current assets of the Group was RMB442,729 thousand (31 December 2018: RMB525,808 thousand).

As at 31 December 2019, current liabilities of the Group was RMB92,135 thousand (31 December 2018: RMB132,531 thousand) and non-current liabilities was RMB8,313 thousand (31 December 2018: RMB16,163 thousand).

As at 31 December 2019, shareholders' equity of the Group was RMB794,997 thousand (31 December 2018: RMB1,010,592 thousand).

GEARING RATIO

As at 31 December 2019, gearing ratio of the Group was 12.64% (31 December 2018: 14.71%) (the gearing ratio is derived from dividing the Group's total liabilities by its total equity).

BANK BORROWINGS, OVERDRAFTS AND OTHER BORROWINGS

As at 31 December 2019, bank loans of the Group was Nil (31 December 2018: RMB6,927 thousand). The currency unit of cash and cash equivalent held by the Group was Renminbi.

FINANCING COST

Financing cost of the Group for 2019 was RMB444 thousand (2018: RMB706 thousand).

FIVE-YEAR RESULTS HIGHLIGHTS

	For the year ended 31 December				
	2019 <i>RMB'000</i>	2018 <i>RMB'000</i>	2017 <i>RMB'000</i>	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Total operating income	219,927	344,625	426,708	483,306	509,257
Net profit	(214,511)	(292,213)	(99,577)	(70,874)	(54,478)
Net profit attributable to Shareholders of the Company	<u>(196,538)</u>	<u>(277,310)</u>	<u>(85,251)</u>	<u>(58,838)</u>	<u>(45,372)</u>
Earnings per share — basic and diluted (<i>RMB</i>)	<u>(0.99)</u>	<u>(1.39)</u>	<u>(0.43)</u>	<u>(0.30)</u>	<u>(0.23)</u>
	As at 31 December				
	2019 <i>RMB'000</i>	2018 <i>RMB'000</i>	2017 <i>RMB'000</i>	2016 <i>RMB'000</i>	2015 <i>RMB'000</i>
Total assets	895,445	1,159,286	1,395,384	1,500,835	1,554,421
Total liabilities	100,448	148,694	194,810	240,586	231,776
Total equity attributable to Shareholders of the Company	768,760	966,545	1,140,864	1,214,959	1,265,345
Shareholders' equity per share as at the end of the year (<i>RMB</i>)	<u>3.90</u>	<u>4.90</u>	<u>5.78</u>	<u>6.16</u>	<u>6.41</u>

USE OF PROCEEDS FROM THE LISTING

The Company raised a total net proceeds of HKD889,086 thousand from the initial global offering in 2004, all of which have been used up.

In order to capture more business opportunities arising from emerging media businesses and other media-related businesses, the Company believes that it will seek for various financing arrangements to support business development when its business requires and condition is mature in the future.

SHARE STRUCTURE (AS AT 31 DECEMBER 2019)

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

Note:

Including 19,533,000 outstanding H Shares held by Le Shi Internet Information & Technology (Beijing) Limited which represents 9.90% of the total share capital of the Company.

CAPITAL EXPENDITURE

Capital expenditures, including expenditures on office equipment and intangible assets, of the Group for 2019 was RMB3,020 thousand (2018: RMB2,418 thousand). Capital expenditures of the Group for 2019 was mainly comprised of the expenditures consistent with business strategies.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 31 December 2019, the Group did not have any other contingent liabilities or any pledge of assets.

MATERIAL INVESTMENTS

During the Reporting Period, the Group had no material investments or any plan related to material investment or acquisition of assets.

MATERIAL ACQUISITION AND DISPOSAL OF ASSETS

During the Reporting Period, the Group had no material acquisition or disposal of assets.

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

ENVIRONMENTAL POLICIES AND PERFORMANCE

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

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

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

AUDIT COMMITTEE

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

The Audit Committee and the management of the Company have reviewed the accounting principles and practices adopted by the Group. In addition, the Audit Committee has discussed with the Directors on matters concerning the internal control and financial reporting of the Company, including reviewing of the audited consolidated financial statements of the Group for the year of 2019 without dissenting opinions.

COMPLIANCE WITH LAWS, REGULATIONS AND CORPORATE GOVERNANCE CODE

During the period between September 2018 and March 2019, the Group provided thirteen borrowings to the Parent Group with a total borrowing of RMB333,200 thousand. Prior approvals of the Board and independent Shareholders have not been obtained for such borrowings. As of 22 April 2019, the outstanding principal owed by the Parent Group is RMB113,200 thousand, and all accrued interest are unpaid. During the period between January 2018 to March 2019, the Group provided seven borrowings to Beijing Top with a total borrowing of RMB220,000 thousand. Prior approvals of the Board and Shareholders have not been obtained for such borrowings (if applicable). As of 22 April 2019, the outstanding principal owed by Beijing Top is RMB65,000 thousand, and all accrued interest are unpaid. On 22 April 2019, the Company has signed borrowing ratification agreements with the Parent and Beijing Top respectively to ratify the thirteen borrowings previously provided by the Group to the Parent Group and the seven borrowings previously provided by the Group to the Beijing Top, and reached a repayment arrangement on the interest rates and maturity of the borrowings, sources of funds and security for the repayment related to the outstanding principal and interest. As of 24 June 2019, the Parent Group and Beijing Top have repaid all principal and accrued interest and the above-mentioned borrowing ratification agreements were fully performed. For details, please refer to the announcements of the Company dated 22 April 2019 and 24 June 2019.

Save as disclosed above, during the Reporting Period, the Company has been in compliance with the laws and regulations which would have a material impact on the Group and the code provisions set out in the Corporate Governance Code under Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE

In respect of securities transactions of Directors and Supervisors, the Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules and its amendments from time to time as its own code of conduct regarding securities transactions by its Directors and Supervisors. Having made sufficient enquiries to Directors and Supervisors, all Directors and Supervisors confirmed they have complied with the required standards under the Model Code during the Reporting Period.

PURCHASE, SALE AND REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

FINAL DIVIDEND

The Board did not recommend the distribution of final dividend for the year ended 31 December 2019.

CLOSURE OF REGISTER OF MEMBERS

The Company intends to hold the 2019 annual general meeting of the Company (“AGM”) at the 2104 meeting room of Beijing Youth Daily Agency Building at 2:30 p.m. on Friday, 19 June 2020. The register of members of the Company will be closed from Wednesday, 20 May 2020 to Friday, 19 June 2020 (both days inclusive). In order to qualify to attend the AGM and to vote at the meeting, all instruments of transfer of the holders of H Shares must be lodged at the H Share registrar of the Company at Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 19 May 2020. Shareholders whose names appear on the register of members of the Company on Wednesday, 20 May 2020 shall be entitled to attend the AGM.

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be published on the Company's website (www.bjmedia.com.cn) and the website of Hong Kong Stock Exchange (www.hkex.com.hk). The 2019 annual report containing all the information required by the Listing Rules will be dispatched to the Shareholders and available on the aforesaid websites in due course.

By order of the Board
Beijing Media Corporation Limited
Ji Chuanpai
Chairman

Beijing, the PRC, 27 March 2020

As at the date of this announcement, the Board comprises: the executive directors of the Company, Ji Chuanpai, Wu Bin, Shang Da and Liu Jia; the non-executive directors of the Company, Zang Furong, Sun Fang and Yang Qing; and the independent non-executive directors of the Company, Wu Tak Lung, Cui Enqing, Chen Ji, Wu Changqi and Shi Hongying.

DEFINITIONS

“Audit Committee”	Audit Committee of the Board
“Beiqing Community Media”	Beiqing Community Media Technology (Beijing) Co., Ltd. (formerly known as Beiqing Community Cultural Media (Beijing) Company Limited), a subsidiary of the Company
“Beiqing Network Culture”	Beiqing Network Culture Communication Co., Ltd., a subsidiary of the Company
“Beiqing Outdoor”	Beijing Beiqing Outdoor Advertisement Co., Ltd., a subsidiary of the Company
“Beiqing Top”	Beijing Beiqing Top Advertising Limited, an associate of the Company
“Board”	The board of Directors
“BYD Logistics”	BYD Logistics Company Limited, a subsidiary of the Company
“Chongqing Media”	Chongqing Youth Media Company Limited, a subsidiary of the Company
“Company”	Beijing Media Corporation Limited, a joint stock limited company incorporated under the laws of the PRC and whose H shares are listed and traded on the Hong Kong Stock Exchange
“Director(s)”	The director(s) of the Company
“Domestic Shares”	The ordinary shares of RMB1.00 per share in the capital of the Company
“Group”	The Company and its subsidiaries
“H Shares”	The foreign shares listed overseas of RMB1.00 per share in the ordinary share capital of the Company
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Listing Rules”	The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers
“Parent” or “BYDA”	Beijing Youth Daily Agency, the controlling shareholder of the Company
“Parent Group”	Beijing Youth Daily Agency and its subsidiaries (excluding the Group)
“PRC” or “China”	The People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administration Region and Taiwan
“Qingyou Information”	Beijing Qingyou Information Technology Co., Ltd., a subsidiary of the Company
“Reporting Period”	The year ended 31 December 2019
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	The shareholder(s) of the Company
“Supervisor(s)”	The supervisor(s) of the Company