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北京北辰實業股份有限公司
BEIJING NORTH STAR COMPANY LIMITED

(A sino-foreign joint venture joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 588)

2021 THIRD QUARTERLY REPORT

This announcement is made pursuant to the disclosure requirements under Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Beijing North Star Company Limited (the “**Company**”) is required to publish its third quarterly results pursuant to the Regulations on Disclosure of Information on Quarterly Reports for Listed Companies issued by the China Securities Regulatory Commission.

All financial information set out in the 2021 third quarterly report of the Company is unaudited and the relevant financial statements are prepared in accordance with China Accounting Standards for Business Enterprises. The 2021 third quarterly report of the Company will also be published on the website of Shanghai Stock Exchange (www.sse.com.cn) and in certain newspapers in the People's Republic of China (the “**PRC**”) on 29 October 2021. The original text of the report is in Chinese.

IMPORTANT NOTICE:

The board of directors, the supervisory committee, directors, supervisors and the senior management of the Company warrant that there are no misrepresentations or misleading statements contained in or material omissions from this quarterly report, and accept joint and several legal responsibility for the truthfulness, accuracy and completeness of the contents of this quarterly report.

The person-in-charge of the Company, the person-in-charge of accounting operations and the person-in-charge of the accounting department (chief accountant), warrant the truthfulness, accuracy and completeness of the information of the financial statements in this quarterly report.

Have the third quarterly financial statements been audited

Yes No

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	During the reporting period	Increase/ decrease during the reporting period as compared with the corresponding period of last year (%)	From the beginning of the year to the end of the reporting period	Increase/ decrease during the period from the beginning of the year to the end of the reporting period as compared with the corresponding period of last year (%)
Operating revenue	6,949,213,016	370.60	17,193,994,904	256.32
Net profit attributable to the owners of the Company	37,696,580	177.37	302,317,371	134.84
Net profit attributable to the owners of the Company after deducting the non-recurring item	29,885,410	151.91	272,265,717	265.19
Net cash flow from operating activities	Not applicable	Not applicable	4,378,136,639	7,604.91
Basic earnings per share (RMB per share)	-	100.00	0.06	2,900.00
Diluted earnings per share (RMB per share)	-	100.00	0.06	2,900.00
Weighted average return on net assets (%)	0.01	Increased by 0.44 percentage points	1.34	Increased by 1.30 percentage points

	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the reporting period as compared with the end of last year (%)
Total assets	76,841,980,238	86,443,456,322	-11.11
Ownership interest attributable to owners of the Company	<u>17,184,900,813</u>	<u>17,049,145,829</u>	<u>0.80</u>

Note: The “reporting period” refers to the three-month period from the beginning of this quarter to the end of this quarter, the same hereinafter.

(II) Non-recurring items and amounts

Items	<i>Unit: Yuan Currency: RMB</i>	
	Amount of the reporting period	Amount from the beginning of the year to the end of the reporting period
Profit or loss on disposal of non-current assets (including the written-off portion of provisions for asset impairment)	-737,147	-1,010,627
Government grants recognized through profit or loss of the period (excluding those closely related to the normal operation of the Company and granted on an ongoing basis in fixed amount or fixed quota in accordance with State policies)	557,396	19,446,486
Capital occupancy fee from non-financial enterprises recognized through profit or loss for the period	5,690,443	11,794,362
Other non-operating income and expenses apart from the aforesaid items	4,814,339	12,267,456
Less: Effect on income tax	2,581,257	10,624,419
Effect on minority interests (after tax)	<u>-67,396</u>	<u>1,821,604</u>
Total	<u>7,811,170</u>	<u>30,051,654</u>

(III) Particulars of and reasons for changes in major accounting data and financial indicators

Applicable Not applicable

Items	Change (%)	Main reason
Operating revenue – during the reporting period	370.60	Mainly due to the increase in settlement area resulting from the impact of settlement cycle on the Company's development properties in the period
Net profit attributable to the owners of the Company – during the reporting period	177.37	Mainly due to the increase in profit of the Company in the period
Net profit attributable to the owners of the Company after deducting the non-recurring item – during the reporting period	151.91	Mainly due to the increase in profit of the Company in the period
Basic earnings per share (<i>RMB per share</i>) – during the reporting period	100.00	Mainly due to the increase in net profit attributable to the ordinary shareholders of the Company in the period
Diluted earnings per share (<i>RMB per share</i>) – during the reporting period	100.00	Mainly due to the increase in net profit attributable to the ordinary shareholders of the Company in the period
Operating revenue – from the beginning of the year to the end of the reporting period	256.32	Mainly due to the increase in settlement area of the Company's development properties in the period
Net profit attributable to the owners of the Company – from the beginning of the year to the end of the reporting period	134.84	Mainly due to the increase in profit of the Company in the period

Items	Change (%)	Main reason
Net profit attributable to the owners of the Company after deducting the non-recurring item – from the beginning of the year to the end of the reporting period	265.19	Mainly due to the increase in profit of the Company in the period
Net cash flow from operating activities – from the beginning of the year to the end of the reporting period	7,604.91	Mainly due to the increase in cash received from selling goods and rendering services of the Company in the period
Basic earnings per share (<i>RMB per share</i>) – from the beginning of the year to the end of the reporting period	2,900.00	Mainly due to the increase in net profit attributable to the ordinary shareholders of the Company in the period
Diluted earnings per share (<i>RMB per share</i>) –from the beginning of the year to the end of the reporting period	2,900.00	Mainly due to the increase in net profit attributable to the ordinary shareholders of the Company in the period

II. INFORMATION OF SHAREHOLDERS

(I) Total number of holders of ordinary shares and number of holders of preference shares with restored voting rights and shareholdings of the top ten shareholders

Unit: Share

Total number of holders of ordinary shares at the end of the reporting period	142,998	Total number of Query holders of preference shares with restored voting rights at the end of the reporting period (if any)	Not applicable
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Shareholdings of Top Ten Shareholders

Name of shareholders	Nature of shareholders	Number of Shares held	Shareholding percentage (%)	Number of shares subject to selling restrictions	State of shares	Shares pledged, marked or frozen Number
Beijing North Star Industrial Group Limited Liabilities Company (“BNS Group”)	State-owned legal person	1,161,000,031	34.482	0	Nil	0
HKSCC NOMINEES LIMITED	Foreign legal person	686,886,199	20.400	0	Nil	0
Wangfujing Group Co., Ltd.	State-owned legal person	125,300,000	3.721	0	Nil	0
Zhong Hang Xin Gang Guarantee Co., Ltd.	State-owned legal person	73,573,353	2.185	0	Nil	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	37,143,475	1.103	0	Nil	0
Yang Liu (楊柳)	Domestic natural person	23,500,000	0.698	0	Nil	0
Qian Zhoujian (錢周健)	Domestic natural person	11,511,594	0.342	0	Nil	0
Tao Xuezhi (陶學知)	Domestic natural person	10,443,600	0.310	0	Nil	0
Shi Nanping (師南平)	Domestic natural person	9,690,000	0.288	0	Nil	0
Liu Wenke (劉文科)	Domestic natural person	9,171,200	0.272	0	Nil	0

Top Ten Holders of Shares not Subject to Selling Restrictions

Name of shareholders	Number of circulating shares not subject to selling restrictions	Class and number of shares	
		Class	Number
Beijing North Star Industrial Group Limited Liabilities Company	1,161,000,031	RMB-denominated ordinary shares	1,161,000,031
HKSCC NOMINEES LIMITED	686,886,199	Overseas listed foreign shares	686,886,199
Wangfujing Group Co., Ltd.	125,300,000	RMB-denominated ordinary shares	125,300,000
Zhong Hang Xin Gang Guarantee Co., Ltd.	73,573,353	RMB-denominated ordinary shares	73,573,353
Hong Kong Securities Clearing Company Limited	37,143,475	RMB-denominated ordinary shares	37,143,475
Yang Liu (楊柳)	23,500,000	RMB-denominated ordinary shares	23,500,000
Qian Zhoujian (錢周健)	11,511,594	RMB-denominated ordinary shares	11,511,594
Tao Xuezhi (陶學知)	10,443,600	RMB-denominated ordinary shares	10,443,600
Shi Nanping (師南平)	9,690,000	RMB-denominated ordinary shares	9,690,000
Liu Wenke (劉文科)	9,171,200	RMB-denominated ordinary shares	9,171,200

Notes on the connected relationship or parties acting in concert among the above shareholders

HKSCC NOMINEES LIMITED, the second largest shareholder, holds the H Shares of the Company on behalf of various clients; the de facto controller of both Wangfujing Group Co., Ltd., the third largest shareholder, and BNS Group, the controlling shareholder of the Company, is the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality; whether the remaining shareholders are concert parties for the purpose of the "Administrative Measures for Takeover of Listed Companies" is unknown.

Explanations on the participation of the top ten shareholders and the top ten holders of shares not subject to selling restrictions in financing securities and refinancing businesses (if any)

1. Qian Zhoujian holds 926,600 shares through the ordinary securities account and 10,584,994 shares through the credit transaction guarantee securities account, totaling 11,511,594 shares;
2. Tao Xuezhi holds 3,237,600 shares through the ordinary securities account and 7,206,000 shares through the credit transaction guarantee securities account, totaling 10,443,600 shares;
3. Shi Nanping holds 9,690,000 shares through the credit transaction guarantee securities account;
4. Liu Wenke holds 9,171,200 shares through the credit transaction guarantee securities account.

III. OTHER REMINDERS

Other important information about the operations of the Company during the reporting period that should be brought to the attention of investors

Applicable Not applicable

From January to September 2021, for real estate development purpose, in respect of land reserve, the Company achieved total land reserve of 5,956,700 m² and the equity land reserve of 5,320,600 m², with no newly added real estate reserve; in respect of engineering construction, the Company recorded a new construction area of 408,300 m², a resumed construction area of 5,519,600 m², a completed area of 1,152,800 m² and a completed area attributable to the equity of 930,500 m²; in respect of project sales, the Company recorded sales area of 798,000 m², representing a year-on-year increase of 57.55%, equity sales area of 688,600 m², representing a year-on-year increase of 79.89%, sales amount of RMB14,263 million, representing a year-on-year increase of 57.72%, equity sales amount of RMB11,891 million, representing a year-on-year increase of 73.14%; and its settlement area was 1,000,900 m², representing a year-on-year increase of 267.30%, and its settlement amount was RMB15,834 million, representing a year-on-year increase of 330.51%.

From January to September 2021, as to property holding, the gross floor area of convention center projects was 367,900 m², realising a total operating revenue of RMB338,550,000; the gross floor area of office building projects was 448,400 m², realising a total operating revenue of RMB459,010,000; the gross floor area of hotel projects was 346,800 m², realising a total operating revenue of RMB266,800,000; the gross floor area of apartment projects was 184,300 m², realising a total operating revenue of RMB153,100,000.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not applicable

(II) Financial statements

Consolidated Balance Sheet 30 September 2021

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	30 September 2021	31 December 2020
Current assets:		
Cash at bank and in hand	11,635,234,730	13,045,474,213
Clearing settlement funds		
Placements with banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable	65,956,856	153,890,739
Receivables financing		
Prepayments	83,949,768	64,524,451
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Other receivables	1,997,205,238	2,054,777,591
Including: Interest receivable		
Dividends receivable		
Financial assets held under resale agreements		
Inventory	47,811,830,340	56,440,500,295
Contract assets		
Assets held for sale		
Non-current assets due within one year	154,282,155	103,533,637
Other current assets	2,282,350,700	2,728,909,169
Total current assets	64,030,809,787	74,591,610,095

Items	30 September 2021	31 December 2020
Non-current assets:		
Loans and advances to customers		
Debt investment		
Other debt investment		
Long-term accounts receivable	699,490,407	272,201,258
Long-term equity investments	493,830,804	541,852,643
Other investment in equity instruments		
Other non-current financial assets		
Investment properties	7,065,529,969	6,847,295,203
Fixed assets	2,398,235,673	1,929,939,747
Construction-in-progress	692,832,687	872,949,905
Operational biological assets		
Oil and gas assets		
Right-of-use assets	37,755,692	49,944,465
Intangible assets	9,972,469	10,528,201
Development expenses		
Goodwill		
Long-term deferred expenses	24,439,828	7,716,147
Deferred income tax assets	1,328,435,535	1,263,904,521
Other non-current assets	60,647,387	55,514,137
Total non-current assets	<u>12,811,170,451</u>	<u>11,851,846,227</u>
Total assets	<u>76,841,980,238</u>	<u>86,443,456,322</u>

Items	30 September 2021	31 December 2020
Current liabilities:		
Short-term borrowings		
Borrowings from central bank		
Capital borrowed		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	6,637,238,069	7,071,835,411
Accounts received in advance	93,513,515	230,349,078
Contract liabilities	13,119,586,921	17,882,773,042
Financial assets sold under agreements to repurchase		
Absorbing deposit and interbank deposit		
Customer brokerage deposits		
Securities underwriting brokerage deposits		
Staff cost	74,226,268	94,763,362
Taxes payable	2,065,992,808	2,617,074,908
Other payables	4,492,345,117	4,036,566,156
Including: Interest payable		
Dividends payable	473,893,861	1,162,190
Fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	10,697,541,262	9,594,165,617
Other current liabilities	14,046,259	18,308,584
	<hr/>	<hr/>
Total current liabilities	37,194,490,219	41,545,836,158
	<hr/> <hr/>	<hr/> <hr/>

Items	30 September 2021	31 December 2020
Non-current liabilities:		
Reserve of insurance contract		
Long-term borrowings	16,608,150,663	17,713,422,612
Bonds payable	1,174,150,904	4,659,803,453
Including: Preferred shares		
Perpetual bond		
Lease liabilities	16,311,527	20,065,559
Long-term accounts payable	2,451,369,292	2,658,261,937
Long-term staff cost	107,413,972	114,239,518
Accrued liabilities		
Deferred income	2,743,396	2,743,396
Deferred income tax liabilities		
Other non-current liabilities		
	_____	_____
Total non-current liabilities	<u>20,360,139,754</u>	<u>25,168,536,475</u>
Total liabilities	<u>57,554,629,973</u>	<u>66,714,372,633</u>

Items	30 September 2021	31 December 2020
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	3,367,020,000	3,367,020,000
Other equity instruments	2,611,526,246	2,630,379,842
Including: Preferred shares		
Perpetual bond	2,611,526,246	2,630,379,842
Capital reserve	3,766,150,560	3,703,970,680
Less: Treasury shares		
Other comprehensive income	398,506	398,506
Special reserve		
Surplus reserve	1,048,895,107	1,048,895,107
Normal risk provision		
Undistributed profit	<u>6,390,910,394</u>	<u>6,298,481,694</u>
Total owners' equity (or shareholders' equity) attributable to owners of the Company	<u>17,184,900,813</u>	<u>17,049,145,829</u>
Non-controlling interests	<u>2,102,449,452</u>	<u>2,679,937,860</u>
Total owners' equity (or shareholders' equity)	<u><u>19,287,350,265</u></u>	<u><u>19,729,083,689</u></u>
Total liabilities and owners' equity (or shareholders' equity)	<u><u>76,841,980,238</u></u>	<u><u>86,443,456,322</u></u>
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

Consolidated Income Statement
From January to September 2021

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	The first three quarters of 2021 (January – September)	The first three quarters of 2020 (January- September)
I. Total operating revenue	17,193,994,904	4,825,420,558
Including: Operating revenue	17,193,994,904	4,825,420,558
Interest income		
Premiums earned		
Handling charges and commission income		
 II. Total operating costs	 16,035,414,139	 4,542,402,064
Including: Operating costs	13,661,762,811	2,939,766,078
Interest expenses		
Handling charges and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance liability deposits		
Policyholder dividend expenses		
Reinsurance costs		
Taxes and surcharges	898,690,349	557,823,910
Selling expenses	384,720,522	219,725,066
Administrative expenses	630,925,946	560,606,569
Research and development expenses		
Finance expenses	459,314,511	264,480,441
Including: Interest expenses	570,671,389	373,928,362
Interest income	115,265,638	110,761,688

Items	The first three quarters of 2021 (January – September)	The first three quarters of 2020 (January- September)
Add: Other income	23,962,019	8,548,048
Investment income (loss stated with “–”)	112,799,152	99,221,351
Including: Investment income from associates and joint venture	99,926,139	46,884,630
Gains on derecognition of financial assets measured at amortised cost		
Foreign currency exchange gains (loss stated with “–”)		
Gains on net exposure hedges (loss stated with “–”)		
Profit arising from changes in fair value (loss stated with “–”)		
Impairment losses on credit (loss stated with “–”)	-22,481,929	2,530,838
Impairment losses on assets (loss stated with “–”)	-650,103,410	-106,138,359
Gains from disposal of assets (loss stated with “–”)	–	-4,946
III. Operating profit (loss stated with “–”)	622,756,597	287,175,426
Add: Non-operating income	30,373,558	20,814,539
Less: Non-operating expenses	17,757,659	11,589,096
IV. Total profit (total loss stated with “–”)	635,372,496	296,400,869
Less: Income tax expenses	395,845,134	107,026,625

Items	The first three quarters of 2021 (January – September)	The first three quarters of 2020 (January- September)
V. Net profit (net loss stated with “-”)	239,527,362	189,374,244
(I) Classified according to continuity of operations		
1. Net profit from continuing operations (net loss stated with “-”)	239,527,362	189,950,358
2. Net profit from discontinued operations (net loss stated with “-”)	–	-576,114
(II) Classified according to the ownership		
1. Net profit attributable to the owners of the Company (net loss stated with “-”)	302,317,371	128,732,346
2. Non-controlling interests (net loss stated with “-”)	-62,790,009	60,641,898
VI. Other comprehensive income (net of tax)		
(I) Other comprehensive income attributable to the owners of the Company (net of tax)		
1. Other comprehensive income that will not be reclassified into profit or loss		
(1) Changes arising from remeasurement of defined benefit plans		
(2) Other comprehensive income which cannot be reclassified into profit and loss under equity method		
(3) Changes in fair value of investment in other equity instruments		
(4) Changes in fair value of the enterprise’s own credit risk		

Items	The first three quarters of 2021 (January – September)	The first three quarters of 2020 (January- September)
2. Other comprehensive income that will be reclassified into profit or loss		
(1) Other comprehensive income which can be reclassified into profit and loss under equity method		
(2) Changes in fair value of investment in other debt instruments		
(3) Financial assets reclassified into other comprehensive income		
(4) Provision for credit impairments of other debt investments		
(5) Cash flow hedge reserve		
(6) Exchange differences on foreign currency translation		
(7) Others		
(II) Other comprehensive income attributable to minority interests (net of tax)		
VII. Total comprehensive income	239,527,362	189,374,244
(I) Total comprehensive income attributable to the owners of the Company	302,317,371	128,732,346
(II) Total comprehensive income attributable to minority shareholders	-62,790,009	60,641,898
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.06	0.002
(II) Diluted earnings per share (RMB/share)	0.06	0.002

*Person-in-charge of
the Company:*
LI Wei-Dong

*Person-in-charge of
accounting operations:*
HU Hao

*Person-in-charge of the
accounting department:*
DU Yan

Consolidated Cash Flow Statements

From January to September 2021

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Cash flows from operating activities:		
Cash received from selling goods and rendering services	13,147,129,100	8,386,079,490
Net increase in deposits from customers and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling charges and commissions		
Net increase in placements from banks		
Net increase in fund for repurchases of businesses		
Net cash received from securities trading agency services		
Refund of tax and levies received	232,569,921	65,284,175
Cash received relating to other operating activities	484,629,490	1,296,179,035
Sub-total of cash inflow from operating activities	13,864,328,511	9,747,542,700

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Cash paid for purchase of goods and receipt of services	6,610,116,212	7,058,578,248
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institution		
Cash paid for claims on original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash payment for interest, handling charges and commissions		
Cash payment for policyholder dividend		
Cash paid to and paid for employees	759,034,383	662,187,713
Taxes paid	1,836,076,454	1,596,341,721
Cash paid relating to other operating activities	280,964,823	373,612,371
Sub-total of cash outflow from operating activities	<u>9,486,191,872</u>	<u>9,690,720,053</u>
Net cash flow from operating activities	<u>4,378,136,639</u>	<u>56,822,647</u>

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
II. Cash flows from investing activities:		
Cash received from disinvestments	8,297,978	972,008,020
Cash received from returns on investments	13,189,646	11,922,485
Net cash received from disposal of fixed assets, intangible assets and other long- term assets	391,977	833,169
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflow from investing activities	21,879,601	984,763,674
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	558,140,203	94,376,218
Cash paid to acquire investment	523,320,000	157,948,400
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	-	16,968,885
Sub-total of cash outflow from investing activities	1,081,460,203	269,293,503
Net cash flows from investing activities	-1,059,580,602	715,470,171

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
III. Cash flows from financing activities:		
Cash received from capital contribution	201,468,481	62,780,000
Including: Cash received from capital contributions by minority shareholders of subsidiaries	201,468,481	62,780,000
Cash received from borrowings	9,468,163,547	4,630,726,979
Cash received from issuance of bonds	318,043,000	595,200,000
Cash received relating to other financing activities	<u>2,785,473,800</u>	<u>2,443,273,245</u>
Sub-total of cash inflow from financing activities	<u>12,773,148,828</u>	<u>7,731,980,224</u>
Cash repayments of borrowings	13,038,991,210	5,319,051,202
Cash payments for distribution of dividends and profits or interest expenses	1,781,632,260	2,411,644,274
Including: Dividends and profit paid to minority shareholders by subsidiaries	176,987,000	41,000,000
Cash paid relating to other financing activities	<u>2,574,625,687</u>	<u>269,580,342</u>
Sub-total of cash outflow from financing activities	<u>17,395,249,157</u>	<u>8,000,275,818</u>
Net cash flows from financing activities	<u>-4,622,100,329</u>	<u>-268,295,594</u>

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-1,303,544,292	503,997,224
Add: Balance of cash and cash equivalents at the beginning of the period	<u><u>10,830,539,445</u></u>	<u><u>11,775,741,381</u></u>
VI. Balance of cash and cash equivalents at the end of the period	<u><u>9,526,995,153</u></u>	<u><u>12,279,738,605</u></u>

*Person-in-charge of
the Company:*
LI Wei-Dong

*Person-in-charge of
accounting operations:*
HU Hao

*Person-in-charge of the
accounting department:*
DU Yan

(III) Adjustments to relevant items in financial statements at the beginning of the year upon the first adoption of new lease standards from 2021

Applicable Not applicable

Announcement is hereby given.

By order of the Board
BEIJING NORTH STAR COMPANY LIMITED
LI Wei-Dong
Chairman

Beijing, the PRC, 28 October 2021

As at the date of this announcement, the Board comprises eight directors, of which Mr. LI Wei-Dong, Ms. LI Yun, Mr. CHEN De-Qi, Ms. ZHANG Wen-Lei and Mr. GUO Chuan are executive directors and Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Mr. CHEN De-Qiu are independent non-executive directors.