

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

ESTIMATED RESULTS FOR THE YEAR OF 2022

This announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board hereby announces that the Group is expected to record a loss instead of a profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the year ended 31 December 2022. The estimated results have not been reviewed or audited by auditors, they are not based on financial information audited or formally reviewed by auditors, and are subject to finalisation. Shareholders and potential investors of the Company should pay attention to details of the financial information to be set out in the 2022 annual results report of the Company.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Beijing North Star Company Limited (the “**Company**”) pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) hereby announces that the profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the year ended 31 December 2022 (the “**Relevant Period**”) is estimated to record a loss, details of which are set out as follows:

I. ESTIMATED RESULTS FOR THE RELEVANT PERIOD (IN ACCORDANCE WITH THE HONG KONG FINANCIAL REPORTING STANDARDS)

1. Relevant Period for the results estimation: from 1 January 2022 to 31 December 2022
2. Estimated results:

Based on the preliminary assessment by the Company's finance department:

- (i) Loss attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the year of 2022 is estimated to range from RMB1,071,259,000 to RMB1,240,743,000, representing a loss as compared with the profit for the corresponding period of the preceding year.
 - (ii) Loss (excluding gains or losses from changes in fair value of investment properties and after deduction of non-recurring profit and loss) attributable to owners of the Company for the year of 2022 is estimated to range from RMB1,121,257,000 to RMB1,300,744,000, representing a loss as compared with the profit for the corresponding period of the preceding year.
 - (iii) The estimated cash balance at the end of the period is approximately RMB9.7 billion. The Company has sufficient reserve funding with clear financing channels for dependable operation.
3. The estimated results have not been reviewed or audited by auditors, they are not based on financial information audited or formally reviewed by auditors, and are subject to finalisation. Shareholders and potential investors of the Company should pay attention to details of the financial information to be set out in the 2022 annual results report of the Company.

II. RESULTS FOR THE CORRESPONDING PERIOD IN THE PRECEDING YEAR (IN ACCORDANCE WITH THE HONG KONG FINANCIAL REPORTING STANDARDS)

1. The profit attributable to owners of the Company was RMB334,834,000 (or RMB435,506,000 if excluding gains or losses from changes in fair value of investment properties, or RMB413,657,000 if excluding gains or losses from changes in fair value of investment properties and after deduction of non-recurring profit and loss).
2. Earnings per share was RMB0.0585 (or RMB0.0884 if excluding gains or losses from changes in fair value of investment properties, or RMB0.0819 if excluding gains or losses from changes in fair value of investment properties and after deduction of non-recurring profit and loss).

III. MAIN REASONS FOR THE ESTIMATED LOSSES IN RESULTS FOR THE RELEVANT PERIOD

1. The Company's operation of convention and exhibition centers (including hotels) and commercial properties was time and again affected by the pandemic, with conference and exhibition centers, hotels and apartments being in stagnation for a long time, affecting the profit level of the Company.
2. The real estate development segment was affected by macroeconomic regulation and control and settlement cycle changes, the settlement floor area was reduced, and the gross profit quality of the project that can be settled as revenue tended to be low. At the same time, as affected by the market environment, certain real estate projects of the Company showed signs of impairment. The Company conducted a preliminary impairment test on its inventories in accordance with accounting standards and expected to make provisions for the impairment of inventories on certain real estate projects, resulting in a comparatively substantial decline in profits for the segment.

IV. OTHER EXPLANATORY MATTERS

Currently, the operating activities of the Company's real estate projects are normal and in full swing, and there is no suspension of work due to funding reasons.

The estimated data above is only prepared based on the preliminary calculations. Specific and accurate financial information in the audited 2022 annual results report of the Company to be formally disclosed shall prevail.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
BEIJING NORTH STAR COMPANY LIMITED
GUO Chuan
Executive Director and Company Secretary

Beijing, PRC, 30 January 2023

As at the date of this announcement, the Board of the Company comprises eight directors, of which Mr. LI Wei-Dong, Ms. LI Yun, Mr. YANG Hua-Sen, 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.

In case of inconsistency between the Chinese and English versions of this announcement, the Chinese version shall prevail.