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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)

DISCLOSEABLE TRANSACTION
PROVISION OF FINANCIAL ASSISTANCE TO GUANGZHOU GUANGYUE,
AN EXTERNAL INVESTEE COMPANY ON A PRO RATA BASIS

LOAN AMENDMENT AGREEMENT

The Company, NSREG and Guangzhou Guangyue will shortly enter into the Loan Amendment Agreement, pursuant to which the three parties agree to change the terms of the Loan Contract.

IMPLICATIONS UNDER THE LISTING RULES

Reference is made to the announcement of the Company dated 25 September 2023 in relation to the loan amendment agreements for the provision of financial assistance to Guangzhou Guangyue on a pro rata basis. As the Loan and the Previous Loans were granted to the same borrower within the previous 12 months, the Company intends to aggregate the Loan with the Previous Loans. As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the calculation of the Loan and the Previous Loans on an aggregated basis exceeds 5% but is less than 25%, the Loan and the Previous Loans constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Loan and the Previous Loans are subject to reporting and announcement requirements but are exempt from shareholders' approval requirement.

LOAN AMENDMENT AGREEMENT

The Company, NSREG and Guangzhou Guangyue will shortly enter into the Loan Amendment Agreement, pursuant to which the three parties agree to change the term of the Loan Contract.

The original principal terms of the Loan Contract are as follows:

Date: 3 December 2021

Parties: (1) The Company;
(2) NSREG; and
(3) Guangzhou Guangyue.

Loan amount: The amount of cash loan provided by the Company to Guangzhou Guangyue in proportion to capital contribution was RMB100.45 million.

The loan was financed by the Group's internal resources. Guangzhou Guangyue has drawn the loan in full.

Annual interest rate on loan: 6.5%, interest paid quarterly

The annual interest rate on loan is determined with reference to market interest rate and on arm's length basis.

Term of loan: 2 years

Guangzhou Guangyue shall repay all the principal and interest of the loan within the agreed term of loan and submit a specific repayment plan to the Company through NSREG as required by the Company.

Purpose of loan: Project development and construction

The terms of the Loan Contract remain unchanged except for the amendment to the term of loan in accordance with the Loan Amendment Agreement.

Amended maturity date: 2 December 2025

PREVIOUS LOANS

The previous transactions under the cash loans provided by the Group to Guangzhou Guangyue during the previous 12 months include:

Date	Loan amounts (RMB0'000)	Interest rate on loans	Term of loans
2 June 2022	11,270	6.5%	2 years
29 June 2022	980	6.5%	2 years
30 June 2022	1,470	6.5%	2 years
3 February 2023	980	6.5%	2 years
18 March 2023	1,470	6.5%	2 years
1 June 2023	9,065	6.5%	2 years
9 June 2023	6,531.84	6.5%	2 years
9 June 2023	2,450	6.5%	2 years
9 June 2023	980	6.5%	2 years
9 June 2023	980	6.5%	2 years
9 June 2023	768.63	6.5%	2 years
9 June 2023	2,450	6.5%	2 years
9 June 2023	1,960	6.5%	2 years
30 June 2023	1,372	6.5%	2 years

Previous Loans were financed by the Group's internal resources. Guangzhou Guangyue has drawn the relevant Previous Loans in full.

The annual interest rates on loans under the Previous Loans were paid quarterly and determined with reference to market interest rate and after negotiation on arm's length basis.

In respect of each of the Previous Loans, Guangzhou Guangyue shall repay all the principal and interest of the loans within the agreed term of loans and submit a specific repayment plan to the Company through NSREG as required by the Company.

Each of the Previous Loans was used for project development and construction purposes.

REASONS FOR AND BENEFITS OF THE LOAN AND PREVIOUS LOANS

As one of the shareholders of Guangzhou Guangyue, an external investee, the Group and other shareholders have provided the above financial assistance to Guangzhou Guangyue in the form of interest-bearing loans in proportion to the capital contributions in order to meet the subsequent development and construction needs of the real estate project on Lot 114, Liaocun, Licheng Street, Zengcheng* (增城荔城街廖村114地塊), based on which the amounts of the loans were determined and do not affect the normal business development and use of funds of the Company. On 23 March 2023, the Board considered and passed the "Resolution on provision of financial assistance for the year of 2023", which has been considered and approved at the 2022 annual general meeting of the Company held on 11 May 2023. The amounts of the Loan Amendment Agreement are within the amount authorized by the 2022 annual general meeting, and therefore are not required to be resubmitted to the general meeting for consideration according to the requirements of the PRC laws and regulations. The Loan Amendment Agreement is expected to be entered into shortly.

The Board considers that the financial assistance was entered into on normal commercial terms in the ordinary course of business of the Company which is fair and reasonable and in the interests of the Company and its shareholders as a whole.

None of the Directors has any material interest in the above financial assistance and therefore no Director is required to abstain from voting on the relevant board resolutions.

IMPLICATIONS UNDER THE LISTING RULES

As the Loan and the Previous Loans were granted to the same borrower within the previous 12 months, the Company intends to aggregate the Loan with the Previous Loans. As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the calculation of the Loan and the Previous Loans on an aggregated basis exceeds 5% but is less than 25%, the Loan and the Previous Loan constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Loan and the Previous Loans are subject to reporting and announcement requirements but are exempt from shareholders' approval requirement.

GENERAL INFORMATION

Information on the Group

The Group is principally engaged in development of properties, investment of properties (including hotels) and commercial properties.

NSREG is principally engaged in real estate development; property management; rental of commercial premises; public parking service for motor vehicles; economic and trade consultation; hotel management; conference service; project operation for sports (excluding high-risk sports); typing, copying service; sales of daily necessities, handicrafts, self-developed commodity housing; accommodation; swimming; sales of food; engineering survey; engineering design.

Information on Guangzhou Guangyue

Reference is made to the announcement of the Company dated 25 September 2023 in relation to the loan amendment agreements for the provision of financial assistance to Guangzhou Guangyue on a pro rata basis. Guangzhou Guangyue is principally engaged in development and operation of real estate; investment promotion, development and construction of the airport development zone; investment promotion, development and construction of the automobile industrial park; investment, investment promotion, development and construction of the new media industrial park; investment, investment promotion, development and construction of the cultural industrial park; operation activities for self-owned real estates; property leasing; venue leasing (excluding warehousing); property management; real estate consultation service; house demolition and relocation services.

Guangzhou Hongshun holds 51% equity interests in Guangzhou Guangyue, and the remaining 49% equity interests of Guangzhou Guangyue are held by NSREG. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Guangzhou Guanghong Investment Development Co., Ltd.* (廣州廣宏投資發展有限公司) (“**Guangzhou Guanghong**”) holds approximately 97.55% equity interests in Guangzhou Hongshun, and Guangzhou Guanghong is indirectly held as to 76% and 24% by Gemdale Properties and Investment Corporation Limited (“**Gemdale Properties**”) and Shenzhen Huijie Site Management Co., Ltd.* (深圳匯傑思特企業管理有限公司), respectively. Gemdale Properties, a company incorporated in Bermuda and listed on the Main Board of the Stock Exchange (stock code: 535), is engaged in property investment, development and management of residential, commercial and industrial park projects, and microfinance. The remaining approximately 2.45% equity interests in Guangzhou Hongshun are held by Jiaying Guangshen Investment Partnership (Limited Partnership)* (嘉興廣申投資合夥企業(有限合夥)).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, Guangzhou Guangyue (save for the Group's equity investment therein) and Guangzhou Hongshun and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

“Board”	the board of Directors of the Company;
“Company”	Beijing North Star Company Limited (北京北辰實業股份有限公司), a sino-foreign joint venture joint stock limited company incorporated in the PRC, whose A shares and H shares are listed and traded on the Stock Exchange and the Shanghai Stock Exchange respectively;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Guangzhou Guangyue”	Guangzhou Guangyue Real Estate Co., Ltd.* (廣州廣悅置業有限公司), a limited company incorporated in the PRC, and an investee indirectly owned as to 49% equity interests by the Company;
“Guangzhou Hongshun”	Guangzhou Hongshun Real Estate Development Co., Ltd.* (廣州鴻順房地產開發有限公司), a limited company incorporated in the PRC;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	the Loan Amendment Agreement and the transactions contemplated thereunder;

“Loan Amendment Agreement”	the RMB Capital Loan Contract Amendment Agreement to be entered into by the Company, NSREG and Guangzhou Guangyue on recent date, pursuant to which the term of the Loan Contract will be changed;
“Loan Contract”	the RMB Capital Loan Contract entered into by the Company, NSREG and Guangzhou Guangyue on 3 December 2021, pursuant to which the Group provided a loan principal of RMB100.45 million to Guangzhou Guangyue in proportion to the capital contributions;
“NSREG”	Beijing North Star Real Estate Group Co. Limited* (北京北辰地產集團有限公司), a limited company incorporated in the PRC, and a wholly-owned subsidiary of the Company;
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this announcement;
“Previous Loans”	the loans provided by the Group to Guangzhou Guangyue in proportion to the capital contributions during the previous 12 months, the details of which are set out in the section headed “Previous Loans” in this announcement;
“RMB”	Renminbi, the lawful currency of the PRC;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board
Beijing North Star Company Limited
GUO Chuan
Executive Director and Company Secretary

Beijing, the PRC
18 January 2024

As at the date of this announcement, the Board comprises seven Directors, of which Mr. LI Wei-Dong, 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.

* For identification purposes only