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

If you have sold or transferred all your shares in **Beijing North Star Company Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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)

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
PROPOSED AMENDMENTS TO EXISTING GUARANTEE AUTHORISATION
AT THE GENERAL MEETING
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019**

Beijing North Star Company Limited (the “**Company**”) will convene the EGM at Meeting Room One, 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on Tuesday, 27 August 2019 at 9:00 a.m. The EGM Notice is set out on pages 15 to 17 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed reply slip and the proxy form for holders of H Shares in accordance with the instructions printed thereon. The reply slip should be returned to the legal address of the Company at No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC by hand, by post, by cable or by fax (8610) 6499-1352 on or before Wednesday, 7 August 2019. The proxy form for holders of H Shares should be returned to the H Share Registrar of the Company, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 26 August 2019 at 9:00 a.m. (Hong Kong time)). Completion and return of the proxy form will not preclude you from attending and voting at the meeting.

12 July 2019

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DEFINITIONS

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

“Articles of Association”	the existing articles of association of the Company
“Board”	the board of Directors
“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 shares are listed on the Stock Exchange and the SSE
“Director(s)”	the directors of the Company
“EGM”	the first extraordinary general meeting of 2019 of the Company to be held at Meeting Room One, 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on 27 August 2019 at 9:00 a.m.
“EGM Notice”	the notice dated 12 July 2019 convening the EGM as set out on pages 15 to 17 of this circular
“Existing Guarantee Authorisation”	“The resolution on authorisation in relation to provision of guarantee of the Company” considered and approved at the 2018 annual general meeting of the Company held on 28 May 2019, pursuant to which, the Board was authorised to consider and approve the additional guarantee of the Company and its subsidiaries, the details of which are set out in the circular of the Company dated 11 April 2019
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	the overseas listed Share(s) in the share capital of the Company with a nominal value of RMB1.00 each which are listed on the Stock Exchange (Stock Code: 588)

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC” or “China”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SSE”	the Shanghai Stock Exchange
“Share(s)”	share(s) of nominal value of RMB1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



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)

The Board

Executive Directors

Mr. HE Jiang-Chuan

Mr. LI Wei-Dong

Ms. LI Yun

Mr. CHEN De-Qi

Ms. ZHANG Wen-Lei

Mr. GUO Chuan

Independent non-executive Directors

Mr. FU Yiu-Man

Mr. DONG An-Sheng

Mr. WU Ge

Legal address:

No. 8 Bei Chen Dong Road

Chao Yang District

Beijing

The PRC

Principal place of business in Hong Kong:

26th Floor, Jardine House

1 Connaught Place

Central

Hong Kong

12 July 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
PROPOSED AMENDMENTS TO EXISTING GUARANTEE AUTHORISATION
AT THE GENERAL MEETING
AND
NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019**

LETTER FROM THE BOARD

1. INTRODUCTION

The main purpose of this circular is to provide you with information of matters in relation to (1) proposed amendments to the Articles of Association; and (2) proposed amendments to the resolution on authorisation in relation to provision of guarantee at the general meeting to seek your approval of the special resolutions in relation to these matters at the EGM.

2. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Based on the Company's operation and business development needs, as well as the provisions of the Guidance for the Articles of Association of Listed Companies (2019 revision) (《上市公司章程指引》(2019年修訂)) promulgated by the China Securities Regulatory Commission, the Board passed a resolution in relation to proposed amendment to certain provisions of the Articles of Association on 25 June 2019, which will be proposed at the EGM for consideration and approval. Relevant amendments to the Articles of Association are set out in the Appendix to this circular.

3. PROPOSED AMENDMENTS TO EXISTING GUARANTEE AUTHORISATION AT THE GENERAL MEETING

References are made to the circular dated 11 April 2019 and the announcement dated 28 May 2019 of the Company. The Existing Guarantee Authorisation was considered and approved by the Company at the 2018 annual general meeting. Given the demand of financing and actual operations of the Company and its subordinate companies, it is proposed to the general meeting of the Company to amend the Existing Guarantee Authorisation. On the basis that the aggregate amount of the guarantee authorisation of the Company remain unchanged (i.e., not more than RMB55 billion, the allocation amounts provided by the Company to its wholly-owned subsidiaries, non-wholly owned subsidiaries and investees shall be adjusted. The specific allocation amounts after the adjustments are as follows:

- (1) total amount of guarantees provided to wholly-owned subsidiaries shall not be more than RMB27 billion;
- (2) total amount of guarantees provided to non-wholly owned subsidiaries shall not be more than RMB12 billion;
- (3) total amount of guarantees provided to investees shall not be more than RMB1 billion;
- (4) total amount of guarantees provided by wholly-owned and non-wholly owned subsidiaries to the Company shall not be more than RMB15 billion.

LETTER FROM THE BOARD

Upon amendments to the Existing Guarantee Authorisation, the general meeting of the Company shall authorise the Board to consider and approve the following revised guarantees of the Company and its subordinate companies:

1. Type of guarantee: the types of the guarantees provided between the Company and its subordinate companies include, but not limited to, assurances, pledges and charges.
2. Target of guarantee: the targets of the guarantees under this authorisation include guarantees provided by the Company and its wholly-owned subsidiaries to other wholly-owned or non-wholly owned subsidiaries (i.e. those subordinate companies whose results are incorporated into the consolidated financial statements of the Company) and investees, and guarantees provided by wholly-owned companies and non-wholly owned companies to the Company and other wholly-owned companies within the aggregate amount of RMB55 billion (excluding the guarantees provided in phases by the Company and its subordinate companies to property purchasers).

Allocation of the amounts is as follows:

- (1) total amount of guarantees provided to wholly-owned subsidiaries shall not be more than RMB27 billion;
 - (2) total amount of guarantees provided to non-wholly owned subsidiaries shall not be more than RMB12 billion;
 - (3) total amount of guarantees provided to investees shall not be more than RMB1 billion;
 - (4) total amount of guarantees provided by wholly-owned and non-wholly owned subsidiaries to the Company shall not be more than RMB15 billion.
3. Scope of authorisation: the general meeting shall authorise the Board to deliberate any aforesaid guarantee to be provided by the Company. The scope of authorisation shall cover any of the following situations:
 - (1) the amount of a single guarantee exceeding 10% of the audited net assets of the Company for the latest period;
 - (2) any provision of guarantee after the total external guarantee amount of the Company and its non-wholly owned subsidiaries exceeds 50% of the audited net assets of the Company for the latest period;
 - (3) provision of guarantee to a target with a gearing ratio exceeding 70%;

LETTER FROM THE BOARD

- (4) guarantee exceeding 30% of the audited total assets of the Company for the latest period based on the principle of the cumulative calculation of the guarantee amount for twelve consecutive months;
 - (5) guarantee exceeding 50% of the audited net assets of the Company for the latest period based on the principle of the cumulative calculation of the guarantee amount for twelve consecutive months.
- 4. Term of authorisation: authorisation shall be effective from the date of the EGM to the date of the 2019 annual general meeting.
- 5. If each guarantee provided between the Company and its subordinate companies constitutes a transaction under the Listing Rules, the Company shall seek approval from the Shareholders (if applicable) in compliance with the applicable requirements under the Listing Rules.
- 6. The Company will require the guaranteed party to provide corresponding counter-guarantee based on its status.

If it is beyond the scope of this authorisation of guarantee, the Company will strictly comply with the relevant regulatory requirements and decision-making procedure for listed companies.

LETTER FROM THE BOARD

Basic information on the guaranteed party:

The proposed targets of the guarantee business:

(1) the following companies, the basic information of which as at 31 December 2018 is as follows:

Company name	Legal representative	Registered capital (‘0,000)	Nature of business	Total assets (‘0,000)	Net assets (‘0,000)	Net profit (‘0,000)	Allocation of guarantee amount provided by the Company to its subordinate companies	
							Shareholding percentage of the Company (%)	by the Company to its subordinate companies (‘00 million)
Ningbo North Star Jinghua Investment Co., Limited (寧波北辰京華置業有限公司)	CHEN Xiao-Wen	2,000	Development and operation of real estates	364,073	-1,563	-1,873	100 (indirect shareholding)	18
Suzhou North Star Investment Co., Limited (蘇州北辰置業有限公司)	ZHU Zheng	3,000	Development and operation of real estates	389,058	-22,460	-22,414	100 (indirect shareholding)	20
Chongqing North Star Liangjiang Investment Co., Limited (重慶北辰兩江置業有限公司)	SHEN Bo-Yong	10,000	Development and operation of real estates	430,229	6,398	-697	100 (indirect shareholding)	18
Changsha North Star Real Estate Development Co., Limited (長沙北辰房地產開發有限公司)	QIN Ming	120,000	Development and operation of real estates	1,615,547	326,304	21,561	100 (indirect shareholding)	37
Beijing North Star Real Estate Group Limited (北京北辰地產集團有限公司)	LI Wei-Dong	268,300	Development and operation of real estates	816,915	534,543	20,709	100 (direct shareholding)	87
Wuhan North Star Chenzhi Real Estate Development Company Limited (武漢北辰辰智房地產開發有限公司)	CHI Song	3,000	Development and sale of real estates	392,404	759	-1,973	100 (indirect shareholding)	15
Wuhan North Star Chenhui Real Estate Development Company Limited (武漢北辰辰慧房地產開發有限公司)	CHI Song	3,000	Development and sale of real estates	199,811	2,862	-58	100 (indirect shareholding)	15
Other existing or newly-established wholly owned subsidiaries within the term of the authorisation								60

LETTER FROM THE BOARD

Company name	Legal representative	Registered capital (‘0,000)	Nature of business	Total assets (‘0,000)	Net assets (‘0,000)	Net profit (‘0,000)	Shareholding percentage of the Company (%)	Allocation of guarantee amount provided by the Company to its subordinate companies
								(‘00 million)
<i>Sub-total of wholly owned subsidiaries</i>	—	—	—	—	—	—	—	270
Chengdu Chenshi Real Estate Co., Limited (成都辰詩置業有限公司)	MAO Jiang-Jun	7,000	Development and operation of real estates	149,679	17,164	12,847	40 (indirect shareholding)	2
Ningbo Chenxin Investment Co., Limited (寧波辰新置業有限公司)	LI Shuang	5,000	Development and operation of real estates	806,560	2,739	-1,226	51 (indirect shareholding)	13
Wuhan Guanggu Creative Culture Science & Technology Park Co., Limited (武漢光谷創意文化科技園有限公司)	CHI Song	4,081.6	Development and sale of real estates	198,617	-7,298	-2,251	51 (indirect shareholding)	8
Beijing Chenyu Real Estate Development Company Limited (北京宸宇房地產開發有限公司)	LI Hai-Bo	5,000	Development and operation of real estates	712,862	4,672	-158	51 (indirect shareholding)	15
Other exiting or newly-established non-wholly owned subsidiaries during the term of the authorisation								82
<i>Sub-total of non-wholly owned subsidiaries</i>	—	—	—	—	—	—	—	120
Wuxi North Star Shengyang Real Estate Development Co., Limited (無錫北辰盛陽置業有限公司)	NIU kun	2,000	Development, operation and sale of real estates	286,525	-1,835	-2,662	40 (indirect shareholding)	10
<i>Sub-total of investees</i>	—	—	—	—	—	—	—	10
Total	—	—	—	—	—	—	—	400

LETTER FROM THE BOARD

- (2) As the above allocation of guarantee amount is based on the Company's forecast on its current business, the Company is authorised to adjust the allocation during the term of authorisation and within the above-mentioned guarantee amount through reallocating the estimated guarantee amount among its wholly-owned subsidiaries and non-wholly owned subsidiaries, whether existing or newly-established;

Currently, the relevant entities have not signed any specific agreements in relation to the guarantees. The additional planned aggregate amount of the guarantees mentioned above only represents the estimated amount of the guarantees to be provided. The guarantees are subject to the review and approval of banks or relevant authorities. The time of signing the agreements is determined by the time when actual agreements are signed.

4. EGM

The EGM Notice is set out on pages 15 to 17 of this circular for consideration of the resolutions relating to, inter alia, the following:

1. To consider and approve the "Amendments to the Articles of Association" of the Company.
2. To consider and approve "The resolution on the proposed amendments to 'resolution on authorisation in relation to provision of guarantee of the Company'" of the Company.

The Company will convene the EGM at Meeting Room One, 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on Tuesday, 27 August 2019 at 9:00 a.m. Reply slips and proxy forms for use at the EGM are enclosed with this circular.

Shareholders whose names appear in the register of Shareholders after the close of the office hours, i.e. 4:30 p.m. on Friday, 26 July 2019 are entitled to attend and vote at the EGM. The register of Shareholders of the Company will be closed from Sunday, 28 July 2019 to Tuesday, 27 August 2019 (both days inclusive), during which no transfer of the Shares will be registered. In order to determine the holders of H Shares entitled to attend and vote at the meeting, the holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the Company's H Share Registrar, Hong Kong Registrars Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 26 July 2019.

LETTER FROM THE BOARD

The Articles of Association provide that those Shareholders who intend to attend any Shareholders' general meeting of the Company shall send a written reply to the Company 20 days before the date of the meeting. In the event that the written replies received from the Shareholders indicating that those who intend to attend the Shareholders' general meeting represent holders of not more than one half of the total number of Shares with voting rights, the Company shall within 5 days inform its Shareholders again in the form of a public notice the proposed matters for consideration at the meeting and the date and venue of the meeting. The Shareholders' general meeting may be convened after such notification has been published. In view of the above requirements in respect of the EGM, you are urged to complete and return the reply slips to the legal address of the Company at No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC by hand, by post, by cable or by fax (8610) 6499-1352 on or before Wednesday, 7 August 2019 whether or not you intend to attend the EGM.

Whether or not you intend to attend the EGM, you are requested to complete and return the proxy form to the Company's H Share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the EGM (i.e. not later than 26 August 2019 at 9:00 a.m. (Hong Kong time)).

5. VOTING BY WAY OF POLL

Pursuant to Article 87 of the Articles of Association, voting in the Shareholders' general meeting shall be conducted by way of poll in registered form.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Shareholders' general meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

6. RECOMMENDATION

The Board believes that the resolutions set out in the EGM Notice are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all the Shareholders to vote in favour of the relevant resolutions set out in the EGM Notice.

7. GENERAL INFORMATION

Should there be any discrepancies between the Chinese and English versions of this circular, the Chinese version shall prevail.

Yours faithfully,

By order of the Board

BEIJING NORTH STAR COMPANY LIMITED

HE Jiang-Chuan

Chairman

APPENDIX

AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF BEIJING NORTH STAR COMPANY LIMITED

Prior to the amendment	After the amendment
<p>Article 14</p> <p>The scope of business operations of the Company is based on the projects approved by the industry and commerce registration authorities. The scope of business operations of the Company includes:</p> <p>Property management; leasing of office, apartments and guest houses; accommodation services; real estate development and construction, property acquisition and sale of commodity housing; contracting of international and domestic conferences, leasing of exhibition venues and facilities, provision of conference services; sale and leasing of venues and facilities for wholesale, retail, catering and entertainment uses; commercial retailing (including sales in the form of agency and consignment): department stores, textiles, metals and electrical products, gold and silver ornaments, furniture, calligraphy and drawings, grocery, foodstuff, cereal and oil, vehicle spare parts, pet food, computer, domestic publications published publicly, birth control materials, antitheft safes, motorcycles, pharmaceuticals, proprietary traditional Chinese medicines, medical equipment, tobacco (retail only); embossing service; repair of time pieces, electrical appliances; optical and specs services; food and beverage services; health consultation; leasing and retail of audio and video tape products; catering services, cultural, recreation and entertainment services (other than those prohibited by the State); technological development of mechanical and electrical equipment, laser and electronics; technical services; transfer, equipment installation, mechanical and cleansing equipment maintenance, repair of daily consumables, cosmetics and hair-dressing, bathing services, video recording services; commercial services such as typing and photocopying, storage services, information enquiry services; paid parking facilities for motor vehicles; and garment processing works.</p>	<p>Article 14</p> <p>The scope of business operations of the Company is based on the projects approved by the industry and commerce registration authorities. The scope of business operations of the Company includes:</p> <p>Property management; leasing of office, apartments and guest houses; accommodation services; real estate development and construction, property acquisition and sale of commodity housing; contracting of international and domestic conferences, leasing of exhibition venues and facilities, provision of conference services; sale and leasing of venues and facilities for wholesale, retail, catering and entertainment uses; commercial retailing (including sales in the form of agency and consignment): department stores, textiles, metals and electrical products, gold and silver ornaments, furniture, calligraphy and drawings, grocery, foodstuff, cereal and oil, vehicle spare parts, pet food, computer, domestic publications published publicly, birth control materials, antitheft safes, motorcycles, pharmaceuticals, proprietary traditional Chinese medicines, medical equipment, tobacco (retail only); embossing service; repair of time pieces, electrical appliances; optical and specs services; food and beverage services; health consultation; leasing and retail of audio and video tape products; catering services, cultural, recreation and entertainment services (other than those prohibited by the State); technological development of mechanical and electrical equipment, laser and electronics; technical services; transfer, equipment installation, mechanical and cleansing equipment maintenance, repair of daily consumables, cosmetics and hair-dressing, bathing services, video recording services; commercial services such as typing and photocopying, storage services, information enquiry services; paid parking facilities for motor vehicles; and garment processing works; <u>organizing conferences, exhibitions and shows; leasing of audio and lighting devices; etiquette services; conference and exhibition services; leasing of conference and exhibition furniture; operation of swimming and sports projects; technical services; leasing of machinery and equipment; cultural and artistic exchanges; planning and organizing of cultural and artistic activities; consulting relating to culture and art; investment and operation of cultural projects; technical training; Internet information services.</u></p>

APPENDIX

Prior to the amendment	After the amendment
<p>Article 30</p> <p>In the following circumstances, the Company may repurchase its issued shares in accordance with the procedures provided in the Articles of Association and with the approval of the relevant governing authorities of the PRC:</p> <ol style="list-style-type: none"> (1) to reduce the registered capital of the Company; (2) to amalgamate with other companies which own shares in the Company; (3) to reward the staff of the Company with shares; (4) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any shareholders' general meeting on the merger or division of the Company; (5) Other circumstances which are permitted by the laws and administrative regulations. <p>The Company shall repurchase its issued shares in accordance with the provisions of Articles 32 to 35.</p>	<p>Article 30</p> <p>In the following circumstances, the Company may <u>repurchase its shares in accordance with the requirements of laws, administrative regulations, departmental rules and the Articles of Association:</u></p> <ol style="list-style-type: none"> (1) to reduce the registered capital of the Company; (2) to amalgamate with other companies which own <u>shares</u> in the Company; (3) <u>to use the shares for employee stock ownership plan or for share incentive scheme;</u> (4) to acquire shares held by shareholders (upon their request) who vote against any resolution proposed in any shareholders' general meeting on the merger or division of the Company; (5) <u>to use the shares for conversion of corporate bonds issued by the Company which are convertible into shares;</u> (6) <u>such circumstances that are necessary for the Company to safeguard its company value and the shareholders' equity;</u> <p><u>Save for the above circumstances, the Company shall not purchase its shares.</u></p> <p>The Company shall repurchase its issued shares in accordance with the provisions of Articles 32 to 35.</p>

APPENDIX

Prior to the amendment	After the amendment
<p>Article 32</p> <p>The Company may with the approval of the relevant governing authorities of the PRC repurchase its shares in any of the following manners:</p> <ol style="list-style-type: none"> (1) to make a repurchase offer to all shareholders in proportion to their respective shareholdings; (2) to repurchase shares by open trading on a stock exchange; (3) to repurchase shares by way of agreement other than through a stock exchange; (4) other methods approved by the laws, the administrative regulatory provisions and the securities regulatory authorities of the State Council. 	<p>Article 32</p> <p><u>The Company may repurchase its shares through public and centralized trading or other methods that are recognized by laws and regulations and the China Securities Regulatory Commission (CSRC).</u></p> <p><u>Where the Company repurchases its own shares in the circumstances set out in clauses (3), (5) and (6) of the first paragraph of Article 30 of the Articles of Association, such repurchase shall be conducted through public and centralized trading.</u></p>
<p>Article 34</p> <p>After the Company has completed the repurchase of its shares, the Company shall cancel or transfer the shares repurchased within the period prescribed by the laws, administrative regulations and the relevant listing rules and shall apply to the original company registration authority for registration of alteration of such registered capital. The registered capital of the Company shall be deregistered (deducted) by the total nominal value of the shares so cancelled.</p>	<p>Article 34</p> <p><u>Where the Company repurchases its shares in the circumstances set out in clauses (1) and (2) of the first paragraph of Article 30 of the Articles of Association, it shall be subject to approval at the shareholder's general meeting. Where the Company repurchases its shares in the circumstances set out in clauses (3), (5) and (6) of the first paragraph of Article 30 of the Articles of Association, it may be resolved by more than two-thirds of directors present at a meeting of the board of directors in accordance with the provisions of the Articles of Association or the authorization of the shareholders' general meeting.</u></p>

APPENDIX

Prior to the amendment	After the amendment
	<p><u>In the event that the Company has repurchased its shares in accordance with the first paragraph of Article 30, such shares shall be cancelled within 10 days in the circumstance set out in clause (1), or shall be transferred or cancelled within 6 months in the circumstances set out in clauses (2) and (4); the aggregate number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within 3 years in the circumstances set out in clauses (3), (5) and (6).</u></p> <p>After the Company has completed the repurchase of its shares, the Company shall apply to the original company registration authority for registration of alteration of such registered capital. The registered capital of the Company shall be deregistered (deducted) by the total nominal value of the shares so cancelled.</p>
<p>Article 68</p> <p>General meetings may be conducted in the presence of the shareholders personally or through their proxies, or via means of communications (i.e. telephone conference, facsimile or other modern means of communication).</p>	<p>Article 68</p> <p><u>The Company shall hold shareholders' general meetings at its domicile or such other place as specified in the notice of the shareholders' general meeting.</u></p> <p><u>The shareholders' general meeting will be held at the meeting venue and take place in the form of on-site meeting. The Company will also provide online voting to facilitate the shareholders' participation in the general meeting. Shareholders participating in a shareholders' general meeting in the aforesaid manner shall be deemed to have attended such meeting.</u></p>

APPENDIX

Prior to the amendment	After the amendment
<p>Article 163</p> <p>The Company shall have one manager who is nominated, hired or dismissed by the board of directors.</p> <p>A director may be hired as the manager, but the total number of directors holding concurrently the positions of manager or other senior management roles together with the number of employee representatives being directors shall be less than one-half of the total number of directors in the Company.</p> <p>The term of office of the manager shall be three years, renewable upon re-appointment.</p>	<p>Article 163</p> <p>The Company shall have one manager who is nominated, hired or dismissed by the board of directors.</p> <p>The term of office of the manager shall be three years, renewable upon re-appointment.</p> <p><u>Any person who holds an executive position in the controlling shareholder of the Company other than as a director or supervisor shall not be appointed as a senior management member of the Company.</u></p>
The numbering of the other articles and chapters shall remain unchanged.	

The amendments to the Articles of Association are subject to consideration at the EGM.

Board of Directors of Beijing North Star Company Limited
26 June 2019

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019



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)

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019

Notice is hereby given that the first extraordinary general meeting of 2019 (the “EGM”) of Beijing North Star Company Limited (the “**Company**”) will be held at Meeting Room One, 12th Floor, Tower A, Hui Xin Building, No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the People’s Republic of China (the “**PRC**”) on Tuesday, 27 August 2019 at 9:00 a.m. for the following purpose:

SPECIAL RESOLUTIONS

1. To consider and approve the “Amendments to the Articles of Association” of the Company.
2. To consider and approve “The resolution on the proposed amendments to ‘resolution on authorisation in relation to provision of guarantee of the Company’” of the Company.

By order of the Board

BEIJING NORTH STAR COMPANY LIMITED

GUO Chuan

Executive Director and Company Secretary

Beijing, PRC, 12 July 2019

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019

Note:

1. Any shareholder of the Company (the “**Shareholder**”) entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her behalf in accordance with the Articles of Association of the Company. A proxy need not be a Shareholder of the Company.
2. In order to be valid, the proxy form for H Shareholders and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited with the Company’s H share registrar, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the meeting (i.e. not later than 26 August 2019 at 9:00 a.m. (Hong Kong time)) or 24 hours before the time appointed for taking the poll.
3. A Shareholder or his proxy shall produce his own identity proof documentation when attending the meeting. A Shareholder attending the meeting in person shall produce (i) the document of his identity; and (ii) the evidence of his shareholding. A proxy who has been appointed to attend the meeting on behalf of others shall produce (i) the document of his identity; (ii) the proxy form; and (iii) the evidence of shareholding.

A corporate Shareholder shall be represented at the meeting by its legal representative, or the proxy appointed by the legal representative, or a proxy appointed by the board of directors or other governance body. If a corporate Shareholder appoints its legal representative to attend the meeting, the legal representative shall produce (i) the document of his identity; (ii) valid proof of his identity as a legal representative; and (iii) the evidence of shareholding. Where a proxy is appointed by the legal representative to attend the meeting on his behalf, the proxy shall produce (i) the document of his identity; (ii) the written proxy form duly issued by the legal representative of the corporate Shareholder; and (iii) the evidence of shareholding. Where a proxy is appointed to attend the meeting by the board of directors or other governance body of the corporate Shareholder, the proxy shall produce (i) the document of his identity; (ii) a notarially certified copy of the resolution or power of attorney of the corporate Shareholder; and (iii) the evidence of shareholding.

4. The register of Shareholders of the Company will be closed from Sunday, 28 July 2019 to Tuesday, 27 August 2019 (both days inclusive), during which no transfer of the Company’s shares will be registered. In order to be eligible to attend and vote at the EGM, all completed transfer documents relating to H shares, accompanied by the relevant share certificates, must be lodged with the H share registrar of the Company, Hong Kong Registrars Limited at Shops 1712–16, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 26 July 2019.

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2019

5. Shareholders whose names appear in the register of Shareholders after the close of the office hours, i.e. 4:30 p.m. on Friday, 26 July 2019 are entitled to attend and vote at the meeting.
6. Shareholders who intend to attend the meeting shall complete and lodge the reply slip for attending the meeting at the Company's legal address at No. 8 Bei Chen Dong Road, Chao Yang District, Beijing, the PRC on or before Wednesday, 7 August 2019. The reply slip may be delivered to the Company by hand, by post, by cable or by fax No. (8610) 6499-1352.
7. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), all votes at the Shareholders' general meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
8. The EGM is not expected to take more than half a day. Shareholders or their proxies shall be responsible for their own travel and accommodation expenses.
9. Should there be any discrepancies between the Chinese and English versions of this notice, the Chinese version shall prevail.
10. As at the date of this notice, the board of directors comprises 9 directors, of which Mr. HE Jiang-Chuan, Mr. LI Wei-Dong, Ms. LI Yun, Mr. CHEN De-Qi, Ms. ZHANG Wen-Lei and Mr. GUO Chuan are executive directors and Mr. FU Yiu-Man, Mr. DONG An-Sheng and Mr. WU Ge are independent non-executive directors.