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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)

ESTIMATED RESULTS FOR THE HALF YEAR OF 2020

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 profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the six months ended 30 June 2020 is estimated to record a decrease. 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 2020 interim 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 six months ended 30 June 2020 (the “**Relevant Period**”) is estimated to record a decrease, 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 2020 to 30 June 2020
2. Estimated results:

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

- (i) Profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the first half of 2020 is estimated to range from RMB189,340,000 to RMB256,961,000, representing a decrease in the range of 81% to 86% as compared with the corresponding period of 2019.
 - (ii) Profit (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 first half of 2020 is estimated to range from RMB148,336,000 to RMB215,761,000, representing a decrease in the range of 84% to 89% as compared with the corresponding period of 2019.
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 2020 interim 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 RMB1,428,763,000 (or RMB1,352,427,000 if excluding gains or losses from changes in fair value of investment properties, or RMB1,348,509,000 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 RMB0.3987 (or RMB0.3760 if excluding gains or losses from changes in fair value of investment properties, or RMB0.3748 if excluding gains or losses from changes in fair value of investment properties and after deduction of non-recurring profit and loss).

III. REASONS FOR THE ESTIMATE PROFIT DECREASE IN RESULTS IN THE RELEVANT PERIOD

1. The property investment and hotel segment was materially impacted by the COVID-19 pandemic, with the number of convention and exhibition and the occupancy rates of the hotels being significantly reduced. Meanwhile, the Company proactively performed its social responsibilities and reduced or exempted the rents for micro-enterprises and small and medium-sized enterprises. As a result, the Company recorded a decrease in both revenue and profit as compared with the corresponding period of 2019.
2. As impacted by the development cycle, the property development segment recorded a decrease in the booked area for the Relevant Period, resulting in a decrease in both revenue and profit as compared with the corresponding period of 2019.

IV. OTHER EXPLANATORY MATTERS

1. The Company will endeavor to minimize the impacts of the COVID-19 pandemic on the property investment and hotel segment through various measures such as targeted marketing strategy and stringent expense control so as to mitigate the adverse effects on the performance of the Company. For the property development segment, the Company will strive to achieve its operation objective by measures such as speeding up the progress of project development and enhancing project management.

2. The estimated data above is only based on the preliminary calculations. Specific and accurate financial data shall be subject to the 2020 interim report of the Company to be officially disclosed.

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 July 2020

As at the date of this announcement, the Board comprises eight directors, of whom five are executive directors, namely, Mr. LI Wei-Dong, Ms. LI Yun, Mr. CHEN De-Qi, Ms. ZHANG Wen-Lei and Mr. GUO Chuan and three are independent non-executive directors, namely, Mr. FU Yiu-Man, Mr. DONG An-Sheng and Mr. WU Ge.

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