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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, licensed securities dealer 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)

- (1) PROPOSED APPLICATION TO THE CONTROLLING SHAREHOLDER
FOR BORROWING LIMIT**
- (2) PROPOSED ESTABLISHMENT OF THE LEGAL COMPLIANCE
COMMITTEE OF THE BOARD**
- (3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (4) ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND**
- (5) NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2020**

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, 20 October 2020 at 9:00 a.m. The EGM Notice is set out on pages 12 to 14 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, 30 September 2020. 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 19 October 2020 at 9 a.m. (Hong Kong time)). Completion and return of the proxy form will not preclude you from attending and voting at the meeting.

3 September 2020

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DEFINITIONS

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

“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each which are listed on the Shanghai Stock Exchange (Stock Code: 601588)
“Articles of Association”	the existing articles of association of the Company
“BNSIGC” or “Controlling Shareholder”	Beijing North Star Industrial Group Limited Liabilities Company, the controlling shareholder 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 HK Stock Exchange and the SSE
“Director(s)”	the directors of the Company
“EGM”	the first extraordinary general meeting of 2020 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 20 October 2020 at 9:00 a.m.
“EGM Notice”	the notice dated 3 September 2020 convening the EGM as set out on pages 12 to 14 of this circular
“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 HK Stock Exchange (Stock Code: 588)
“HK Listing Rules”	the Rules Governing the Listing of Securities on the HK Stock Exchange
“HK Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“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
“Proposed Borrowing”	borrowing limit of not more than RMB3.5 billion for which the Company intends to apply to BNSIGC, under which the Company intends to borrow money from BNSIGC, and the details of which are set out in the section headed “Proposed Application to the Controlling Shareholder for Borrowing Limit” in the Letter from the Board of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SSE”	the Shanghai Stock Exchange
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on 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)

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. 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

3 September 2020

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED APPLICATION TO THE CONTROLLING SHAREHOLDER FOR
BORROWING LIMIT**

**(2) PROPOSED ESTABLISHMENT OF THE LEGAL COMPLIANCE
COMMITTEE OF THE BOARD**

(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

**(4) ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR
AND**

(5) NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2020

1. INTRODUCTION

The main purpose of this circular is to provide you with information of matters in relation to (1) proposed application to the Controlling Shareholder for borrowing limit; (2) proposed establishment of the legal compliance committee of the Board; (3) proposed amendments to the Articles of Association; and (4) election of independent non-executive Director, and to seek your consideration and if thought fit, approval of the ordinary/special resolutions in relation to these matters at the EGM.

LETTER FROM THE BOARD

2. PROPOSED APPLICATION TO THE CONTROLLING SHAREHOLDER FOR BORROWING LIMIT

(I) Summary of the Proposed Borrowing

After consultation with BNSIGC, the Company intends to apply to BNSIGC for a borrowing limit of not more than RMB3.5 billion, and to withdraw the borrowing within the above-mentioned limit at an annual interest rate of not more than 7% according to the needs of business development. The Proposed Borrowing requires no collateral or guarantee from the Company, the principal terms of which are as follows:

Amount of the borrowing: the borrowing limit is not more than RMB3.5 billion.

Interest rate of the borrowing: the annual interest rate shall not more than 7% and the actual interest rate shall be agreed in a specific borrowing agreement to be entered into.

Purpose of borrowing: operation, project construction and strategic development of the Company.

Guarantee: no guarantee.

Pricing policy: interest rate of the borrowing shall be negotiated and determined by both parties with reference to market condition and in line with market principles.

Other specific terms shall be subject to the provisions of the formal borrowing agreement.

The validity period of the borrowing limit shall be three years from the date of consideration and approval at the EGM, during which the borrowing limit may be utilised on a revolving basis.

The proposal shall be put forward at the EGM for Shareholders' consideration and approval by way of ordinary resolution.

LETTER FROM THE BOARD

(II) Impact of the Proposed Borrowing on the Company

The Proposed Borrowing is mainly used to meet the actual demand of the operation, project construction and strategic development of the Company, which reflects the support from the Controlling Shareholder to the Company. The Proposed Borrowing requires no collateral or guarantee from the Company, and the interest rate is in line with the market principles. The Proposed Borrowing provides beneficial supplements to the Company in addition to the existing financial resources, which is conducive to strengthening the Company's capability to defend the external risks and providing a powerful capital guarantee for the realization of the long-term operating strategy of the Company. The Proposed Borrowing is in line with the interests of the Company and its Shareholders as a whole, and there will be no substantial impact on the financial position and the operation results of the Company for the period.

(III) Consideration procedures of the implementation of the Proposed Borrowing

(1) Consideration of the Board

On 26 August 2020, the Proposal on the Company's Application to the Controlling Shareholder for Borrowing Limit and Related Party Transactions was considered and approved at the eightieth meeting of eighth session of the Board of the Company. The affiliated directors, namely Mr. LI Wei-Dong, Ms. LI Yun, Ms. ZHANG Wen-Lei and Mr. GUO Chuan have abstained from voting for such resolution, and non-affiliated directors attending the meeting unanimously passed the above resolution (the independent director Mr. DONG An-Sheng could not attend the meeting due to his personal physical condition). The results of the poll: 3 voting for, 0 voting against and 0 abstaining.

(2) Prior recognition opinions of independent directors

The independent directors of the Company have reviewed the matters of the Company's application to the Controlling Shareholder for borrowing limit and related party transactions in advance, and expressed prior recognition opinions. The independent directors are of the opinion that the Proposed Borrowing is in line with the relevant laws, regulations, departmental rules and the requirements of other prescriptive legal documents, and there is no circumstance that would harm the interests of the Company and its Shareholders. They consented to submit the Proposal on Limit the Company's Application to the Controlling Shareholder for Borrowing and Related Party Transactions to the eightieth meeting of eighth session of the Board for consideration.

LETTER FROM THE BOARD

(3) *Independent opinions of independent directors*

The independent directors of the Company have seriously and prudently reviewed the matters of the Company's application to the Controlling Shareholder for borrowing limit and related party transactions and issued their independent opinions. The independent directors are of the opinion that the Proposed Borrowing is based on the market principles of fairness, openness and justice, which is conducive to the expanding financial resources, improving financing efficiency, and is in line with the interests of the Company and its Shareholders as a whole, and there is no circumstance that would harm the interests of the Company and its Shareholders as a whole, especially the minority Shareholders. The related Directors have abstained from voting in respect of the matters when considering, and the procedure of convening, considering and voting of the Board meeting is in line with the laws, regulations as well as the relevant requirements of the Articles of Association.

(4) *Audit opinions of audit committee of the Board*

The audit committee of the Board of the Company has issued the written audit opinions for the matters of the Company's application to the Controlling Shareholder for borrowing limit and related party transactions and the audit committee is of the opinion that 1. the procedure arrangement for the Proposed Borrowing is in line with the relevant laws, regulations and the relevant requirements of the Articles of Association of the Company; 2. the Proposed Borrowing is based on the principles of fairness, justice, voluntariness and integrity, and the transaction price is fair and reasonable, in line with the business development needs of the Company and the interests of the Company and its Shareholders as a whole, and there is no circumstance that would harm the interests of the Company and its Shareholders as a whole, especially the minority Shareholders; 3. the transaction is subject to the consideration and approval at the general meeting of the Company, and the related persons with interest in the related party transactions will abstain from exercising the right to vote at the general meeting in respect of such resolution.

(VI) Implications under the rules

(1) *Implications under the SSE Listing Rules*

BNSIGC is the controlling Shareholder of the Company, and a related party of the Company under the SSE Listing Rules. Accordingly, the Company's application to BNSIGC for borrowing limit constitutes a related party transaction. The Proposed Borrowing does not constitute a material asset restructuring under the SSE Listing Rules.

LETTER FROM THE BOARD

Up to the date of the Proposed Borrowing (inclusive), the amount of related party transactions between the Company and the same related person or different related persons was over RMB30 million in the past 12 months, accounting for over 5% of the absolute value of the most recently audited net assets of the Company. The Proposed Borrowing shall be submitted to the general meeting of the Company for consideration and approval.

(2) *Implications under the HK Listing Rules*

BNSIGC holds approximately 34.48% of the equity interests of the Company and is the controlling Shareholder of the Company. Therefore, in accordance with the rules under Chapter 14A of the HK Listing Rules, BNSIGC is a connected person of the Company. Although the Company's application to BNSIGC for borrowing limit does not constitute a transaction of the Company under Chapter 14A of the HK Listing Rules, the Company's borrowings from BNSIGC in the future pursuant to such limit are expected to constitute connected transactions of the Company. However, due to that (i) the terms of the borrowings are expected to be determined by the Company and BNSIGC on normal commercial terms or better terms after arm's length negotiations, and (ii) the borrowings will not be secured by the assets of the Group, therefore, pursuant to Rule 14A.90 of the HK Listing Rules, the borrowings are expected to be fully exempted from the reporting, annual review, announcement, circular and independent Shareholders' approval requirements under Chapter 14A of the HK Listing Rules. Where any of the borrowings constitutes a non-exempt transaction of the Company under the HK Listing Rules, the Company will comply with the applicable provisions as and when appropriate.

3. PROPOSED ESTABLISHMENT OF THE LEGAL COMPLIANCE COMMITTEE OF THE BOARD

The Board has approved the resolution on 26 August 2020 and proposed to establish the legal compliance committee of the Board in the Company in accordance with the "Opinion on the Full Promotion of the Setting up of Corporate Governance for Municipality owned Enterprises issued by the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality" (《北京市人民政府國有資產監督管理委員會關於全面推進市屬國企法治建設的意見》) ((Jing Guo Zi Fa [2016] No. 9) and the "Opinions on Further Strengthening the Legal and Internal Control Affairs of Municipal Enterprises and Improving the Ability to Prevent and Control Significant Risks" (《關於進一步加強市管企業法務和內控工作，提高重大風險防控能力的若干意見》) ((Jing Guo Zi Dang Fa [2020] No. 2) and coupled with the actual situation of the Company.

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The legal compliance committee is a special committee under the Board. All members of the committee are Directors of the Company, who are accountable to the Board, and the committee will be mainly responsible for promoting the legal compliance and guiding the compliance management of the Company. The specific working system and rules of procedure will be formulated separately by the Board of the Company.

The proposal shall be put forward at the EGM for Shareholders' consideration and approval by way of ordinary resolution.

4. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board has passed a resolution on 26 August 2020 for the proposal to make corresponding amendments to the Articles of Association in view that the Company proposed to establish the legal compliance committee of the Board. Details of the specific amendments are set out as below:

Before the amendments	After the amendments
Article 11 Other senior management of the Company refer to the secretary to the board of directors, the deputy manager, the financial controller, the chief legal adviser, the chief economist and the chief engineer of the Company.	Article 11 Other senior management of the Company refer to the deputy manager, the secretary to the board of directors, the general counsel , the financial controller, the chief economist and the chief engineer of the Company.
Article 139 The board of directors shall be responsible to the shareholders' general meeting and shall have the following powers and duties: (11) to appoint or dismiss the company manager and the secretary to the board of directors; to appoint or dismiss senior management including the company deputy manager and financial officer-in-charge based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues; 	Article 139 The board of directors shall be responsible to the shareholders' general meeting and shall have the following powers and duties: (11) to appoint or dismiss the company manager and the secretary to the board of directors; to appoint or dismiss senior management including the company deputy manager, the general counsel and financial officer-in-charge based on the nomination by the company manager, as well as to determine their remuneration and award/punishment issues;

LETTER FROM THE BOARD

Before the amendments	After the amendments
<p>Article 155</p> <p>The Company shall establish the strategic committee, the audit committee, the remuneration and evaluation committee and the nomination committee by resolutions of shareholders' general meeting. Their duties and respective rules and procedures of such committees shall be individually formulated by the board of directors of the Company;</p> <p>.....</p>	<p>Article 155</p> <p>The Company shall establish the strategic committee, the audit committee, the remuneration and evaluation committee, the nomination committee and the legal compliance committee by resolutions of shareholders' general meeting. Their duties and respective rules and procedures of such committees shall be individually formulated by the board of directors of the Company;</p> <p>.....</p>
<p>Article 163</p> <p>The manager shall be responsible to the board of directors and shall have the following powers and duties:</p> <p>.....</p> <p>(6) to nominate appointment and dismissal of deputy managers and persons in charge of financial matters;</p> <p>.....</p>	<p>Article 163</p> <p>The manager shall be responsible to the board of directors and shall have the following powers and duties:</p> <p>.....</p> <p>(6) to nominate appointment and dismissal of deputy managers, the general counsel and persons in charge of financial matters;</p> <p>.....</p>

Save for the amendments above, the contents of the other articles of the Articles of Association remain unchanged.

The proposal shall be put forward at the EGM for Shareholders' consideration and approval by way of special resolution.

5. ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Given that Mr. DONG An-Sheng has resigned as an independent non-executive Director of the Company due to personal health reasons, the number of independent non-executive Directors of the Company will be less than one-third of the members of the Board. As nominated by the Board, Mr. GAN Peizhong was approved as an independent non-executive Director candidate of the eighth session of the Board of the Company, and agreed to be submitted to the EGM for election. The term of office of the independent non-executive Director candidate commences on the date on which the election at the EGM is effective and ends at the expiration date of the term of office of the eighth session of the Board.

LETTER FROM THE BOARD

The qualifications for the post and the independence of Mr. GAN Peizhong are subject to the filing and examination by the SSE and the resolution will be put on voting at the EGM only if no objection is indicated.

The chairman of the Board of the Company shall be authorised to organize and handle the above-mentioned matters related to the election of independent non-executive Director (including but not limited to representing the Company in signing director services contract with the elected independent non-executive Director).

The biography of Mr. GAN Peizhong who is a candidate proposed to be elected as an independent non-executive Director at the EGM is set out in Appendix of this circular.

6. EGM

The EGM Notice is set out on pages 12 to 14 of this circular for consideration of the resolutions relating to the following:

- (1) To consider and approve the “Amendments to the Articles of Association” of the Company.
- (2) To consider and approve the “Proposal on the Company’s Application to the Controlling Shareholder for Borrowing Limit and Related Party Transactions” of the Company;
- (3) To consider and approve the “Proposal on Establishing the Legal Compliance Committee of the Board” of the Company; and
- (4) To consider and approve the “Resolution on the Election of Mr. GAN Peizhong as the Company’s Independent Non-Executive Director of the Eighth Session of the Board” 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, 20 October 2020 at 9:00 a.m. Reply slips and proxy forms for use by proxy of the holders of H shares 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, 18 September 2020 are entitled to attend and vote at the EGM. The register of Shareholders of the Company will be closed from Monday, 21 September 2020 to Tuesday, 20 October 2020 (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

LETTER FROM THE BOARD

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, 18 September 2020.

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, 30 September 2020 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 for holders of H Shares 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 19 October 2020 at 9 a.m. (Hong Kong time)).

7. VOTING BY WAY OF POLL

Pursuant to Article 86 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 HK 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 HK Listing Rules.

8. 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.

LETTER FROM THE BOARD

9. 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

GUO Chuan

Executive Director and Company

Secretary

Appendix

The biography of the candidate for independent non-executive Director to be elected at the EGM is as follows:

Mr. GAN Peizhong, aged 64, graduated from Department of Law of Peking University, and is a doctor of law. He served as a professor and a tutor of doctoral students of Peking University Law School. Mr. GAN currently serves as the dean, professor and tutor of doctoral students of Lanzhou University Law School, the president of China Business Law Society (中國商業法研究會), the deputy president of Research Association of Securities Law of China Law Society (中國法學會證券法學研究會), a legal counsel to the People's Government of Liaoning Province, an advisor to the Supreme People's Court, an expert member of the Guiding Cases Commission of the Supreme People's Court* (最高人民法院案例指導委員會), and a member of the Expert Consultation Commission of the Executive Council of the Supreme People's Court* (最高人民法院執行局專家諮詢委員會). Mr. GAN has extensive experience in field of economic law, enterprise law, corporate law and securities law.

Mr. GAN currently serves as an independent non-executive director of the following three listed companies: Beijing Thunisoft Corporation Limited, a company listed on the Shenzhen Stock Exchange (Stock Code: 300271); Suzhou Douson Drilling & Production Equipment Co., Ltd., a company listed on SSE (Stock Code: 603800); and Jinhui Wine Co. Ltd. (金徽酒股份有限公司), a company listed on SSE (Stock Code: 603919).

Mr. GAN has no interest in the Shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Mr. GAN did not hold any directorship in other listed public companies or any other positions in the Company and other members of the Group during the three years prior to the date of this circular. Mr. GAN does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholder of the Company.

Mr. GAN's term of service will commence from the date of his appointment as an independent non-executive Director of the Company at the EGM to the expiration of the term of office of the eighth session of the Board. The Company will enter into a service contract with Mr. GAN. Mr. GAN's remuneration is subject to the approval and confirmation by the Shareholders at the general meeting of the Company.

Save as disclosed above, there is no matter in relation to the appointment of Mr. GAN as the independent non-executive Director which needs to be brought to the attention of the Shareholders, and there is no other information which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Subject to the approval of the Shareholders at the EGM for the proposed election of the independent non-executive Director, the Company will make announcement as soon as possible in accordance with the requirements of Rule 13.51 of the Listing Rules.

* For identification purpose only

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2020



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 2020

Notice is hereby given that the first extraordinary general meeting of 2020 (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, 20 October 2020 at 9:00 a.m. for the following purpose:

SPECIAL RESOLUTION

1. To consider and approve the “Amendments to the Articles of Association” of the Company.

ORDINARY RESOLUTIONS

2. To consider and approve the “Proposal on the Company's Application to the Controlling Shareholder for Borrowing Limit and Related Party Transactions” of the Company.
3. To consider and approve the “Proposal on Establishing the Legal Compliance Committee of the Board” of the Company.
4. To consider and approve the “Resolution on the Election of Mr. GAN Peizhong as the Company's Independent Non-Executive Director of the Eighth Session of the Board” of the Company.

By order of the Board

BEIJING NORTH STAR COMPANY LIMITED

GUO Chuan

Executive Director and Company

Secretary

Beijing, PRC, 3 September 2020

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2020

Notes:

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 Central, Wanchai, Hong Kong not less than 24 hours before the time fixed for holding the meeting (i.e. not later than 19 October 2020 at 9 a.m. (Hong Kong time)) or 24 hours before the time appointed for taking the poll.
3. A Shareholder or his/her proxy shall produce his/her own identity proof documentation when attending the meeting. A Shareholder attending the meeting in person shall produce (i) the document of his/her identity; and (ii) the evidence of his/her shareholding. A proxy who has been appointed to attend the meeting on behalf of others shall produce (i) the document of his/her 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/her identity; (ii) valid proof of his/her 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/her behalf, the proxy shall produce (i) the document of his/her identity; (ii) the written proxy form duly issued by the legal representative of the corporate Shareholder; and (iii) the evidence of shareholding.

4. The register of Shareholders of the Company will be closed from Monday, 21 September 2020 to Tuesday, 20 October 2020 (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, 18 September 2020.
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, 18 September 2020 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, 30 September 2020. The reply slip may be delivered to the Company by hand, by post, by cable or by fax No. (8610) 6499–1352.

NOTICE OF THE FIRST EXTRAORDINARY GENERAL MEETING OF 2020

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. Information of the resolutions in this notice is set out in the circular dated 3 September 2020 despatched to the Shareholders.
10. Should there be any discrepancies between the Chinese and English versions of this notice, the Chinese version shall prevail.
11. As at the date of this notice, the board of directors comprises 8 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 Mr. FU Yiu-Man, Mr. DONG An-Sheng and Mr. WU Ge are independent non-executive directors.