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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 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 profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the half year ended 30 June 2022 is estimated to record a loss. 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 interim 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 half year ended 30 June 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 30 June 2022
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 the year 2022 is estimated to range from -RMB367.54 million to -RMB452.44 million, representing a loss as compared with the corresponding period of the preceding year.
 - (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 the year 2022 is estimated to range from -RMB388.84 million to -RMB479.04 million, representing a loss as compared with the corresponding period of the preceding year.
 - (iii) The estimated cash balance at the end of the period is approximately RMB12.6 billion. The Company has sufficient capital reserves, featuring with smooth financing channels and safe 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 interim 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 RMB321.39 million (or RMB422.10 million if excluding gains or losses from changes in fair value of investment properties, or RMB399.86 million 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 RMB0.07 (or RMB0.10 if excluding gains or losses from changes in fair value of investment properties, or RMB0.10 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 operation of convention and exhibition and investment properties segment were significantly affected by the pandemic in the first half of the year, in particular with conference and exhibition, hotels and apartments being at a standstill for a long time since April, affecting the profit of the Company.
2. The development properties segment was affected by macro regulation, settlement cycle and changes of settlement products, with a year-on-year decrease in revenue and profit. 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.

IV. OTHER EXPLANATORY MATTERS

Currently, the operating activities of the Company's real estate projects are fully and normally carried out, and there is no suspension of work due to capital reasons.

In the second half of 2022 and onwards, for the convention and exhibition and investment properties segment, the Company will strive to reduce the impact of the pandemic on the Company's operating results. For the real estate development business, the Company will exert every effort to promote project construction by delivering properties on time, and ensure that the Company's various debts are paid in a timely manner by achieving continuous and steady operation.

The estimated data above is only prepared based on the preliminary calculations. Specific and accurate financial information in the 2022 interim 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, 15 July 2022

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.