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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 INVESTEE COMPANY

- (1) The Company, NSREG and Guangzhou Guangyue will shortly enter into three Relevant Loan Amendment Agreements, respectively, pursuant to which the three parties agree to change the terms of the Relevant Loan Contracts to 9 June 2023; and
- (2) The Company, NSREG and Guangzhou Guangyue will shortly enter into two New Loan Contracts, respectively, pursuant to which the Company agrees to provide loan in the principal amounts of RMB46.55 million and RMB8.33 million respectively, to Guangzhou Guangyue in proportion to the capital contributions.

IMPLICATIONS UNDER THE LISTING RULES

As the Loans and the Previous Loans were granted to the same borrower within the last 12 months, the Loans are required to be aggregated with the Previous Loans under Rule 14.22 of the Listing Rules. As the relevant percentage ratio (as defined in the Listing Rules) in respect of the calculation of the Loans and the Previous Loans on an aggregated basis exceeds 5% but is less than 25%, the Loans constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Loans and the Previous Loans are subject to reporting and announcement requirements but are exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

RELEVANT LOAN AMENDMENT AGREEMENTS

The Company, NSREG and Guangzhou Guangyue will shortly enter into three Relevant Loan Amendment Agreements, respectively, pursuant to which the three parties agreed to amend the terms of the three Relevant Loan Contracts to 9 June 2023.

The original principal terms of each of the three Relevant Loan Contracts are as follows:

Date: (1) Loan Contract I: 13 November 2020

(2) Loan Contract II: 3 December 2020

(3) Loan Contract III: 22 December 2020

Parties: (1) The Company;

(2) NSREG; and

(3) Guangzhou Guangyue;

Loan amounts: The amounts of cash loans provided by the Company to Guangzhou Guangyue in proportion to capital contribution were as follows:

(1) Loan Contract I: RMB7.6863 million

(2) Loan Contract II: RMB24.5 million

(3) Loan Contract III: RMB19.6 million

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

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

The annual interest rate on loans is determined with reference to market interest rate after negotiation on arm's length basis.

Term of loans: 2 years

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

Purpose of loans: Project development and construction

The terms of the three Relevant Loan Contracts remain unchanged except for the amendment of the term of loans in accordance with the Relevant Loan Amendment Agreements.

NEW LOAN AGREEMENTS

The Company, NSREG and Guangzhou Guangyue will shortly enter into two New Loan Contracts respectively.

The principal terms of each of the two New Loan Contracts are as follows:

Parties:

- (1) The Company;
- (2) NSREG; and
- (3) Guangzhou Guangyue;

Loan amounts: The amounts of loans provided by the Group to Guangzhou Guangyue in proportion to the capital contributions were RMB46.55 million and RMB8.33 million, respectively.

The loans shall be financed by the Group's internal resources.

Guangzhou Guangyue shall submit a specific withdrawal plan to the Company through NSREG before drawing the loans and draw the loans in accordance with the drawdown plan.

The loans will be disbursed by the Company within 5 business days after Guangzhou Guangyue handles the drawdown procedures in accordance with the drawdown plan.

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

The annual interest rate on loans is determined with reference to market interest rate after negotiation on arm's length basis.

Term of loans: 2 years

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.

Purpose of loans: Project development and construction

PREVIOUS LOANS

The following cash loans between the Group and Guangzhou Guangyue during the previous 12 months are required to be aggregated with the transactions under the Relevant Loan Amendment Agreements and the New Loan Contracts under Rule 14.22 of the Listing Rules:

Date	Loan amounts (RMB0'000)	Interest rate on loans	Term of loans
3 December 2021	12,740	6.5%	2 years
29 December 2021	1,127	6.5%	2 years
6 January 2022	1,568	6.5%	2 years
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
15 November 2022	980	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 determined with reference to market interest rate 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.

All the Previous Loans were used for project development and construction purposes.

REASONS FOR AND BENEFITS OF THE LOANS AND PREVIOUS LOANS

As one of the shareholders of Guangzhou Guangyue, the Group has provided the above financial assistance to Guangzhou Guangyue in the form of interest-bearing loans in proportion to the capital contributions in order to support the operation and development of the real estate project companies and meet the development and construction needs of the real estate project, based on which the principal amounts of the loans were determined and does not affect the normal business development and use of funds of the Company. The Board has on 16 November 2022 approved the terms of the Loans, and the Relevant Loan Amendment Agreements and the New Loan Contracts are expected to be entered into shortly.

The Board (including the independent non-executive Directors) considers that the terms of the Loans and Previous Loans are entered into on normal commercial terms, 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 Loans or Previous Loans and therefore no Director is required to abstain from voting on the relevant board resolutions.

IMPLICATIONS UNDER THE LISTING RULES

As the Loans and the Previous Loans were granted to the same borrower within the previous 12 months, the Loans are required to be aggregated with the Previous Loans under Rule 14.22 of the Listing Rules. As the relevant percentage ratio (as defined in the Listing Rules) in respect of the calculation of the Loans and the Previous Loans on an aggregated basis exceeds 5% but is less than 25%, the Loans constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Loans are subject to reporting and announcement requirements but are exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

GENERAL INFORMATION

1. Information on the Group

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

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.

2. Information on Guangzhou Guangyue

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 industry park; investment, investment promotion, development and construction of the new media industry park; investment, investment promotion, development and construction of the cultural industry 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 Real Estate Development Co., Ltd.* (廣州鴻順房地產開發有限公司) holds 51% equity interests in Guangzhou Guangyue, and the remaining 49% equity interests of Guangzhou Guangyue is held by NSREG. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Guangzhou Hongshun Real Estate Development Co., Ltd. and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

“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 liability company incorporated in the PRC, whose A shares and H shares are listed and traded on the Shanghai Stock Exchange and the 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;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loans”	the Relevant Loan Amendment Agreement, the New Loan Contracts and the respective transactions contemplated thereunder;
“Loan Contract I”	the RMB Capital Loan Contract entered into by the Company, NSREG and Guangzhou Guangyue on 13 November 2020, pursuant to which the Group provided loan principal of RMB7.6863 million to Guangzhou Guangyue in proportion to the capital contributions;
“Loan Contract II”	the RMB Capital Loan Contract entered into by the Company, NSREG and Guangzhou Guangyue on 3 December 2020, pursuant to which the Group provided loan principal of RMB24.50 million to Guangzhou Guangyue in proportion to the capital contributions;
“Loan Contract III”	the RMB Capital Loan Contract entered into by the Company, NSREG and Guangzhou Guangyue on 22 December 2020, pursuant to which the Group provided loan principal of RMB19.60 million to Guangzhou Guangyue in proportion to the capital contributions;
“New Loan Contracts”	the two RMB Capital Loan Contracts to be entered into by the Company, NSREG and Guangzhou Guangyue on recent date, pursuant to which the Group shall provide loan principal of RMB46.55 million and RMB8.33 million, respectively, 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” or “China”	the People’s Republic of China, excluding the Hong Kong Special Administrative Region, 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;
“Relevant Loan Amendment Agreements”	the three RMB Capital Loan Contract Amendment Agreements to be entered into by the Company, NSREG and Guangzhou Guangyue on recent date, pursuant to which the term of the Relevant Loan Contracts shall be changed to 9 June 2023;
“Relevant Loan Contracts”	Loan Contract I, Loan Contract II and Loan Contract III;
“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, 17 November 2022

As at the date of this announcement, the Board comprises eight 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 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.