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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)

**ANNOUNCEMENT ON ESTIMATED PROFIT
FOR THE HALF YEAR OF 2023**

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 2023 is estimated to record a turnaround from loss to profit. 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 2023 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 2023 (the “**Relevant Period**”) is estimated to record a turnaround from loss to profit, 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 2023 to 30 June 2023
2. Estimated profit:

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 2023 is estimated to range from RMB108,000,000 to RMB112,000,000, as compared with the corresponding period of the preceding year, recording a turnaround from loss to profit.
 - (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 2023 is estimated to range from RMB43,000,000 to RMB59,000,000, as compared with the corresponding period of the preceding year, recording a turnaround from loss to profit.
 - (iii) The estimated cash balance at the end of the period is approximately RMB11.4 billion. The Company has sufficient reserve funding with clear financing channels for dependable 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 2023 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 loss attributable to owners of the Company was RMB507,554,000 (or RMB405,473,000 if excluding gains or losses from changes in fair value of investment properties, or RMB427,039,000 if excluding gains or losses from changes in fair value of investment properties and after deduction of non-recurring profit and loss).
2. Losses per share was RMB0.1583 (or RMB0.1280 if excluding gains or losses from changes in fair value of investment properties, or RMB0.1344 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 PROFIT IN THE RELEVANT PERIOD

During the Reporting Period, the Company seized the market opportunities for its convention and exhibition (including hotels) and commercial properties segment, the occupancy rate of convention, exhibition and hotels continued to increase, which is in line with the improvement of operations. In addition, for the real estate development segment, subject to the settlement cycle, the areas to be settled increased, resulting in a year-on-year increase in revenue. Therefore, the profit attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) recorded a turnaround from loss to profit during the Reporting Period.

IV. OTHER EXPLANATORY MATTERS

The estimated data above is only prepared based on the preliminary calculations. Specific and accurate financial information in the 2023 interim 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, the PRC, 14 July 2023

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.