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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)

2023 FIRST QUARTERLY REPORT

This announcement is made pursuant to the disclosure requirements under Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Beijing North Star Company Limited (the “**Company**”) is required to publish its first quarterly results pursuant to the Regulations on Disclosure of Information on Quarterly Reports for Listed Companies issued by the China Securities Regulatory Commission.

All financial information set out in the 2023 first quarterly report of the Company is unaudited and the relevant financial statements are prepared in accordance with China Accounting Standards for Business Enterprises. The 2023 first quarterly report of the Company will be published in certain newspapers in the People's Republic of China (the “**PRC**”) and on the website of Shanghai Stock Exchange (www.sse.com.cn) on 28 April 2023. The original text of the report is in Chinese.

IMPORTANT NOTICE

The board of directors, the supervisory committee, all directors, supervisors and the senior management of the Company warrant that there are no misrepresentations or misleading statements contained in or material omissions from this quarterly report, and accept joint and several legal responsibility for the truthfulness, accuracy and completeness of the contents of this quarterly report.

The person-in-charge of the Company, the person-in-charge of accounting operations and the person-in-charge of the accounting department (chief accountant) warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

Whether the first quarterly financial statements is audited

Yes

No

I. MAJOR FINANCIAL DATA

(I) Major accounting data and financial indicators

Items	<i>Unit: Yuan Currency: RMB</i>	
	For the Reporting period	Increase/decrease from the corresponding period last year (%)
Operating revenue	4,185,000,121	79.88
Net profit attributable to the owners of the listed company	32,669,170	1.92
Net profit attributable to the owners of the listed company after deducting the non-recurring item	4,433,452	-84.05
Net cash flow from operating activities	850,017,542	-17.18
Basic earnings per share (RMB per share)	0.01	–
Diluted earnings per share (RMB per share)	0.01	–
Weighted average return on net assets (%)	0.26	Increased by 0.13 percentage points

	As at the end of the reporting period	As at the end of last year	Increase/decrease as at the end of the reporting period from the end of last year (%)
Total assets	67,991,231,375	67,280,220,550	1.06
Ownership interest attributable to owners of the listed company	<u>12,819,375,211</u>	<u>12,786,706,041</u>	<u>0.26</u>

(II) Non-recurring items and amounts

Unit: Yuan Currency: RMB

Items	Amount of the period
Profit or loss on disposal of non-current assets	-311,800
Government grants recognized through profit or loss of the period, excluding those closely related to the normal operation of the Company and granted on an ongoing basis in fixed amount or fixed quota in accordance with State policies	870,748
Capital occupancy fee from a non-financial enterprise recognized through profit or loss for the period	13,452,130
Investment income from disposal of long-term equity investments	20,678,299
Other non-operating income and expenses apart from the aforesaid items	3,120,996
Less: Effect on income tax	9,452,593
Effect on minority interests (after tax)	<u>122,062</u>
Total	<u><u>28,235,718</u></u>

(III) Particulars of and reasons for changes in major accounting data and financial indicators

Applicable Not applicable

Items	Change (%)	Main reason
Operating revenue	79.88	Mainly due to the increase in settlement income of the Company's real estate development sector in the period
Net profit attributable to shareholders of the listed company after deducting non-recurring items	- 84.05	Mainly due to the increase in non-recurring items as a result of the investment income from the disposal of long-term equity investments by the Company during the period

II. INFORMATION OF SHAREHOLDERS

(I) Total number of holders of ordinary shares and number of holders of preference shares with restored voting rights and shareholdings of the top ten shareholders

Unit: Share

Total number of holders of ordinary shares at the end of the reporting period	136,636	Total number of holder of preference shares with restored voting rights at the end of the reporting period (if any)	Not applicable
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Shareholdings of Top Ten Shareholders

Name of shareholders (full name)	Nature of shareholders	Number of Shares held	Shareholding percentage (%)	Number of shares subject to selling restrictions	Shares pledged, marked or frozen State of shares	Number
Beijing North Star Industrial Group Limited						
Liabilities Company (“BNS Group”)	State-owned legal person	1,161,000,031	34.482	0	Nil	0
HKSCC NOMINEES LIMITED	Foreign legal person	689,916,199	20.490	0	Nil	0
Wangfujing Group Co., Ltd.	State-owned legal person	125,300,000	3.721	0	Nil	0
Zhong Hang Xin Gang Guarantee Co., Ltd.	State-owned legal person	24,000,000	0.713	0	Nil	0
Yang Liu (楊柳)	Domestic natural person	23,500,000	0.698	0	Nil	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	17,646,412	0.524	0	Nil	0
Tao Xuezhi (陶學知)	Domestic natural person	11,105,000	0.330	0	Nil	0
Qian Zhoujian (錢周健)	Domestic natural person	10,823,094	0.321	0	Nil	0
Industrial and Commercial Bank of China Limited						
– Southern CSI All-Share Index Real Estate						
Traded Open-ended Index Stock Investment						
Fund(中國工商銀行股份有限公司 – 南方中證						
全指房地產交易型開放式指數證券投資基金)	Others	10,447,387	0.310	0	Nil	0
CITIC Securities Company Limited	Others	8,624,874	0.256	0	Nil	0

Shareholdings of Top Ten Holders of Shares not Subject to Selling Restrictions

Name of shareholders (full name)	Number of circulating shares not subject to selling restrictions	Class and number of shares	
		Class	Number
Beijing North Star Industrial Group Limited Liabilities Company	1,161,000,031	RMB-denominated ordinary shares	1,161,000,031
HKSCC NOMINEES LIMITED	689,916,199	Overseas listed foreign shares	689,916,199
Wangfujing Group Co., Ltd.	125,300,000	RMB-denominated ordinary shares	125,300,000
Zhong Hang Xin Gang Guarantee Co., Ltd.	24,000,000	RMB-denominated ordinary shares	24,000,000
Yang Liu (楊柳)	23,500,000	RMB-denominated ordinary shares	23,500,000
Hong Kong Securities Clearing Company Limited	17,646,412	RMB-denominated ordinary shares	17,646,412
Tao Xuezhi (陶學知)	11,105,000	RMB-denominated ordinary shares	11,105,000
Qian Zhoujian (錢周健)	10,823,094	RMB-denominated ordinary shares	10,823,094
Industrial and Commercial Bank of China Limited –Southern CSI All-Share Index Real Estate Traded Open-ended Index Stock Investment Fund (中國工商銀行股份有限公司 – 南方中證全指房地產交易型開放式指數證券投資基金)	10,447,387	RMB-denominated ordinary shares	10,447,387
CITIC Securities Company Limited	8,624,874	RMB-denominated ordinary shares	8,624,874

Notes on the connected relationship or parties acting in concert among the above shareholders

HKSCC NOMINEES LIMITED, the second largest shareholder, holds the H Shares of the Company on behalf of various clients; the de facto controller of both Wangfujing Group Co., Ltd., the third largest shareholder, and BNS Group, the controlling shareholder of the Company, is the State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality; whether the remaining shareholders are concert parties for the purpose of the “Administrative Measures for Takeover of Listed Companies” is unknown.

Explanations on the participation of the top ten shareholders and the top ten holders of shares not subject to selling restrictions in financing securities and refinancing businesses (if any)

1. Tao Xuezhi (陶學知) holds 7,685,400 shares through the ordinary securities account and 3,419,600 shares through the credit transaction guarantee securities account, totaling 11,105,000 shares.
2. Qian Zhoujian (錢周健) holds 524,400 shares through the ordinary securities account and 10,298,694 shares through the credit transaction guarantee securities account, totaling 10,823,094 shares.

III. OTHER REMINDERS

Other important information about the operations of the Company during the reporting period that should be brought to the attention of investors

Applicable Not applicable

From January to March 2023, for real estate development business, in respect of land reserve, the Company achieved total land reserve of 4,755,600 m² and the equity land reserve of 4,240,200 m², with no newly added real estate reserves; in respect of engineering construction, though no new construction area, the Company recorded a new and resumed construction area of 2,815,300 m², representing a year-on-year decrease of 32.21%, a completed area of 224,500 m², representing a year-on-year increase of 102.98% and a completed area attributable to the equity of 187,700 m², representing a year-on-year increase of 236.98%; in respect of project sales, the Company recorded sales area of 159,900 m², representing a year-on-year increase of 15.45%, equity sales area of 139,500 m², representing a year-on-year increase of 10.28%, sales amount of RMB2,279 million, representing a year-on-year decrease of 23.93%, equity sales amount of RMB1,981 million, representing a year-on-year decrease of 26.47%; and its settlement area was 267,400 m², representing a year-on-year increase of 183.86%, settlement amount was RMB3,640 million, representing a year-on-year increase of 110.49%, and the area to be booked as at the end of the reporting period was 652,000 m², representing a year-on-year decrease of 36.67%.

From January to March 2023, for convention and exhibition (including hotels) and commercial properties, the gross floor area of convention centre projects was 367,900 m², realising a total operating revenue of RMB92,030,000; the gross floor area of hotel projects was 346,800 m², realising a total operating revenue of RMB151,640,000; the gross floor area of office building and integrated commercial property projects was 578,000 m², realising a total operating revenue of RMB194,860,000; the gross floor area of the apartment projects was 184,300 m², realising a total operating revenue of RMB60,170,000.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not applicable

(II) Financial statements

Consolidated Balance Sheet

31 March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	31 March 2023	31 December 2022
Current assets:		
Cash at bank and in hand	13,129,898,356	9,643,196,011
Clearing settlement funds		
Placements with banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable	232,491,313	223,707,016
Receivables financing		
Prepayments	162,482,124	143,194,885
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance treaty		
Other receivables	1,742,893,174	1,709,545,948
Including: Interest receivable		
Dividends receivable		
Financial assets held under resale agreements		
Inventory	36,955,287,724	39,603,146,320
Contract assets		
Assets held for sale		
Non-current assets due within one year	808,043,993	848,064,142
Other current assets	2,264,525,625	2,280,084,727
Total current assets	55,295,622,309	54,450,939,049

Items**31 March 2023** 31 December 2022**Non-current assets:**

Loans and advances to customers		
Debt investment		
Other debt investment		
Long-term accounts receivable	146,839,419	165,474,625
Long-term equity investments	347,873,577	357,764,691
Other investment in equity instruments		
Other non-current financial assets		
Investment properties	7,929,237,041	7,982,335,316
Fixed assets	2,854,014,053	2,896,817,793
Construction-in-progress	1,092,681	1,222,025
Operational biological assets		
Oil and gas assets		
Right-of-use assets	41,364,168	40,065,673
Intangible assets	23,218,224	25,259,027
Development expenses		
Goodwill		
Long-term deferred expenses	28,509,995	24,753,149
Deferred income tax assets	1,312,893,908	1,309,346,599
Other non-current assets	10,566,000	26,242,603
	<hr/>	<hr/>
Total non-current assets	<u>12,695,609,066</u>	<u>12,829,281,501</u>
	<hr/>	<hr/>
Total assets	<u>67,991,231,375</u>	<u>67,280,220,550</u>

Items**31 March 2023** 31 December 2022**Current liabilities:**

Short-term borrowings		
Borrowings from central bank		
Capital borrowed		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	6,265,993,723	6,681,320,938
Accounts received in advance	228,089,416	200,216,551
Contract liabilities	9,453,700,661	10,609,330,350
Financial assets sold under agreements to repurchase		
Absorbing deposit and interbank deposit		
Customer brokerage deposits		
Securities underwriting brokerage deposits		
Staff cost	113,594,090	105,345,304
Taxes payable	1,465,589,236	1,907,738,642
Other payables	2,417,838,513	2,765,181,776
Including: Interest payable		
Dividends payable	276,162,190	276,162,190
Fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	9,092,334,295	9,087,521,665
Other current liabilities	147,458	165,502
	<hr/>	<hr/>
Total current liabilities	29,037,287,392	31,356,820,728

Items	31 March 2023	31 December 2022
Non-current liabilities:		
Reserve of insurance contract		
Long-term borrowings	10,310,264,740	10,694,968,573
Bonds payable	6,774,493,079	6,773,196,518
Including: Preferred shares		
Perpetual bond		
Lease liabilities	15,771,259	10,503,187
Long-term accounts payable	5,733,347,571	2,369,407,571
Long-term staff cost	93,113,109	96,332,109
Accrued liabilities		
Deferred income	19,103,356	19,287,354
Deferred income tax liabilities		
Other non-current liabilities		
	_____	_____
Total non-current liabilities	<u>22,946,093,114</u>	<u>19,963,695,312</u>
Total liabilities	<u>51,983,380,506</u>	<u>51,320,516,040</u>

Items	31 March 2023	31 December 2022
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	3,367,020,000	3,367,020,000
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	3,714,698,888	3,714,698,888
Less: Treasury shares		
Other comprehensive income	14,156,506	14,156,506
Special reserve		
Surplus reserve	1,071,254,548	1,071,254,548
Normal risk provision		
Undistributed profit	<u>4,652,245,269</u>	<u>4,619,576,099</u>
Total owners' equity (or shareholders' equity) attributable to owners of the Company	<u>12,819,375,211</u>	<u>12,786,706,041</u>
Non-controlling interests	<u>3,188,475,658</u>	<u>3,172,998,469</u>
Total owners' equity (or shareholders' equity)	<u><u>16,007,850,869</u></u>	<u><u>15,959,704,510</u></u>
Total liabilities and owners' equity (or shareholders' equity)	<u><u>67,991,231,375</u></u>	<u><u>67,280,220,550</u></u>
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

Consolidated Income Statement
From January to March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Total operating revenue	4,185,000,121	2,326,609,629
Including: Operating revenue	4,185,000,121	2,326,609,629
Interest income		
Premiums earned		
Handling charges and commission income		
II. Total operating costs	4,157,778,981	2,272,402,217
Including: Operating costs	3,551,779,453	1,788,333,370
Interest expenses		
Handling charges and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance liability deposits		
Policyholder dividend expenses		
Reinsurance costs		
Taxes and surcharges	100,869,188	105,018,176
Selling expenses	57,180,688	86,791,948
Administrative expenses	215,673,437	196,528,817
Research and development expenses		
Finance expenses	232,276,215	95,729,906
Including: Interest expenses	251,060,060	110,876,905
Interest income	19,527,240	15,775,058

Items	First quarter of 2023	First quarter of 2022
Add: Other income	4,437,396	12,344,993
Investment income (loss stated with “-”)	34,666,800	-546,089
Including: Investment income from associates and joint venture	20,407,542	-5,765,781
Gains on derecognition of financial assets measured at amortised cost		
Foreign currency exchange gains (loss stated with “-”)		
Gains on net exposure hedges (loss stated with “-”)		
Profit arising from changes in fair value (loss stated with “-”)		
Impairment losses on credit (loss stated with “-”)	986,370	64,390
Impairment losses on assets (loss stated with “-”)		
Gains from disposal of assets (loss stated with “-”)	40,376	-
III. Operating profit (loss stated with “-”)	67,352,082	66,070,706
Add: Non-operating income	4,030,581	2,030,610
Less: Non-operating expenses	1,221,385	2,521,266
IV. Total profit (total loss stated with “-”)	70,161,278	65,580,050
Less: Income tax expenses	22,014,919	29,489,967

Items	First quarter of 2023	First quarter of 2022
V. Net profit (net loss stated with “-”)	48,146,359	36,090,083
(I) Classified according to continuity of operations		
1. Net profit from continuing operations (net loss stated with “-”)	48,146,359	36,090,083
2. Net profit from discontinued operations (net loss stated with “-”)		
(II) Classified according to the ownership		
1. Net profit attributable to the owners of the Company (net loss stated with “-”)	32,669,170	32,052,424
2. Non-controlling interests (net loss stated with “-”)	15,477,189	4,037,659
VI. Other comprehensive income (net of tax)		
(I) Other comprehensive income attributable to the owners of the Company (net of tax)		
1. Other comprehensive income that will not be reclassified into profit or loss		
(1) Changes arising from remeasurement of defined benefit plans		
(2) Other comprehensive income which cannot be reclassified into profit and loss under equity method		
(3) Changes in fair value of investment in other equity instruments		
(4) Changes in fair value of the enterprise’s own credit risk		

Items	First quarter of 2023	First quarter of 2022
2. Other comprehensive income that will be reclassified into profit or loss		
(1) Other comprehensive income that will be reclassified into profit or loss under equity method		
(2) Changes in fair value of investment in other debt investment		
(3) Financial assets reclassified into other comprehensive income		
(4) Provision for credit impairments of other debt investments		
(5) Cash flow hedge reserve		
(6) Exchange differences on foreign currency translation		
(7) Others		
(II) Other comprehensive income attributable to minority interests (net of tax)		
VII. Total comprehensive income	48,146,359	36,090,083
(I) Total comprehensive income attributable to the owners of the Company	32,669,170	32,052,424
(II) Total comprehensive income attributable to minority shareholders	15,477,189	4,037,659
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.01	0.01
(II) Diluted earnings per share (RMB/share)	0.01	0.01
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

Consolidated Cash Flow Statements

From January to March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Cash flows from operating activities:		
Cash received from selling goods and rendering services	3,818,801,043	4,768,466,807
Net increase in deposits from customers and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling charges and commissions		
Net increase in placements from banks		
Net increase in fund for repurchases of businesses		
Net cash received from securities trading agency services		
Refund of tax and levies received	264,222	35,895,530
Cash received relating to other operating activities	326,266,700	55,196,773
Sub-total of cash inflow from operating activities	4,145,331,965	4,859,559,110

Items	First quarter of 2023	First quarter of 2022
Cash paid for purchase of goods and receipt of services	1,999,039,197	2,310,191,028
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institution		
Cash paid for claims on original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash payment for interest, handling charges and commissions		
Cash payment for policyholder dividend		
Cash paid to and paid for employees	273,714,843	315,974,354
Taxes paid	690,776,265	815,283,955
Cash paid relating to other operating activities	331,784,118	391,743,114
	<hr/>	<hr/>
Sub-total of cash outflow from operating activities	3,295,314,423	3,833,192,451
	<hr/> <hr/>	<hr/> <hr/>
Net cash flow from operating activities	850,017,542	1,026,366,659
	<hr/> <hr/>	<hr/> <hr/>

Items	First quarter of 2023	First quarter of 2022
II. Cash flows from investing activities:		
Cash received from disinvestments	14,700,000	7,500,000
Cash received from returns on investments	70,416,277	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	65,166	235,697
Net cash received from disposal of subsidiaries and other business units	9,891,114	–
Cash received relating to other investing activities	_____	_____
Sub-total of cash inflow from investing activities	95,072,557	7,735,697
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	15,499,591	20,244,073
Cash paid to acquire investment	389,110	13,580,204
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities		
Sub-total of cash outflow from investing activities	15,888,701	33,824,277
Net cash flows from investing activities	79,183,856	-26,088,580

Items	First quarter of 2023	First quarter of 2022
III. Cash flows from financing activities:		
Cash received from capital contribution	-	980,000
Including: Cash received from capital contributions by minority shareholders of subsidiaries	-	980,000
Cash received from borrowings	3,737,540,358	804,602,493
Cash received relating to other financing activities	881,180,000	440,800,000
	<hr/>	<hr/>
Sub-total of cash inflow from financing activities	4,618,720,358	1,246,382,493
	<hr/> <hr/>	<hr/> <hr/>
Cash repayments of borrowings	1,406,946,011	4,003,091,734
Cash payments for distribution of dividends and profits or interest expenses	408,369,097	577,394,984
Including: Dividends and profit paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities	42,753,572	76,930,028
	<hr/>	<hr/>
Sub-total of cash outflow from financing activities	1,858,068,680	4,657,416,746
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Net cash flows from financing activities	2,760,651,678	-3,411,034,253
	<hr/> <hr/>	<hr/> <hr/>
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	3,689,853,076	-2,410,756,174
Add: Balance of cash and cash equivalents at the beginning of the period	8,388,150,608	12,960,951,786
	<hr/> <hr/>	<hr/> <hr/>
VI. Balance of cash and cash equivalents at the end of the period	12,078,003,684	10,550,195,612
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*Person-in-charge
of the Company:*
LI Wei-Dong

*Person-in-charge of
accounting operations:*
HU Hao

*Person-in-charge of the
accounting department:*
DU Yan

Balance Sheet of the Parent Company
31 March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	31 March 2023	31 December 2022
Current assets:		
Monetary funds	9,634,807,025	5,429,876,000
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable	138,686,772	133,094,978
Receivable financing		
Prepayments	11,639,103	23,852,647
Other receivables	53,540,936	54,419,169
Including: Interest receivable		
Dividends receivable		
Inventory	319,034,198	422,871,268
Contract assets		
Assets held for sale		
Non-current assets due within one year	7,768,439,468	7,716,602,460
Other current assets	28,955,511	33,553,450
	<hr/>	<hr/>
Total current assets	<u>17,955,103,013</u>	<u>13,814,269,972</u>

Items	31 March 2023	31 December 2022
Non-current assets:		
Debt investment		
Other debt investments		
Long-term accounts receivable	13,971,312,069	15,061,221,771
Long-term equity investments	8,314,230,039	8,313,230,039
Other investment in equity instruments		
Other non-current financial assets		
Investment properties	4,529,753,739	4,559,368,498
Fixed assets	1,188,015,879	1,204,801,624
Construction-in-progress	530,944	530,944
Operational biological assets		
Oil and gas assets		
Right-of-use assets	20,278,978	19,748,854
Intangible assets	3,520,173	4,515,095
Development expenses		
Goodwill		
Long-term prepaid expenses		
Deferred income tax assets	301,258,044	301,258,044
Other non-current assets		
Total non-current assets	<u>28,328,899,865</u>	<u>29,464,674,869</u>
Total assets	<u>46,284,002,878</u>	<u>43,278,944,841</u>

Items	31 March 2023	31 December 2022
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable		
Accounts payable	619,346,209	628,775,513
Accounts received in advance	193,150,133	192,670,012
Contract liabilities	175,061,225	205,783,517
Staff cost payable	98,871,114	90,696,207
Taxes payable	545,903,912	645,671,686
Other payables	8,793,598,610	8,714,493,107
Including: Interest payable		
Dividends payable		
Liabilities held for sale		
Non-current liabilities due within one year	3,953,321,083	3,921,852,880
Other current liabilities		
Total current liabilities	<u>14,379,252,286</u>	<u>14,399,942,922</u>

Items	31 March 2023	31 December 2022
Non-current liabilities:		
Long-term borrowings	10,310,264,740	10,694,968,573
Bonds payable	6,774,493,079	6,773,196,518
Including: Preferred shares		
Perpetual bond		
Lease liabilities	1,806,162	1,276,038
Long-term accounts payable	4,461,000,000	1,100,000,000
Long-term staff cost payable	93,113,109	96,332,109
Accrued liabilities		
Deferred revenue	19,103,356	19,287,354
Deferred income tax liabilities		
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	<u><u>21,659,780,446</u></u>	<u><u>18,685,060,592</u></u>
Total liabilities	<u><u>36,039,032,732</u></u>	<u><u>33,085,003,514</u></u>

Items	31 March 2023	31 December 2022
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	3,367,020,000	3,367,020,000
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	3,658,025,039	3,658,025,039
Less: Treasury shares		
Other comprehensive income	14,156,506	14,156,506
Special reserve		
Surplus reserve	1,071,254,548	1,071,254,548
Retained earnings	<u>2,134,514,053</u>	<u>2,083,485,234</u>
Total owners' equity (or shareholders' equity)	<u>10,244,970,146</u>	<u>10,193,941,327</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>46,284,002,878</u>	<u>43,278,944,841</u>
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

Income Statement of the Parent Company
From January to March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Operating revenue	515,391,002	625,667,752
Less: Operating costs	274,872,034	344,883,805
Taxes and surcharges	51,143,668	58,637,332
Selling expenses	17,472,981	23,609,598
Administrative expenses	144,251,301	172,322,838
Research and development expenses		
Finance expenses	-13,113,816	-4,217,426
Including: Interest expenses		
Interest income	13,381,864	4,359,544
Add: Other incomes	1,681,119	10,744,752
Investment income (loss stated with "-")	23,311,799	37,754,105
Including: Investment income from associates and joint ventures	-	-1,153,156
Gains on derecognition of financial assets measured at amortised cost		
Gains on net exposure hedges (loss stated with "-")		
Profit arising from changes in fair value (loss stated with "-")		
Impairment loss on credit (loss stated with "-")	611	468
Impairment losses on assets (loss stated with "-")		
Gains from disposal of assets (loss stated with "-")		

Items	First quarter of 2023	First quarter of 2022
II. Operating profit (loss stated with “-”)	65,758,363	78,930,930
Add: Non-operating income	3,194,784	675,205
Less: Non-operating expenses	398,735	73,800
III. Total profit (total loss stated with “-”)	68,554,412	79,532,335
Less: Income tax expenses	17,525,593	18,637,083
IV. Net profit (net loss stated with “-”)	51,028,819	60,895,252
(I) Net profit from continuing operations (net loss stated with “-”)	51,028,819	60,895,252
(II) Net profit from discontinued operations (net loss stated with “-”)		
V. Other comprehensive income (net of tax)		
(I) Other comprehensive income that will not be reclassified into profit or loss		
1. Changes arising from remeasurement of defined benefit plans		
2. Other comprehensive income which cannot be reclassified to profit and loss under equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the enterprise’s own credit risk		

Items	First quarter of 2023	First quarter of 2022
(II)Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income which can be reclassified to profit and loss under equity method		
2. Changes in fair value of investment in other debt instruments		
3. Financial assets reclassified into other comprehensive income		
4. Provision for credit impairments of other debt investments		
5. Cash flow hedge reserve		
6. Exchange differences on foreign currency translation		
7. Others		
VI.Total comprehensive income	51,028,819	60,895,252
VII.Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II)Diluted earnings per share (RMB/share)		
	=====	=====
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

Statement of Cash Flows of the Parent Company
From January to March 2023

Prepared by: Beijing North Star Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First quarter of 2023	First quarter of 2022
I. Cash flows from operating activities:		
Cash received from selling goods and rendering services	487,975,415	571,321,528
Refund of tax and levies received	206,586	–
Cash received relating to other operating activities	73,264,075	30,807,970
	<hr/>	<hr/>
Sub-total of cash inflow from operating activities	561,446,076	602,129,498
	<hr/> <hr/>	<hr/> <hr/>
Cash paid for purchase of goods and receipt of services	97,715,496	172,561,171
Cash paid to and paid for employees	173,457,083	206,202,528
Taxes paid	174,475,213	58,487,730
Cash paid relating to other operating activities	23,056,689	22,306,742
	<hr/>	<hr/>
Sub-total of cash outflow from operating activities	468,704,481	459,558,171
	<hr/> <hr/>	<hr/> <hr/>
Net cash flow from operating activities	92,741,595	142,571,327
	<hr/> <hr/>	<hr/> <hr/>

Item	First quarter of 2023	First quarter of 2022
II. Cash flows from investing activities:		
Cash received from repayment of investments	5,782,682,577	5,859,508,648
Cash received from returns on investments	101,726,782	19,227,463
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	24,790	224,150
Net cash received from disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Sub-total of cash inflow from investing activities	5,884,434,149	5,878,960,261
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	11,651,111	5,191,711
Cash paid to acquire investment	4,699,512,811	5,037,979,751
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities		
Sub-total of cash outflow from investing activities	4,711,163,922	5,043,171,462
Net cash flows from investing activities	1,173,270,227	835,788,799

Item	First quarter of 2023	First quarter of 2022
III. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings	3,737,540,358	804,602,493
Cash received relating to other financing activities	<u>834,000,000</u>	<u>400,000,000</u>
Sub-total of cash inflow from financing activities	<u>4,571,540,358</u>	<u>1,204,602,493</u>
Cash repayments of borrowings	1,404,946,011	2,591,091,734
Cash payments for distribution of dividends and profits or interest expenses	223,153,303	279,472,669
Cash paid relating to other financing activities	<u>2,000,000</u>	<u>1,736,913</u>
Sub-total of cash outflow from financing activities	<u>1,630,099,314</u>	<u>2,872,301,316</u>
Net cash flows from financing activities	<u>2,941,441,044</u>	<u>-1,667,698,823</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	4,207,452,866	-689,338,697
Add: Balance of cash and cash equivalents at the beginning of the period	<u>5,412,813,049</u>	<u>7,531,453,072</u>
VI. Balance of cash and cash equivalents at the end of the period	<u>9,620,265,915</u>	<u>6,842,114,375</u>
<i>Person-in-charge of the Company:</i> LI Wei-Dong	<i>Person-in-charge of accounting operations:</i> HU Hao	<i>Person-in-charge of the accounting department:</i> DU Yan

(III) EXPLANATIONS ON RETROSPECTIVE ADJUSTMENTS OF PREVIOUSLY COMPARATIVE FIGURES DUE TO INITIAL ADOPTION OF NEW ACCOUNTING STANDARDS FROM 2023

Applicable Not applicable

Announcement is hereby made.

By order of the Board
Beijing North Star Company Limited
GUO Chuan
Executive Director and Company Secretary

Beijing, the PRC, 27 April 2023

As at the date of this announcement, the Board 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.