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 LOSSES FOR THE YEAR OF 2024

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 year ended 31 December 2024 is estimated to record a loss.

The estimated results have not been reviewed or audited by auditors, 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 2024 annual 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 year ended 31 December 2024 (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 HONG KONG FINANCIAL REPORTING STANDARDS)

1. Relevant period for the results estimation: from 1 January 2024 to 31 December 2024

2. Estimated losses:

   Based on the preliminary assessment by the Company's finance department:

   (i) The net loss attributable to owners of the Company (excluding gains or losses from changes in fair value of investment properties) for the year of 2024 is estimated to range from RMB2,410,840,000 to RMB3,053,880,000, representing a loss as compared with the corresponding period of previous year.

   (ii) The net loss (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 year of 2024 is estimated to range from RMB2,549,640,000 to RMB3,226,540,000, representing a loss as compared with the corresponding period of previous year.

   (iii) The estimated cash balance at the end of the period is approximately RMB7.9 billion. The Company has sufficient capital reserves with clear financing channels for secure operation.

3. The estimated results have not been reviewed or audited by auditors, 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 2024 annual results report of the Company.

II. RESULTS FOR THE CORRESPONDING PERIOD IN THE PRECEDING YEAR (IN ACCORDANCE WITH HONG KONG FINANCIAL REPORTING STANDARDS)

1. The profit attributable to owners of the Company was RMB140,407,000 (or RMB268,846,000 if excluding gains or losses from changes in fair value of investment properties, or RMB176,136,000 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 attributable to the ordinary shareholders of the Company was RMB0.0417 (or RMB0.0798 if excluding gains or losses from changes in fair value of investment properties, or RMB0.0523 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 FOR THE RELEVANT PERIOD

During the reporting period, though the operation of convention and exhibition (including hotels) business and commercial properties business of the Company remained stable, the settlement area in the period decreased as compared with the same period of previous year as affected by decrease in both development scale and sales volume of real estate business, resulting in decrease in the revenue year-on-year. The Company dynamically adjusted its marketing strategies for real estate business according to market conditions to accelerate inventory reduction, resulting in decrease in gross profit margin. Certain real estate projects showed signs of impairment and the Company is expected to make provisions for the impairment of inventories on certain real estate projects based on the prudence principle.

IV. OTHER EXPLANATORY MATTERS

The estimated data above is only prepared based on the preliminary calculations. Concrete and accurate financial information shall be subject to the audited 2024 annual results report of the Company to be formally disclosed.

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
HU Hao
Executive Director and Company Secretary

Beijing, the PRC, 17 January 2025

As at the date of this announcement, the Board comprises nine directors, of which Mr. ZHANG Jie, Ms. LIANG Jie, Mr. YANG Hua-Sen, Ms. ZHANG Wen-Lei, Mr. HU Hao and Mr. WEI Ming-Qian are executive directors and Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Mr. CHEN De-Qiu are independent non-executive directors.