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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)

2025 ANNUAL RESULTS ANNOUNCEMENT
AND
APPOINTMENT OF MEMBER OF THE BOARD COMMITTEE

The board of directors (the “**Board**”) of Beijing North Star Company Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”) as set out below:

CONSOLIDATED INCOME STATEMENT

	<i>Note</i>	Year ended 31 December	
		2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	2	6,060,486	7,152,407
Cost of sales	3	<u>(6,281,456)</u>	<u>(7,850,456)</u>
Gross loss		(220,970)	(698,049)
Selling and marketing expenses	3	(393,997)	(401,011)
Administrative expenses	3	(885,981)	(827,312)
Net provision for impairment losses on financial assets		(92,436)	(154,777)
Other income and other losses – net		<u>(309,735)</u>	<u>(409,684)</u>
Operating loss		(1,903,119)	(2,490,833)
Finance income	4	26,217	139,419
Finance expenses	4	<u>(928,712)</u>	<u>(1,027,400)</u>
Finance expenses – net	4	(902,495)	(887,981)
Share of net profit of investments accounted for using the equity method		<u>16,943</u>	<u>129,631</u>
Loss before income tax		(2,788,671)	(3,249,183)
Income tax expense	5	<u>(493,018)</u>	<u>(337,030)</u>
Loss for the year		<u>(3,281,689)</u>	<u>(3,586,213)</u>

CONSOLIDATED INCOME STATEMENT (CONTINUED)

	<i>Note</i>	Year ended 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Loss for the year		<u>(3,281,689)</u>	<u>(3,586,213)</u>
Attributable to:			
Ordinary shareholders of the Company	6	(3,045,337)	(2,992,483)
Non-controlling interests		<u>(236,352)</u>	<u>(593,730)</u>
		<u><u>(3,281,689)</u></u>	<u><u>(3,586,213)</u></u>
Losses per share attributable to ordinary shareholders of the Company <i>(expressed in RMB cents per share)</i>			
(basic and diluted)	6	<u><u>(90.45)</u></u>	<u><u>(88.88)</u></u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>Note</i>	Year ended 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Loss for the year		(3,281,689)	(3,586,213)
Other comprehensive (loss)/income			
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of properties newly transferred			
to investment properties, net of tax		–	50,694
Remeasurement of post-employment benefit obligations		<u>(8,499)</u>	<u>9,062</u>
Other comprehensive (loss)/income			
for the year, net of tax		<u>(8,499)</u>	<u>59,756</u>
Total comprehensive loss for the year		<u>(3,290,188)</u>	<u>(3,526,457)</u>
Attributable to:			
Ordinary shareholders of the Company		(3,053,836)	(2,932,727)
Non-controlling interests		<u>(236,352)</u>	<u>(593,730)</u>
		<u>(3,290,188)</u>	<u>(3,526,457)</u>

CONSOLIDATED BALANCE SHEET

		As at 31 December	
	Note	2025	2024
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Right-of-use assets		375,719	386,821
Investment properties		15,947,598	16,297,009
Property, plant and equipment		2,186,551	2,314,535
Investments accounted for using the equity method		347,611	268,299
Deferred income tax assets		1,007,605	1,159,616
Other receivables and prepayments	8	138,056	154,156
		<u>20,003,140</u>	<u>20,580,436</u>
Current assets			
Properties under development		7,606,451	8,680,201
Completed properties held-for-sale		14,592,099	17,371,429
Other inventories		40,097	42,418
Trade and other receivables and prepayments	8	2,570,302	3,039,682
Restricted bank deposits		679,767	1,121,919
Cash and cash equivalents		6,376,402	6,783,364
		<u>31,865,118</u>	<u>37,039,013</u>
Total assets		<u><u>51,868,258</u></u>	<u><u>57,619,449</u></u>

CONSOLIDATED BALANCE SHEET (CONTINUED)

	<i>Note</i>	As at 31 December	
		2025	2024
		RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Long-term borrowings		15,636,190	15,645,024
Loans from other parties	9	1,361,500	5,089,501
Employee termination benefit obligations		95,401	86,939
Deferred income tax liabilities		2,175,389	2,194,392
Lease liabilities		2,432	–
Deferred income		235	1,653
		<u>19,271,147</u>	<u>23,017,509</u>
Current liabilities			
Trade and other payables	9	5,217,542	5,992,601
Loans/advances from other parties	9	4,931,639	1,717,994
Contract liabilities	2	1,122,953	1,475,855
Current income tax liabilities		699,391	1,526,586
Lease liabilities		21,354	20,543
Short-term borrowings		253	–
Current portion of long-term borrowings		4,918,531	5,517,749
		<u>16,911,663</u>	<u>16,251,328</u>
Total liabilities		<u>36,182,810</u>	<u>39,268,837</u>
Net assets		<u>15,685,448</u>	<u>18,350,612</u>
EQUITY			
Share capital		3,367,020	3,367,020
Other reserves		4,858,661	4,830,304
Retained earnings		5,003,843	8,086,081
Capital and reserves attributable to ordinary shareholders of the Company		<u>13,229,524</u>	<u>16,283,405</u>
Non-controlling interests		<u>2,455,924</u>	<u>2,067,207</u>
Total equity		<u>15,685,448</u>	<u>18,350,612</u>

Notes:

1. BASIS OF PREPARATION

This financial information is extracted from the consolidated financial statements of the Company which have been prepared in accordance with HKFRS Accounting Standards, the collective term which includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong, and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been prepared under the historical cost convention, except for investment properties which are carried at fair value.

(a) Amended standard adopted by the Group

The Group has applied amendments to HKAS 21 “Lack of Exchangeability” for the first time for its annual financial period beginning on 1 January 2025.

The amended standard listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New or amended standards and interpretations not yet adopted

Certain new or amended accounting standards and interpretations have been published that are not effective or mandatory for 31 December 2025 reporting period and have not been early adopted by the Group. The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far these new or amended standards and interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions except for the HKFRS 18 which will impact the presentation of profit or loss. The Group is still in the process of evaluating the impact of adoption of HKFRS 18.

2. SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed by the Board of Directors of the Company (the “**Board**”), being the major body in making operation decisions, for assessing the operating performance and resources allocation.

The Board considers the business from product/service perspectives. From product/service perspectives, management assesses the performance of the segments of convention and exhibition and ancillary facilities services and real estate development. Convention and exhibition and ancillary facilities services is the segment which involves in operation of rental apartments, office buildings, convention centers and hotels; real estate development is the segment which involves the sales of developed properties.

Other segments of the Group mainly comprise the operation of other miscellaneous businesses, the sales of which have not been included within the reportable operating segments, as they are not included within the reports provided to the Board.

The Board assesses the performance of the operating segments based on a measure of adjusted loss before income tax based on assumptions that investment properties are measured at cost less accumulated depreciation. This measurement basis mainly excludes the fair value losses on investment properties and includes land appreciation taxes and the depreciation and impairment of investment properties as if they are measured at cost less accumulated depreciation. Other information provided, except as noted below, to the Board is measured in a manner consistent with the segment information as disclosed in the consolidated financial statements.

Total segment assets mainly exclude assets of deferred income tax assets at corporate level, corporate cash and other corporate assets, which are managed on a centralised basis; and the investment properties included in the segment assets are the amounts as if they are measured at cost less accumulated depreciation and impairment. These are part of the reconciliation to total consolidated balance sheet assets.

Total segment liabilities mainly exclude liabilities of deferred income tax liabilities, corporate borrowings and other corporate liabilities, all of which are managed on a centralised basis. These are part of the reconciliation to total consolidated balance sheet liabilities.

2. SEGMENT INFORMATION (CONTINUED)

The Group's revenue consists of revenue from the operation of convention and exhibition and ancillary facilities services and revenue from sales of developed properties. Revenue recognised during the years ended 31 December 2025 and 2024 is as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Revenue		
Convention and exhibition and ancillary facilities services segment	2,976,591	2,960,768
Real estate development segment	2,919,548	4,010,608
	<u>5,896,139</u>	<u>6,971,376</u>
Other segments	164,347	181,031
	<u>6,060,486</u>	<u>7,152,407</u>

During the years ended 31 December 2025 and 2024, the Group derives revenue from the deliveries of properties, goods and services over time and at a point in time from the following segments:

	At a point in time	Over time
	RMB'000	RMB'000
Revenue recognised under HKFRS 15		
Year ended 31 December 2025		
Convention and exhibition and ancillary facilities services segment*	575,586	1,065,887
Real estate development segment	2,919,548	–
Other segments	21,441	142,906
	<u>3,516,575</u>	<u>1,208,793</u>
	At a point in time	Over time
	RMB'000	RMB'000

Revenue recognised under HKFRS 15		
Year ended 31 December 2024		
Convention and exhibition and ancillary facilities services segment*	535,666	921,834
Real estate development segment	4,010,608	–
Other segments	16,289	164,742
	<u>4,562,563</u>	<u>1,086,576</u>

* Rental income for the year ended of 31 December 2025 of RMB1,335,118,000 (2024: RMB1,503,268,000) is recognised on a straight-line basis over the terms of the leases and has not been included in the above analysis.

2. SEGMENT INFORMATION (CONTINUED)

Other segments of the Group mainly comprise the operation of other miscellaneous businesses, none of which constitutes a separately reportable segment.

Sales between segments are based on terms as mutually agreed. The revenue from external parties reported to the Board is measured in a manner consistent with that in the consolidated income statement.

The segment information provided to the Board for the reportable segments for the year ended 31 December 2025 is as follows:

Business segment	Convention and exhibition and ancillary facilities services RMB'000	Real estate development RMB'000	Other segments RMB'000	Total RMB'000
Total segment revenue	3,224,238	2,919,548	198,453	6,342,239
Inter-segment revenue	(247,647)	–	(34,106)	(281,753)
Revenue from external customers	<u>2,976,591</u>	<u>2,919,548</u>	<u>164,347</u>	<u>6,060,486</u>
Adjusted profit/(loss) before income tax	348,561	(2,953,043)	(57,976)	(2,662,458)
<i>Adjusted profit/(loss) before income tax is stated after crediting/(charging) the following:</i>				
Adjusted cost of sales or services rendered	(1,772,972)	(2,175,301)	(127,840)	(4,076,113)
Adjusted depreciation	(423,857)	(32,442)	(8,602)	(464,901)
Finance income	3,388	4,989	12	8,389
Finance expenses	(695)	(787,609)	–	(788,304)
Share of net profit from investments accounted for using the equity method	4,854	12,089	–	16,943
Adjusted income tax credit/(expense)	<u>(91,587)</u>	<u>(490,980)</u>	<u>5,992</u>	<u>(576,575)</u>

2. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Board for the reportable segments for the year ended 31 December 2024 is as follows:

Business segment	Convention and exhibition and ancillary facilities services <i>RMB'000</i>	Real estate development <i>RMB'000</i>	Other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Total segment revenue	3,256,710	4,023,389	220,022	7,500,121
Inter-segment revenue	(295,942)	(12,781)	(38,991)	(347,714)
Revenue from external customers	<u>2,960,768</u>	<u>4,010,608</u>	<u>181,031</u>	<u>7,152,407</u>
Adjusted profit/(loss) before income tax	492,087	(3,420,167)	(52,784)	(2,980,864)
<i>Adjusted profit/(loss) before income tax is stated after crediting/(charging) the following:</i>				
Adjusted cost of sales or services rendered	(1,627,623)	(3,518,346)	(140,798)	(5,286,767)
Adjusted depreciation	(389,662)	(33,660)	(9,454)	(432,776)
Finance income	2,491	18,583	26	21,100
Finance expenses	(213)	(862,018)	–	(862,231)
Share of net profit from investments accounted for using the equity method	1,921	127,710	–	129,631
Adjusted income tax credit/(expense)	<u>(90,307)</u>	<u>(347,335)</u>	<u>2,570</u>	<u>(435,072)</u>

2. SEGMENT INFORMATION (CONTINUED)

The segment information as at 31 December 2025 and 2024 is as follows:

Business segment	Convention and exhibition and ancillary facilities services	Real estate development	Other segments	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 31 December 2025				
Total segment assets	10,401,908	27,477,196	87,671	37,966,775
Total segment assets include:				
Investments accounted for using the equity method	15,391	332,220	–	347,611
Additions to non-current assets*	39,333	5,690	1,942	46,965
Total segment liabilities	1,190,397	21,953,063	276,847	23,420,307
Contract liabilities	<u>127,296</u>	<u>985,218</u>	<u>10,439</u>	<u>1,122,953</u>
As at 31 December 2024				
Total segment assets	10,125,946	32,678,630	78,589	42,883,165
Total segment assets include:				
Investments accounted for using the equity method	17,111	251,188	–	268,299
Additions to non-current assets*	77,650	20,859	5,218	103,727
Total segment liabilities	1,361,736	21,126,170	378,195	22,866,101
Contract liabilities	<u>272,395</u>	<u>1,197,755</u>	<u>5,705</u>	<u>1,475,855</u>

* Non-current assets does not include investments accounted for using the equity method, other receivables and prepayments and deferred income tax assets.

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Certain interest-bearing liabilities are not considered to be segment liabilities but rather are managed by the treasury function centrally.

As at 31 December 2025, the contract liabilities mainly included the payments received from pre-sales of properties which were usually received in advance of the performance under the contracts. The decrease in contract liabilities during the year was in line with the decrease in the Group's contracted sales.

2. SEGMENT INFORMATION (CONTINUED)

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Convention and exhibition and ancillary facilities services segment	238,893	118,668
Real estate development segment	860,129	1,585,115
Other segments	5,705	5,381
	<u>1,104,727</u>	<u>1,709,164</u>

Reportable segment loss before income tax is reconciled to the Group's loss before income tax as follows:

	Year ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Adjusted loss before income tax for reportable segments	(2,662,458)	(2,980,864)
Corporate overheads	(134,897)	(126,933)
Corporate finance expense	(140,408)	(165,169)
Corporate finance income	17,828	118,319
(Provision for)/reversal of provision for impairment losses on financial assets	(881)	2,147
Other income and other losses-net	141	175
Fair value losses on investment properties	(370,839)	(575,267)
Reversal of depreciation and impairment of investment properties	294,827	354,556
Land appreciation tax	208,016	123,853
	<u>(2,788,671)</u>	<u>(3,249,183)</u>

2. SEGMENT INFORMATION (CONTINUED)

Reportable segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Total segment assets	37,966,775	42,883,165
Deferred income tax assets at corporate level	204,191	326,299
Corporate cash	4,938,284	5,598,225
Accumulated fair value gains on investment properties	4,488,787	4,859,626
Reversal of accumulated depreciation and impairment of investment properties	4,212,765	3,917,938
Other corporate assets	57,456	34,196
	<hr/>	<hr/>
Total assets per consolidated balance sheet	51,868,258	57,619,449
	<hr/> <hr/>	<hr/> <hr/>
Total segment liabilities	23,420,307	22,866,101
Deferred income tax liabilities at corporate level	2,175,389	2,194,392
Corporate borrowings	6,834,404	8,683,101
Other corporate liabilities	3,752,710	5,525,243
	<hr/>	<hr/>
Total liabilities per consolidated balance sheet	36,182,810	39,268,837
	<hr/> <hr/>	<hr/> <hr/>

The reconciliation between the Group's depreciation for reportable segments and corresponding amount per disclosure for property, plant and equipment and right-of-use assets are mainly reversal of depreciation of investment properties and other related adjustments amounting to RMB266,541,000 (2024: RMB226,169,000).

The reconciliation between reportable segment income tax expenses and total income tax expenses is amounting to RMB83,557,000 (2024: RMB98,042,000), representing the impact of the aforementioned reconciliation items including corporate overheads, corporate financial expense, corporate financial income, fair value losses on investment properties and reversal of depreciation and impairment of investment properties and others.

The Company and its subsidiaries were incorporated in the People's Republic of China ("PRC") and all the revenue from external customers of the Group for the years ended 31 December 2025 and 2024 are derived in the PRC.

At 31 December 2025 and 2024, all the Group's non-current assets other than deferred income tax assets are located in the PRC.

The Group has a large number of customers, and there was no significant revenue (in excess of 10% of the Group's revenue) derived from any specific external customers for the years ended 31 December 2025 and 2024.

3. EXPENSES BY NATURE

Expenses included in cost of sales, selling and marketing expenses and administrative expenses are analysed as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Depreciation of property, plant and equipment and right-of-use assets	198,360	206,607
Provision of impairment losses for properties under development and completed properties held-for-sale	2,176,526	2,545,326
Employee benefit expense	1,136,565	1,140,280
Advertising costs	47,699	33,373
Cost of properties sold	2,175,301	3,518,346
Cost of goods sold and consumables used	175,818	206,144
Taxes and levies (other than income tax expense)	323,644	312,954
Office and consumable expenses	60,928	89,740
Property management fee	203,195	141,897
Energy and utilities expenses	124,756	138,920
Consulting and service expenses	344,360	358,105
Repair and maintenance expenses	61,841	49,641
Short-term leases	16,745	21,620
Auditor's remuneration	6,200	6,200
Exhibition construction fee	421,265	211,896
Others	88,231	97,730
	<u>7,561,434</u>	<u>9,078,779</u>

4. FINANCE INCOME AND EXPENSES

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Interest expenses:		
– bank and other borrowings	(783,016)	(984,789)
– bonds and medium term notes	(232,649)	(262,963)
	<u>(1,015,665)</u>	<u>(1,247,752)</u>
Less: amounts capitalised in properties under development at a capitalisation rate of 3.61% (2024: 4.10%) per annum	<u>94,657</u>	<u>227,173</u>
	<u>(921,008)</u>	<u>(1,020,579)</u>
Bank charges and others	(7,704)	(6,821)
	<u>(928,712)</u>	<u>(1,027,400)</u>
Finance expenses	(928,712)	(1,027,400)
Finance income – interest income	26,217	139,419
	<u>(902,495)</u>	<u>(887,981)</u>

5. INCOME TAX EXPENSE

The PRC income tax is computed according to the relevant laws and regulations in the PRC. The applicable income tax rate is 25% (2024: 25%).

The subsidiaries, Beijing Capital Group Exhibitions & Events Co., Limited (“**BCGEE**”) and Beijing North Star Times Exhibition Co., Limited (“**BNSTE**”) obtained the High-Tech Enterprise Certification jointly issued by the Beijing Municipal Science and Technology Commission, Beijing Municipal Finance Bureau, and Beijing Municipal Taxation Bureau of the State Taxation Administration of The People’s Republic of China on 20 December 2023. In accordance with the provisions of Article 28 of the Enterprise Income Tax Law of the People’s Republic of China, BCGEE and BNSTE are now entitled to enjoy a preferential enterprise income tax rate of 15%.

The Company and certain PRC subsidiaries are also subject to the PRC land appreciation tax which is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditure including costs of land use rights and development and construction expenditure.

	Year ended 31 December	
	2025	2024
	<i>RMB’000</i>	<i>RMB’000</i>
Current income tax		
PRC enterprise income tax	149,853	279,299
Under/(over)-provision in previous years	2,188	(6,901)
	<u>152,041</u>	<u>272,398</u>
PRC land appreciation tax	208,016	123,853
Deferred income tax	<u>132,961</u>	<u>(59,221)</u>
	<u>493,018</u>	<u>337,030</u>

5. INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the local statutory tax rate in the PRC as follows:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Loss before income tax expense	(2,788,671)	(3,249,183)
Less: share of net profit of investments accounted for using the equity method	(16,943)	(129,631)
	<u>(2,805,614)</u>	<u>(3,378,814)</u>
Tax calculated at the statutory tax rate of 25% (2024: 25%)	(701,404)	(844,704)
The effect of preferential income tax rate	(5,383)	(4,380)
Income not chargeable for tax purposes	(2,030)	(5,074)
Expenses not deductible for tax purposes	6,918	5,899
Tax losses not recognised	542,687	498,814
Temporary differences not recognised	497,644	593,911
Effect of the land appreciation tax in the PRC	156,012	92,890
Utilisation of previously unrecognised tax losses	(8,489)	(37,240)
Reversal of temporary differences previously recognised	4,875	43,815
Under/(over)-provision in previous years	2,188	(6,901)
	<u>493,018</u>	<u>337,030</u>

6. LOSSES PER SHARE

Basic losses per share is calculated by dividing the loss attributable to ordinary shareholders of the Company by the number of shares in issue during the year.

Diluted losses per share is equal to the basic losses per share since the Company had no potential dilutive ordinary shares during the years ended 31 December 2025 and 2024.

	Year ended 31 December	
	2025	2024
Loss attributable to ordinary shareholders of the Company (RMB'000)	<u>(3,045,337)</u>	<u>(2,992,483)</u>
Number of ordinary shares in issue (thousands)	<u>3,367,020</u>	<u>3,367,020</u>
Losses per share (RMB cents per share) (basic and diluted)	<u>(90.45)</u>	<u>(88.88)</u>

7. DIVIDENDS

The dividends paid in 2025 are RMB Nil (2024: RMB67,340,000). The Board resolved to propose that no dividend will be declared in respect of 2025.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December					
	2025			2024		
	Current RMB'000	Non-current RMB'000	Total RMB'000	Current RMB'000	Non-current RMB'000	Total RMB'000
Trade and other receivables (a)	1,158,229	138,056	1,296,285	1,262,050	151,202	1,413,252
Prepayments	1,412,073	–	1,412,073	1,777,632	2,954	1,780,586
	<u>2,570,302</u>	<u>138,056</u>	<u>2,708,358</u>	<u>3,039,682</u>	<u>154,156</u>	<u>3,193,838</u>

(a) Trade and other receivables

	As at 31 December					
	2025			2024		
	Current RMB'000	Non-current RMB'000	Total RMB'000	Current RMB'000	Non-current RMB'000	Total RMB'000
Trade receivables (i)	326,707	–	326,707	281,710	–	281,710
Less: Loss allowance of trade receivables	<u>(117,867)</u>	<u>–</u>	<u>(117,867)</u>	<u>(84,693)</u>	<u>–</u>	<u>(84,693)</u>
Trade receivables – net	<u>208,840</u>	<u>–</u>	<u>208,840</u>	<u>197,017</u>	<u>–</u>	<u>197,017</u>
Receivables due from other related parties	64,046	264,600	328,646	291,708	538,995	830,703
Receivables due from non-controlling interests	702,314	–	702,314	693,975	–	693,975
Other receivables	<u>223,797</u>	<u>20,877</u>	<u>244,674</u>	<u>233,887</u>	<u>34,725</u>	<u>268,612</u>
	<u>990,157</u>	<u>285,477</u>	<u>1,275,634</u>	<u>1,219,570</u>	<u>573,720</u>	<u>1,793,290</u>
Less: Loss allowance of other receivables	<u>(40,768)</u>	<u>(147,421)</u>	<u>(188,189)</u>	<u>(154,537)</u>	<u>(422,518)</u>	<u>(577,055)</u>
Other receivables – net	<u>949,389</u>	<u>138,056</u>	<u>1,087,445</u>	<u>1,065,033</u>	<u>151,202</u>	<u>1,216,235</u>
	<u>1,158,229</u>	<u>138,056</u>	<u>1,296,285</u>	<u>1,262,050</u>	<u>151,202</u>	<u>1,413,252</u>

The fair values of trade and other receivables are not materially different from their carrying amounts.

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

(a) Trade and other receivables (Continued)

(i) Trade receivables

The majority of the Group's sales are on cash or advance basis. The remaining amounts are with credit terms of 30 to 90 days. At 31 December 2025 and 2024, the ageing analysis of the trade receivables based on the date of provision of services/goods were as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 – 30 days	125,667	125,889
31 – 90 days	15,528	29,836
Over 90 days	185,512	125,985
	<u>326,707</u>	<u>281,710</u>

9. TRADE AND OTHER PAYABLES AND LOANS/ADVANCES FROM OTHER PARTIES

At 31 December 2025 and 2024, the Group's trade and other payables and loans/advances from other parties mainly included trade payables, prepaid rental income from tenants, dividends payable to non-controlling interests of subsidiaries, amounts due to other related parties, non-controlling interests and third parties, loans/advances from other parties, other taxes payable and other payables.

At 31 December 2025 and 2024, the ageing analysis of the trade payables based on date of services/goods received. The ageing analysis of the Group's trade payables is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0 – 180 days	1,270,577	1,499,404
181 – 365 days	243,968	578,138
Over 365 days	2,405,879	2,587,259
	<u>3,920,424</u>	<u>4,664,801</u>

RECONCILIATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Group has prepared a separate set of consolidated financial statements for the year ended 31 December 2025 in accordance with the China Accounting Standards for Business Enterprises, the Application Guidance for Accounting Standard for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance of the PRC on 15 February 2006, and thereafter (“CAS”). The differences between the financial statements prepared under CAS and HKFRS Accounting Standards are summarised as follows:

	Loss attributable to owners of the Company for the year ended 31 December		Capital and reserves attributable to the owners of the Company as at 31 December	
	2025	2024	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As stated in accordance with CAS	(2,988,107)	(2,827,464)	6,702,492	9,699,143
Impact of HKFRS adjustments				
1. Reversal of depreciation and impairment of investment properties	219,797	264,594	3,105,949	2,886,152
2. Fair value adjustment of investment properties under HKFRS Accounting Standards	(277,027)	(429,613)	3,421,083	3,698,110
As stated in accordance with HKFRS Accounting Standards	<u>(3,045,337)</u>	<u>(2,992,483)</u>	<u>13,229,524</u>	<u>16,283,405</u>

PRELIMINARY ANNOUNCEMENT OF ANNUAL RESULTS

The figures in respect of this preliminary announcement of annual results have been agreed upon by the Group’s auditor, Cheng & Cheng Limited, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by Cheng & Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Cheng & Cheng Limited on this preliminary announcement of annual results.

RESULTS AND DIVIDEND

The Group’s revenue amounted to RMB6,060,486,000, representing a year-on-year decrease of 15.27%. The Group’s loss attributable to ordinary shareholders for the year ended 31 December 2025 was RMB3,045,337,000.

The Board resolved to propose that no final dividend will be declared in respect of the year ended 31 December 2025.

CLOSURE OF REGISTER OF SHAREHOLDERS

The register of shareholders of the Company will be closed from Monday, 11 May 2026 to Thursday, 14 May 2026 (both days inclusive), during which no transfer of the Company's shares will be registered. The record date for determining the eligibility of the shareholders to attend and vote at the 2025 annual general meeting will be 11 May 2026. For the purpose of ascertaining the shareholders' entitlement to attend and vote at the 2025 annual general meeting, all completed transfer documents relating to H shares, accompanied by the relevant share certificates, must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 8 May 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS IN WHICH THE COMPANY WAS ENGAGED DURING THE REPORTING PERIOD

The Company's main businesses include convention and exhibition and ancillary facilities services, and real estate development.

1. Convention and Exhibition and Ancillary Facilities Services

The Company leverages Capital Convention (Group) Co., Ltd. (“**Capital Convention**”) as a platform to vigorously integrate convention and exhibition resources, continuously strengthening the extension and expansion of new businesses and new technologies in the convention and exhibition industry. Actively promoting the layout of the whole industry chain of convention and exhibition, it has become a professional operator of the China International Fair for Trade in Services (herein after referred to as “**CIFTIS**”), a service provider for high-end state affairs and governmental activities, an important carrier for the development of the capital's international convention and exhibition industry, which undertakes the mission of focusing on the functional positioning of the capital city and cultivating the core competitiveness of the capital's convention and exhibition industry, and contributes to the development of Beijing's “Four Centers” (四個中心) functions and the construction of an international consumption center city, and is committed to building a “domestically leading and internationally advanced chain leader enterprise in the convention and exhibition industry chain” (國內領軍、國際領先的會展產業鏈鏈主企業).

The Company leverages Beijing North Star Commercial Management Co., Ltd. (北京北辰商業管理有限公司) as a platform to coordinate the provision of ancillary facilities services for conventions and exhibitions, carry out asset operations with an industry-oriented approach, carry out professional asset operation and property services management for businesses and assets held by the Company, such as office buildings, apartments and integrated commercial properties, and actively support the development of Beijing as an international science and technology innovation center and a global benchmark city for the digital economy, which contributes to the building of an asset operation and management model and a standard property management system with North Star's characteristics, thereby setting a new benchmark for asset management in the Beijing Asia Olympic business district.

2. Real Estate development

The real estate development business of the Company has formed a multi-regional and multi-level development layout on a national scale, engaging in the business of diversified and multi-grade property development and operation involving residence, apartments, villas, office buildings and commercial properties. As at the end of the Reporting Period, the development projects and land reserves of the Company were located in 15 core cities, including Beijing-Tianjin-Hebei, the Yangtze River Economic Zone, the Sichuan-Chongqing City Cluster, Hainan Free Trade Port and the Greater Bay Area of Guangdong, Hong Kong and Macau.

II. DEVELOPMENT OF THE INDUSTRY OF THE COMPANY DURING THE REPORTING PERIOD

In 2025, in the face of complex changes in the domestic and international economic environment, the PRC comprehensively implemented the new development philosophy, promoted high-quality development, coordinated both domestic and international priorities, adopted more proactive and effective macroeconomic policies, and advanced the development of a unified national market. Overall, the national economy operated at a stable level, with economic development moving towards new and superior direction, with the annual growth rate of GDP reaching 5.0%.

1. Convention and Exhibition and Ancillary Facilities Services

In 2025, the development environment for the convention and exhibition industry continued to improve. The central and local governments intensively introduced support measures to promote the industry's digital and green transformation, deepen the integrated development model of "convention and exhibition +" (會展+), amplify the comprehensive driving effect of the convention and exhibition industry, and steadily enhance its level of internationalization and specialization. The hotel industry generally remained in a weak recovery phase, with holidays serving as the key driver of performance. However, the pace of demand recovery lagged behind the growth in supply, resulting in relatively intense overall competition in the industry, and hotels in non-tourism destinations faced considerable operational challenges. The office market in Beijing remained in a bottoming adjustment phase. No large-scale new supply entered the market during the year, and the vacancy rate showed a slight decline. Meanwhile, tenants maintained relatively strong bargaining power, and landlords generally adopted preferential measures to attract tenants and stabilize occupancy rates, with rental levels remaining on a downward trend.

2. Real Estate development

In 2025, the real estate industry remained in a stage of deep adjustment and transitional recovery. In terms of policy, the Central Government emphasized the continued promotion of stabilizing and reversing the decline in the real estate market, optimizing policies for the acquisition of existing commercial housing inventory, systematically advancing the development of “good housing” (好房子), promoting high-quality urban renewal, and accelerating the establishment of a new development model for the real estate sector. Local governments adhered to city-specific and targeted policy measures, activating rigid and upgrade housing demand through various initiatives, including optimizing purchase and resale restriction policies, lowering minimum down payment ratios and mortgage interest rates, and deepening reforms of housing provident fund policies.

In terms of the market, the real estate market maintained a recovery momentum in the first quarter, weakened in the second quarter, and the sales scale of commodity housing in core cities tended to stabilize in the fourth quarter amid promotional activities by real estate developers. Driven by the introduction of improved quality properties, the average transaction price of new commodity housing continued to show a slight structural upward trend. However, differentiation among cities remained significant, with third – and fourth-tier cities primarily focused on digesting inventory projects, and downward pressure on housing prices persisted. According to the statistics from the National Bureau of Statistics of China, in 2025, the commodity housing sales area in the real estate market of the PRC was 732.99 million square meters, representing a year-on-year decrease of 9.2%, while the sales of commodity housing amounted to RMB7,333.5 billion, representing a year-on-year decrease of 13.0%. The land market throughout the year showed a trend of “higher in the first half and lower in the second half”. In the first half of the year, core cities accelerated the supply of high-quality land parcels, driving a significant increase in residential land transfer fees. In the second half of the year, the supply of high-quality land parcels in core cities slowed, and the overall heat of the land market declined.

III. DISCUSSION AND ANALYSIS ON THE OPERATIONS

In 2025, the Company focused on “coordinated development and reform-driven innovation” (協同發展、改革創新), actively planned its business development, deepened the integration and coordinated linkage of multi-format resources, and continuously enhanced management efficiency. The Company continued to strengthen its core segments of convention and exhibition and ancillary facilities services, as well as real estate development, making every effort to address industry challenges while seeking new growth opportunities.

(I) Convention and Exhibition and Ancillary Facilities Services

During the Reporting Period, the convention and exhibition and supporting facilities services segment closely aligned with national strategies and industry development needs, leveraging synergies across the entire business chain to elevate both operational efficiency and market presence to new heights.

1 Enhanced exhibition service capacity and operational efficiency

Relying on five key business pillars, namely service support for high-end state and government affairs activities, organization and hosting of convention and exhibition events, operation and management of venues and hotels, convention and exhibition industry research and consulting, and a digital integrated service platform, the Company has built a “domestically leading and internationally advanced chain leader enterprise in the convention and exhibition industry chain” (國內領軍、國際領先的會展產業鏈鏈主企業) by actively expanding government-related and international exhibitions, vigorously cultivating self-owned brand exhibitions, and providing one-stop convention and exhibition services to leading enterprises in strategic emerging industries.

(1) Comprehensive service capabilities for state and government affairs activities continued to strengthen

The Company has deeply integrated into the strategic plan of establishing Beijing, the capital, as an international exchange center. During the Reporting Period, the Company successfully completed service support tasks for a number of major state and government affairs events, including the Global Women’s Summit (全球婦女峰會), the Fourth Ministerial Meeting of the China-CELAC Forum (中拉論壇第四屆部長級會議), the 10th Annual Meeting of the Board of Governors of the Asian Infrastructure Investment Bank in 2025 (2025年亞洲基礎設施投資銀行第十屆理事會年會), the Third Session of the 14th Beijing Municipal Committee of the Chinese People’s Political Consultative Conference (中國人民政治協商會議北京市第十四屆委員會第三次會議), the Fourth China-Africa Economic and Trade Expo (第四屆中國－非洲經貿博覽會), the 2025 SCO Tianjin Summit (2025年上合組織天津峰會), and the 12th Beijing Xiangshan Forum (第十二屆北京香山論壇). “North Star Service” received high recognition from the organizers, which further enhanced its brand influence.

(2) The market-oriented level of organizing and hosting convention and exhibition organization continued to improve

The Company’s exhibition and convention organization business exhibition and convention organization business closely aligns with the development of new productive forces and the construction of an international consumption center city, focusing on key sectors such as biopharmaceuticals, artificial intelligence, embodied robotics, and the elderly economy. During the Reporting Period, exhibition projects including the 2025 China International Fair for Trade in Services (2025年服貿會), the 29th World Gas Conference (第29屆世界燃氣大會), the 11th Beijing International Exhibition on Senior Industry (第十一屆北京國際老齡產業博覽會), the International Association of Science Parks and Areas of Innovation (IASP) 2025 World Conference (國際科技園及創新區域協會(IASP)2025年世界大會), the 2025 Beijing International Healthy Lifestyle Consumption Expo (2025北京國際健康生活消費博覽會), the 2025 Beijing Half Marathon Expo (2025北京半程馬拉松博覽會), the 2025 ICCA Global Venue Forum (2025年ICCA全球場館論壇), the 2025 China Refrigeration Expo (2025中國製冷展), and the 27th China Beijing International High-Tech Expo (第二十七屆中國北京國際科技產業博覽會) were successfully organized

and hosted. Among them, the 2025 China International Fair for Trade in Services focused on internationalization, digital intelligence and distinctive features, integrating the “two parks and one river (兩園一河)” (Shougang Park (首鋼園), Yuanboyuan Park (園博園) and Yongding River (永定河)) to create an “convention and exhibition town (會展小鎮)”. Further breakthroughs were achieved in key areas including exhibition display, conference forums and market-oriented investment promotion. The total number of visitors to the fair reached 282,000, representing a year-on-year increase of 8%. The proportion of international exhibitors exceeded 20%, and both market-oriented revenue and sponsorship income achieved growth. During the event, more than 40 supporting activities were held, showcasing nearly 140 typical cases of “Beijing Services (北京服務)”, and over 900 cooperation outcomes were reached. In addition, the Company innovatively integrated culture, commerce, tourism, sports and exhibitions, and prepared and hosted a new indoor temple fair – the first Dadu New Year Temple Fair – creating an immersive festive consumption scenario that integrates “technology, international style and Chinese characteristics” (科技感、國際範、中國味).

(3) The scale of venue and hotel operation and management continued to expand steadily

During the Reporting Period, the Company hosted 2,397 various types of convention and exhibition events at its self-owned venues and hotels, representing a year-on-year increase of approximately 6.9%, with total visitor traffic reaching 5.0337 million.

The Phase II project of the China National Convention Center (國家會議中心二期項目) and the Capital International Exhibition and Convention Center (首都國際會展中心), both under the Company’s entrusted management, commenced operation during the Reporting Period. The Phase II project of the China National Convention Center is an important facility serving Beijing’s role as an international exchange center and China’s home diplomacy. After its commencement of operations, it formed, together with the Company’s self-owned China National Convention Center, a world-class convention and exhibition complex with a total scale exceeding 1.3 million square meters. During the Reporting Period, it hosted 55 conferences each with more than 1,000 participants and 60 exhibitions each covering more than 10,000 square meters, becoming an important platform and window for Beijing’s international exchange activities. The Capital International Exhibition and Convention Center, as an important platform for Beijing to expand in the services sector, has a total gross floor area of 611,000 square meters and an indoor exhibition area of nearly 210,000 square meters. Upon its commencement of operations, it became the largest single

exhibition venue in Beijing with the most comprehensive functions and the most advanced technologies. During the Reporting Period, it operated in coordination with the Shunyi Hall of the China International Exhibition Center, hosting the largest exhibition in Beijing’s history – the 19th China International Machine Tool Show (第十九屆中國國際機床展覽會) —with a total exhibition area of 310,000 square meters, setting new records for both the exhibition area of a single event in Beijing and the scale of the exhibition itself. Both venues actively explored multifunctional and diversified uses, successively hosting events including the Vienna New Year Concert (維也納新年音樂會), the Beijing International Yanjing Beer Culture Festival (北京國際燕京啤酒文化節), the “Zhong Man Cup” Fencing Open (“仲滿杯”擊劍公開賽), as well as automobile brand launch events for Hongqi (紅旗), Xiaomi (小米) and Li Auto (理想). Among them, the Capital International Convention Center was recognized as “2025 Global First Launch Center – First Launch Vitality Center” in Beijing.

At the same time, the Company’s brand output management business continued to lead the national market. During the Reporting Period, the Company newly signed entrusted management contracts for six venues and hotels, including the Xinjiang Shihezi International Convention and Exhibition Center (新疆石河子國際會展中心), Tacheng Central Asia Cultural Exchange Center (塔城中亞文化交流中心), and the Xiong’an International Academic Exchange Center Hotel (雄安國際學術交流中心酒店), as well as three consulting projects. To date, the Company’s venue and hotel management output business has expanded into 30 cities across China, covering Beijing-Tianjin-Hebei, Guangdong-Hong Kong-Macao, Chengdu-Chongqing and other important strategic development areas in China. The Company has undertaken 76 venue and hotel consultancy projects and 64 entrusted management projects, with the total managed venue area under entrusted management reaching nearly 7 million square meters. The Company has reached a new milestone in the scale of its self-owned and entrusted management venues, becoming the largest exhibition and convention operator in China in terms of both the number of venues and overall scale.

Table 1: Convention and exhibition venue and hotel projects under entrusted management of the Company to date

No.	Location	Name
1	Beijing City	Beijing Jinhai Lake International Convention & Exhibition Center
2		Shougang Convention & Exhibition Center
3		ZGC International Innovation Center
4		Beijing V-Continent Tongzhou Crown Zhenpin Hotel
5		Phase II project of the China National Convention Center
6		Capital International Exhibition and Convention Center
7	Chongqing City	Chongqing BBMG V-Continent Crown Hotel
8		Chongqing BBMG V-Continent Crown Executive Apartment
9		Chongqing V-Continent China Communications City Crown Hotel
10	Shijiazhuang City, Hebei Province	Shijiazhuang International Convention & Exhibition Center
11	Zhangjiakou City, Hebei Province	North Star V-Continent Zhangjiakou Crown Hotel
12		North Star V-Continent Wanquan Crown Hotel
13		North Star V-Continent Huai'an Garden-style Hotel

No.	Location	Name
14	Xiong'an New District, Hebei	Xiong'an Convention & Exhibition Center
15		Xiong'an Convention Center Hotel
16		Xiong'an International Academic Exchange Center Hotel
17	Langfang City, Hebei Province	V-Continent Yongqing Crown Hotel
18		North Star V-Continent Yinfeng Crown Hotel
19	Xingtai City, Hebei Province	Xingtai World Exhibition & Convention Center Project, Xingtai Convention Center
20		Ancillary hotels for Xingtai Convention Center
21	Guangzhou City, Guangdong Province	Nansha International Convention & Exhibition Center
22	Zhuhai City, Guangdong Province	Zhuhai International Convention & Exhibition Center
23		North Star Zhuhai Jinye V-Continent Crown Hotel
24		Zhuhai V-Continent Athletes Apartment
25		Zhuhai V-Continent Crown Athletes' Comprehensive Center
26	Fuzhou City, Fujian Province	Fuzhou Digital China Convention & Exhibition Center
27	Nanjing City, Jiangsu Province	Yangtze International Convention Center
28		Yangtze International Convention Center Hotel
29		Longshan Lake Hotel at the Yangzi River International Conference Center (Apartments and Serviced Apartments)
30		V-Continent Nanjing Executive Apartment
31		Nanjing V-Continent Crown Hotel
32	Nantong City, Jiangsu Province	Nantong International Convention & Exhibition Center
33		Nantong V-Continent Crown Hotel
34	Lianyungang City, Jiangsu Province	Lianyungang Continental Bridge Convention Center
35		Ancillary hotels for Lianyungang Continental Bridge Convention Center
36	Taizhou City, Jiangsu Province	Taizhou China Medical City Exhibition Center

No.	Location	Name
37	Hangzhou City, Zhejiang Province	Hangzhou International Expo Center
38		Hangzhou International Expo Center North Star Hotel
39	Lishui City, Zhejiang Province	Lishui International Convention & Exhibition Center
40		Ancillary hotels for Lishui International Convention & Exhibition Center
41	Huzhou City, Zhejiang Province	Anji International Convention & Exhibition Center
42		Ancillary hotels for Anji International Convention & Exhibition Center
43	Qingdao City, Shandong Province	Qingdao SCO International Convention Center
44		Qingdao SCO Pearl International Expo Center (Hall A)
45	Dezhou City, Shandong Province	Dezhou Tianqu International Convention & Exhibition
46	Yuncheng City, Shanxi	Yuncheng Convention and Exhibition Center
47	Chengdu City, Sichuan Province	Chengdu Airport International Convention Center
48		Chengdu Airport International Convention Center Hotel
49	Wuhan City, Hubei Province	North Star V-Continent Wuhan China Communications City Crown Hotel
50		Wuhan Automotive Supply Chain Industrial Park
51		Ancillary hotels for the Wuhan Automotive Supply Chain Industrial Park Project
52	Changsha City, Hunan Province	North Star V-Continent Changsha China Communications International Center Crown Hotel
53	Zhengzhou City, Henan Province	Zhengzhou Central Culture District Culture Exchange Center
54		Ancillary hotels for Zhengzhou Central Culture District Culture Exchange Center
55		Zhengzhou International Cultural Exchange Center
56	Tonghua City, Jilin Province	North Star V-Continent Tonghua Wanfeng Crown Hotel
57		Tonghua V-Continent Canchuang Crown Hotel

No.	Location	Name
58	Hohhot City, Inner Mongolia Autonomous Region	V – Continent Commerce Hohhot Jinqiao Development Zone Hotel
59	Guilin City, Guangxi Zhuang Autonomous Region	Guilin International Conference and Exhibition Center
60		Ancillary hotels for Guilin International Conference and Exhibition Center
61	Nyingchi City, Tibet Autonomous Region	V-Continent Linzhi Hotel
62	Shihezi City, Xinjiang Uygur Autonomous Region	Shihezi International Convention and Exhibition Center
63	Tacheng Prefecture, Xinjiang Uygur Autonomous Region	Tacheng Central Asia Cultural Exchange Center
64		Service Base of the Tacheng Central Asia Cultural Exchange Center

2. Steady improvement in the quality and efficiency of convention and exhibition and ancillary facilities services

(1) Implementing asset operations with an industrial mindset

By integrating internal resources, the Company has established a comprehensive portfolio of office products exceeding 500,000 square meters in total scale. This portfolio encompasses diverse commercial spaces including premium-grade, grade-A, and grade-5A facilities. We executed targeted marketing strategies for the Asian Games and Olympic Games regional markets while innovating a digital marketing matrix and creating distinctive community events. This approach formed a comprehensive marketing ecosystem to enhance customer loyalty. During the reporting period, we secured contracts with leading enterprises across multiple sectors including TMT, energy, and finance, achieving a net absorption of approximately 40,000 square meters.

(2) Actively promote investment attraction efforts in industrial parks

Leveraging resources from professional exhibitions such as the Science and Technology Expo, we have focused on strategic emerging industries to form a three-park industrial cluster and improved the operational quality of ancillary facilities such as office buildings. During the Reporting Period, the Chaoyang Data Factor Industrial Park (朝陽數據要素產業園) successfully signed 37 clients, achieving an industrial concentration rate of 82%. Simultaneously, we introduced China's first reliable data circulation space for automobiles, established the Artificial Intelligence Convention and Exhibition Industrial Park (人工智能會展產業園), and took on the Smart Robot Innovation Application Base (智能機器人創新應用基地), supporting Beijing's development as an international science and innovation hub and a global benchmark city for the digital economy.

(3) Fully committed to expanding our property management services

The North Star Yue (北辰悦) property management service system has undergone a comprehensive upgrade. During the Reporting Period, we successfully took over projects such as the Beijing Olympic Tower and the "I Love My Family" (我愛我家) office building, achieving zero service interruption and zero customer complaint. This has established a new benchmark for asset management in Beijing's Asia Olympic business district.

(4) Continuously enhance commercial project operational capabilities

During the Reporting Period, the Changsha North Star commercial project achieved independent operation and was officially renamed “Changsha North Star Center” (長沙北辰薈), marking a new chapter in North Star’s commercial self-operated ventures. Concurrently, the Beijing North Star Center project, managed under entrustment, continued to innovate its operational model and enhance the consumer experience. Within the Reporting Period, the project achieved a 99% occupancy rate, with total foot traffic exceeding 8.3 million visits, demonstrating steady improvements in commercial operational quality and market appeal.

(5) Deepening the development of consumption alliances in the Asia Olympic and Binhai Business District

During the Reporting Period, the Asia Olympic Business District New Consumption Innovation Alliance was incorporated into the municipal-level coordination mechanism, marking the start of the alliance’s entity-based, regularized, and standardized operations. Initiatives included the development of the “Asia Olympic Consumer Pass”(亞奧消費通票), and the inaugural launch of the Chaoyang Culinary Sightseeing Bus “Central Axis Line”(中軸專線), as well as hosting events such as the “Asia Olympic International Hi-Beer Festival”(亞奧國際嗨啤節). These efforts built multi-format integrated consumption scenarios. Concurrently, in collaboration with enterprises and institutions including the Hunan Provincial Museum and Hunan Tv & Broadcast Intermediary, we initiated the establishment of the “Changsha Beichen Riverside Business District New Lifestyle Innovation Alliance”(長沙北辰濱江商圈新生活創新聯盟), focusing on six new consumption scenarios – nightlife, recreation, culture and sports, festivals, exhibitions, and digital sectors, forming a “north-south linkage” framework with the Asia Olympic Business District New Consumption Innovation Alliance. This will establish a “grand convention and exhibition” framework to support the Company’s brand building, market expansion, and further enhancement of its influence.

(II) Real Estate Development

Amid the complex environment of ongoing adjustments in the real estate market, the Company has been deeply exploring operational potential, coordinating efforts to reduce inventory, ensure project delivery, mitigate risks, and pursue transformation, thereby maintaining stable operations in its real estate business.

1. *Precision marketing accelerated project sales*

Responding to market shifts and seizing policy windows, the Company developed tailored strategies for each project. Themed campaigns including the “New Year Home Purchase Season” (新春購房季), “Heart-Pounding May Holiday Lujiaohou Festival” (心動五一旅居嗨購節), and “Auto Dealers Festival” (車商節) were launched with flexible promotional adjustments. During the Spring Festival period, pre-sales and contract signings achieved significant year-on-year growth. Simultaneously, digital marketing efforts were intensified to boost online customer acquisition, with the “North Star Cheng Xiangjia” (北辰橙享家) platform achieving a record-high proportion of digital marketing transactions in recent years. During the Reporting Period, the Company recorded contract sales (including parking spaces) of RMB3.217 billion, with a sales area of 253,300 square meters. Notably, the North Star Red Oak Villa project achieved strong sales upon launch, ranking first in Beijing in terms of number and area of units sold.

2. *Strengthen construction efforts to ensure smooth delivery*

Enhancing meticulous control throughout the project lifecycle, rigorously managing costs and ensuring engineering quality while advancing development and construction. During the Reporting Period, 1,093,900 square meters of projects starting or resuming construction, and 138,800 square meters completed. Notably, the final phase of the Changsha North Star project – Building 1 in Zone A2 – successfully reached its structural completion milestone. Buildings 2 and 4 achieved completion readiness, marking the full structural completion of all project structures. Concurrently, project deliveries progressed steadily and orderly, with nearly 2,000 units delivered throughout the year. Among these, the Changsha North Star Delta Yuejiangyang project achieved its bulk delivery half a year ahead of schedule.

3. *Strictly control risks to drive transformative development*

Adhering to the principle of “spending based on revenue”, strengthen budgetary and process controls to ensure secure and stable cash flow. Through a three-pronged strategy of “liquidation and deregistration, absorption mergers, and equity transfers,” we consolidate regional resources, enhance per-capita efficiency, expedite the exit of tail-end projects, and revitalize dormant assets.

Table 2: Leasing of real estate during the Reporting Period*Unit: 0'000 Currency: RMB*

No.	Location	Project	Mode of operation	Gross floor area of the leased real estate (square meter)	Rental income of the leased real estate	Equity proportion (%)
1	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Bin Plaza	Office building	37,800	5,320	100
2	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Xin Plaza	Office building	40,900	4,342	100
3	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	North Star Times Tower	Office building	131,300	13,553	100
4	No. 8 Bei Chen Xi Road, Chao Yang District, Beijing	North Star Century Center	Office building	149,800	19,157	100
5	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Zhen Building	Office building	8,400	2,005	100
6	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Yuan Apartment	Apartment	184,300	25,012	100
7	A13 Beiyuan Road, Chao Yang District, Beijing	B5 Commercial Area of North Star Green Garden	Commercial	49,700	3,102	100
8	No. 1500, Xiang Jiang Bei Road, Kaifu District, Changsha, Hunan Province	Changsha North Star Plaza	Commercial	100,000	11,530	100
9	No. 9, Gaoxin 2nd Road, Hongshan District, Wuhan City, Hubei Province	Wuhan Guangguli	Commercial	29,600	2,019	100
10	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	North Star New Space	Office building	31,000	4,426	100

Notes:

1. The B5 Commercial Area of North Star Green Garden has been leased to Beijing Shopin Retail Development Co., Ltd. (北京市上品商業發展有限責任公司) since August 2016.
2. Construction area of the leased real estate represents the total construction area of the project.
3. The rental income of the leased real estate is the operating income of the project.
4. Construction area and operating income of North Star Times Tower have included the construction area and operating income of the Xinchenli Shopping Centre commercial project.

Table 3: Real estate reserve during the Reporting Period

No.	Region(s) of the land held for development	Land area held for development (square meter)	Planned plot ratio based gross floor area (square meter)	Whether cooperative development project is involved	Area of cooperative development project (square meter)	Percentage of interest in cooperative development project (%)
1	Wuhan North Star Guangguli	134,800	337,000	No	–	100
2	Langfang North Star Xianglu	56,900	296,800	No	–	100
3	Chongqing • Yuelai Mansion One	167,400	918,000	No	–	100

Notes:

1. Land area held for development represents the gross construction area of undeveloped portion of project land;
2. Planned plot ratio-based gross floor area represents the data calculated with reference to the conditions of assignment at the time of project auction;
3. Area of cooperative development project represents the plot ratio-based gross floor area attributable to the interest held by the Company;
4. During the Reporting Period, total land reserve of the Company was 3,516,900 square meters; equity land reserve was 3,288,600 square meters, with no newly added real estate reserve.

Table 4: Investment in real estate development during the Reporting Period*Unit: 100 million Currency: RMB*

No.	Location	Project	Mode of operation	Projects under construction/ Newly commenced projects/Completed projects	Project area (square meter)	Planned plot ratio-based gross floor area (square meter)	Total floor area (square meter)	Floor area under construction (square meter)	Completed area (square meter)	Total investment amount	Actual investment amount during the Reporting Period
1	Haidian, Beijing	Beijing North Star Xianglu	Residence	Completed	142,400	230,000	312,100	-	312,100	28.59	-
2	Changping, Beijing	Beijing North Star Red Oak Villa	Villa	Under construction	287,500	150,000	213,700	40,200	173,500	34.00	2.78
3	Shunyi, Beijing	Beijing Modern North Star Yue MOMA	Self-occupied commercial housing, two-limit housing	Under construction	52,800	109,300	132,500	1,400	131,100	23.47	-
4	Changping, Beijing	Beijing Jinchun Mansion	Residence	Completed	86,600	170,400	280,100	-	280,100	53.17	0.12
5	Mentougou, Beijing	Beijing Longfor North Star Lanjing	Residence	Completed	26,000	66,200	104,100	-	104,100	24.78	0.15
6	Changsha, Hunan	Changsha North Star Delta	Residence, commercial and office building etc.	Under construction	780,000	3,820,000	5,200,000	236,500	4,894,700	407.08	9.39
7	Changsha, Hunan	Changsha North Star Central Park	Residence	Completed	336,300	720,000	927,100	-	927,100	26.03	0.56
8	Changsha, Hunan	Changsha North Star Shiguangli	Residence and commercial	Completed	27,700	107,900	145,400	-	145,400	12.28	0.60
9	Wuhan, Hubei	Wuhan North Star Guangguli	Commercial service	Under construction	84,200	337,000	492,000	-	357,200	25.81	0.46
10	Wuhan, Hubei	Wuhan North Star Blue City	Residence and commercial	Under construction	358,000	716,000	980,100	17,000	745,400	102.68	0.63

No.	Location	Project	Mode of operation	Projects under construction/ Newly commenced projects/Completed projects	Project area (square meter)	Planned plot ratio-based gross floor area (square meter)	Total floor area (square meter)	Floor area under construction (square meter)	Completed area (square meter)	Total investment amount	Actual investment amount during the Reporting Period
11	Wuhan, Hubei	Wuhan North Star Peacock City Hangtian Mansion	Residence	Completed	75,200	172,800	220,400	-	220,400	9.88	0.65
12	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 067)	Residence and commercial	Completed	50,500	126,200	180,900	-	180,900	12.42	0.33
13	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 068)	Residence and commercial	Under construction	63,200	158,100	227,700	227,700	-	16.38	0.02
14	Wuhan, Hubei	Wuhan North Star Jindiyang Time	Residence and commercial	Completed	50,500	151,400	212,100	-	212,100	18.72	0.09
15	Hangzhou, Zhejiang	Hangzhou North Star Chenchun Lancheng	Residence	Completed	69,000	179,500	276,600	-	276,600	52.18	3.40
16	Ningbo, Zhejiang	Ningbo Beichenfu	Residence	Completed	47,300	137,400	189,700	-	189,700	45.20	0.27
17	Yuyao, Zhejiang	Ningbo Xianglu Bay	Residence	Completed	68,700	116,800	166,400	-	166,400	22.43	0.41
18	Suzhou, Jiangsu	Suzhou Guanlan Mansion	Residence and commercial	Completed	170,000	268,800	392,900	-	392,900	65.70	2.24
19	Wuxi, Jiangsu	Wuxi Tianyi Jiuzhu	Residence	Completed	88,000	196,000	255,400	-	255,400	28.60	0.03
20	Chengdu, Sichuan	Chengdu North Star Langshi Nanmen Lvjun	Residence and commercial	Completed	63,600	158,600	237,000	-	237,000	9.83	0.0001
21	Chengdu, Sichuan	Chengdu North Star • Xianglu	Residence and commercial	Completed	40,400	96,900	148,300	-	148,300	16.16	-
22	Chengdu, Sichuan	Chengdu North Star • South Lake Xianglu	Residence	Completed	88,000	210,000	297,100	-	297,100	26.25	0.49
23	Chengdu, Sichuan	Chengdu North Star Royal Palace	Residence and commercial	Completed	26,600	79,800	120,000	-	120,000	18.03	-

No.	Location	Project	Mode of operation	Projects under construction/ Newly commenced projects/Completed projects	Project area (square meter)	Planned plot ratio-based gross floor area (square meter)	Total floor area (square meter)	Floor area under construction (square meter)	Completed area (square meter)	Total investment amount	Actual investment amount during the Reporting Period
24	Chengdu, Sichuan	Chengdu North Star Luming Mansion	Residence and commercial	Completed	80,100	160,300	227,300	-	227,300	22.00	0.14
25	Meishan, Sichuan	Sichuan North Star Guosongfu	Residence and commercial	Completed	59,900	149,800	197,400	-	197,400	16.32	0.46
26	Meishan, Sichuan	Sichuan North Star Longxitai	Residence and commercial	Completed	69,900	84,000	126,600	-	126,600	15.08	
27	Langfang, Hebei	Langfang North Star Xianglu	Residence and commercial	Under construction	140,700	296,800	414,500	-	357,700	31.28	1.45
28	Langfang, Hebei	Langfang North Star Blue City (Lot 2018-4)	Residence	Under construction	82,500	164,800	245,600	245,600	-	24.56	3.42
29	Langfang, Hebei	Langfang Xingchenli (Lot 2019-3)	Commercial	Under construction	21,100	52,800	75,400	75,400	-	5.45	
30	Langfang, Hebei	Langfang North Star (Lot 2020-5)	Residence	Under construction	46,200	92,000	135,400	135,400	-	13.43	1.16
31	Yubei, Chongqing	Chongqing • Yuelai Mansion One	Residence and commercial	Under construction	429,100	918,000	1,321,100	-	1,153,600	115.93	3.71
32	Yubei, Chongqing	Chongqing North Star Xianglu	Residence	Completed	68,200	102,200	150,400	1,000	150,400	24.64	0.84
33	Haikou, Hainan	North Star Mansion in Haikou	Residence and commercial	Completed	106,800	206,000	281,100	-	281,100	36.31	0.38
34	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 116)	Residence and commercial	Under construction	25,900	77,800	113,700	113,700	-	12.00	0.02
35	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 114)	Residence and commercial	Completed	25,100	76,600	110,600	-	110,600	9.66	0.21

Notes:

1. Total investment amount represents the estimated total investment amounts for each project;
2. During the Reporting Period, the Company's new construction area was zero square meter; the area for new and resumed construction was 1,093,900 square meters; and the completed area was 138,800 square meters.

Table 5: Sales and booked sales of real estate during the Reporting Period*Unit: 0'000 Currency: RMB*

No.	Location	Project	Mode of operation	Saleable area (square meter)	Sold (including pre-sold) Area (square meter)	Booked area (square meter)	Booked revenue	Area to be booked at the end of the Reporting Period (square meter)
1	Haidian, Beijing	Beijing North Star Xianglu	Residence	2,869	2,869	2,869	3,619	492
2	Chao Yang, Beijing	Beijing North Star Fudi	Residence and commercial	3,131	83	83	47	-
3	Shunyi, Beijing	Beijing North Star • Villa 1900	Residence	980	980	1,225	3,251	447
4	Chao Yang, Beijing	Beijing Bihai Fangzhou	Residence	830	-	-	-	1,499
5	Changping, Beijing	Beijing North Star Red Oak Villa	Villa	27,729	14,213	11,317	47,580	3,517
6	Changping, Beijing	Beijing Jinchen Mansion	Residence	82,791	4,895	6,052	22,026	89
7	Mentougou, Beijing	Beijing Longfor North Star Lanjing	Residence	10,466	1,538	-	-	-
8	Changsha, Hunan	Changsha North Star Delta	Residence, commercial and office building etc.	78,089	20,128	37,888	66,431	26,242
9	Changsha, Hunan	Changsha North Star Central Park	Residence	8,393	383	5,188	9,358	992
10	Changsha, Hunan	Changsha North Star Shiguangli	Residence and commercial	11,206	4,294	6,144	2,312	160
11	Wuhan, Hubei	Wuhan North Star Guangguli	Commercial service	62,222	1,318	1,337	1,278	120
12	Wuhan, Hubei	Wuhan North Star Blue City	Residence and commercial	43,834	8,258	10,392	5,463	133

No.	Location	Project	Mode of operation	Saleable area (square meter)	Sold (including pre-sold) Area (square meter)	Booked area (square meter)	Booked revenue	Area to be booked at the end of the Reporting Period (square meter)
13	Wuhan, Hubei	Wuhan North Star Peacock City Hangtian Mansion	Residence	54,187	48,440	32,917	91	15,795
14	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 067)	Residence and commercial	21,681	6,668	10,021	4,504	102
15	Wuhan, Hubei	Wuhan North Star Jindiyang Time	Residence and commercial	29,286	1,916	-	-	-
16	Hangzhou, Zhejiang	Hangzhou North Star Shushan Project	Residence and commercial	7,304	1,546	1,546	2,193	-
17	Hangzhou, Zhejiang	Hangzhou North Star Chenchun Lancheng	Residence	40,658	10,517	8,573	9,919	2,148
18	Ningbo, Zhejiang	Ningbo Beichenfu	Residence	7,510	-	-	14	-
19	Yuyao, Zhejiang	Ningbo Xianglu Bay	Residence	5,950	5,470	5,725	7,176	121
20	Suzhou, Jiangsu	Suzhou Guanlan Mansion	Residence and commercial	122,047	24,865	29,442	30,253	505
21	Chengdu, Sichuan	Chengdu North Star • Xianglu	Residence and commercial	601	196	196	285	-
22	Chengdu, Sichuan	Chengdu North Star • South Lake Xianglu	Residence	7,056	-	-	252	-
23	Chengdu, Sichuan	Chengdu North Star Royal Palace	Residence and commercial	4,476	-	126	-	-
24	Chengdu, Sichuan	Chengdu North Star Luming Mansion	Residence and commercial	9,828	54	736	578	111
25	Meishan, Sichuan	Sichuan North Star Guosongfu	Residence and commercial	5,641	-	230	182	246
26	Meishan, Sichuan	Sichuan North Star Longxitai	Residence and commercial	24,858	10,667	13,111	8,915	407
27	Langfang, Hebei	Langfang North Star Xianglu	Residence and commercial	10,124	9,030	9,187	8,291	139
28	Langfang, Hebei	Langfang North Star Blue City	Residence	139,155	18,918	-	-	18,918

No.	Location	Project	Mode of operation	Saleable area (square meter)	Sold (including pre-sold) Area (square meter)	Booked area (square meter)	Booked revenue	Area to be booked at the end of the Reporting Period (square meter)
29	Yubei, Chongqing	Chongqing • Yuelai Mansion One	Residence and commercial	135,386	44,258	50,581	41,641	1,540
30	Yubei, Chongqing	Chongqing North Star Xianglu	Residence	54,718	5,276	8,101	8,598	-
31	Haikou, Hainan	North Star Mansion in Haikou	Residence and commercial	35,584	2,489	3,540	6,802	485
32	Haikou, Hainan	Haikou North Star Changxiu Shijia	Residence	2,373	-	-	127	-
33	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 114)	Residence and commercial	5,393	4,018	-	-	-

Notes: During the Reporting Period, the Company's sales amount was RMB3.217 billion; sales area was 253,337 square meters; settlement amount was RMB2.920 billion; settlement area was 256,528 square meters; the area to be booked as at the end of the Reporting Period was 75,334 square meters.

(III) Digitalization Initiatives

1. *Enhancing the digitalization of exhibition and conference operations*

During the Reporting Period, by upgrading the digital and intelligent capabilities of its self-owned exhibition venues and entrusted venues, the Company completed the upgrade and renovation of the smart exhibition venue operation and management platform, establishing a unified Software-as-a-Service (“SaaS”) digital operation and management platform. This initiative standardized digital operation and management standards and processes, thereby enhancing the efficiency and quality of venue services. During the Reporting Period, the Company launched an AI assistant “Xiao Fu”(小福) in conjunction with the China International Fair for Trade in Services, leveraging digital and intelligent technologies to enhance trade matching and exhibition operations. It also established digital platforms such as Metropolis Exhibition (大都會展) to promote the value transformation of convention and exhibition data assets and the scalable development of digital business operations.

2. *Embarking on the digital and smart transformation of the convention and exhibition industry and ancillary facilities*

During the Reporting Period, the Company initiated the establishment of the “Artificial Intelligence Convention and Exhibition Ecological Alliance” (人工智能會展生態聯盟) to support the digital and intelligent transformation of the convention and exhibition industry and ancillary facilities, as well as their coordinated development within the ecosystem. In terms of digital marketing, the Company launched the “Asia Olympic Circle”(亞奧圈) digital platform, launched the digital construction of the “Bei Ji Xing”(北極星) grand membership system, integrated the digital marketing resources of the two major business segments of convention and exhibition and ancillary facilities services and real estate development, and built a unified external digital marketing platform to achieve “unified brand promotion, unified channel expansion, unified resource allocation” to effectively improve the overall efficiency of resource allocation and comprehensive market competitiveness. In terms of data governance, we strengthened the data governance system, unified the data foundation, and standardized control and operational data, successfully obtaining two authoritative certifications: Data Management Capability Maturity Model (DCMM) Party A Level 3 (Robust Level) and Digital Transformation Maturity Model (DLMM) Scenario Level (Three-Star Rating).

(IV) Financing Activities

The Company strengthened capital coordination and strengthened debt management and control, and the scale of interest-bearing liabilities remained stable. As at the end of the Reporting Period, the total financing amounted to RMB23.32 billion, which provided a stable capital guarantee for the Company’s operation and development. At the same time, the Group continued to optimize its debt structure, rationally plan financing channels and strive to reduce capital costs, so that the overall average financing cost was further reduced to 3.56%.

Table 6: Financing of the Company during the Reporting Period

Unit: 0’000 Currency: RMB

Total financing amount as at the end of the period	Overall average financing cost (%)	Interest capitalised
2,332,207	3.56	9,466

IV. ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company's strengths and core competitiveness primarily manifest in the comprehensive influence of its convention and exhibition brands and its integrated real estate development and operational capabilities. Leading domestic convention and exhibition services, coupled with specialized, branded hotels, office buildings, apartments, and mixed-use commercial properties, provide the Company with a stable revenue foundation. In recent years, the Company has centered its operations around convention and exhibition services and supporting facilities. Through its convention-driven strategy, it has fostered synergistic development across its real estate segment. These two business pillars are interconnected and mutually supportive, ensuring the Company's steady and healthy growth.

In the convention and exhibition and ancillary facilities services segment, leveraging nearly 30 years of professional convention and exhibition operations and international service experience, the Company actively develops the convention and exhibition ecosystem industry. Aiming to become a comprehensive solutions provider for the convention and exhibition sector, it is building a full-industry-chain development model. Regarding its primary organizing and hosting operations, the Company serves as the official professional operator for the CIFTIS, responsible for the market-oriented and internationalized operations of the event. As one of the principal organizers of China Refrigeration Expo – one of the most influential professional exhibitions in the heating, ventilation, air conditioning, and refrigeration industry in China and globally – the Company leverages its professional operational capabilities and resource advantages to provide robust support for the event's expansion, specialization, and internationalization. In convention and exhibition venue management, the Company maintains its position as China's largest operator through both self-owned venues and light asset management services. Key self-owned venues include the China National Convention Center, Beijing International Convention Center, and Changsha North Star International Convention Center, while its output of light asset management services span across 30 cities and regions nationwide. Within convention and exhibition services, the Company leverages its managed venues to provide exhibitors with services including booth construction, logistics, and information technology solutions.

In the real estate sector, the Company possesses comprehensive property development and operational capabilities, encompassing diverse projects such as high-end residences, villas, apartments, affordable housing, office buildings, and commercial properties. It demonstrates strong professional expertise and competitiveness in developing large-scale, integrated real estate projects. Aligning with current industry trends, the Company actively innovates its development model by advancing synergistic “convention and exhibition + real estate” projects.

Additionally, the Company leverages the advantages of the “headquarters financing” model. With its strong credit standing and risk management capabilities, it has established long-term, stable strategic partnerships with multiple banks and financial institutions, securing significant advantages in loan interest rates. Simultaneously, the Company actively explores diversified financing channels such as medium-term notes, corporate bonds, and asset securitization. It continuously optimizes its overall debt structure, maintains low financing costs, and effectively enhances its risk-bearing capacity.

V. MAJOR BUSINESS CONDITIONS DURING THE REPORTING PERIOD

In 2025, the Company achieved operating revenue of RMB6,060,486,000, representing a year-on-year decrease of 15.27%, which was mainly attributable to the decrease in completed area of the real estate development segment. Meanwhile, the Company's loss before tax and loss attributable to ordinary shareholders amounted to RMB2,788,671,000 and RMB3,045,337,000, respectively, due to the loss in the real estate business. The after-tax core operating loss of the Company's main business (excluding losses arising from the changes in fair value) was RMB2,768,310,000, while during the period, the losses (after taxation) on changes in fair value of investment properties were RMB277,027,000. Loss per share was RMB0.9045.

Of which, the convention and exhibition and ancillary facilities services segment achieved operating revenue of RMB2,976,591,000 during the Reporting Period, representing a slight increase of 0.53%. Despite efforts to expand the market, there was a change in the revenue structure during the Reporting Period, and the profit before tax amounted to RMB348,561,000, representing a year-on-year decrease of 29.17%. The real estate development segment achieved operating revenue of RMB2,919,548,000 (including parking spaces) during the Reporting Period, representing a year-on-year decrease of 27.20%, while the loss before tax amounted to RMB2,953,043,000, representing a decrease in loss of RMB467,124,000.

VI. THE COMPANY'S DISCUSSION AND ANALYSIS OF FUTURE DEVELOPMENT OF THE COMPANY

(I) Industry Landscape and Trend

The year 2026 marks the beginning of the "15th Five-Year Plan" period. The Fourth Plenary Session of the 20th CPC Central Committee outlined the guiding principles and primary objectives for economic and social development during this phase, emphasizing the need to fully, accurately, and comprehensively implement the new development philosophy, accelerate the formation of a new development paradigm, and adhere to the general principle of pursuing progress while ensuring stability. The Central Economic Work Conference further proposed implementing more proactive macroeconomic policies, continuously expanding domestic demand and optimizing supply, enhancing new growth drivers while revitalizing existing resources, developing new productive forces tailored to local conditions, and advancing the construction of a unified national market in depth.

Regarding convention and exhibition and ancillary facilities services, the nation continues to refine the institutional mechanisms of modern service industries, positioning the convention and exhibition economy as a key driver for smoothing industrial cycles and stimulating consumption growth. The convention and exhibition sector is thus poised to seize development opportunities in scenario innovation and brand upgrading. The Eighth Plenary Session of the 13th Beijing Municipal Party Committee first proposed promoting the integrated development of "culture, commerce, tourism, sports, and exhibitions," offering vast potential for upgrading the Asia Olympic areas. Meanwhile, newly constructed convention and exhibition venues nationwide are progressively coming online, while Beijing's existing facilities continue to expand capacity. This intensifies spatial competition within the industry, placing

higher demands on enterprises' operational capabilities, brand influence, and resource integration proficiency.

Regarding real estate development operations, the industry will remain in a period of profound adjustment. The nation is focusing on stabilizing the real estate market by implementing city-specific policies to control new supply, reduce inventory, and optimize supply. It is deepening reforms to the housing provident fund system, promoting the orderly construction of "quality housing," vigorously implementing urban renewal, and accelerating the establishment of a new model for real estate development. These efforts provide significant opportunities for enterprises to drive their transformation in the real estate sector.

(II) Development Strategy of the Company

The Company adheres to the principle of "synergistic development and reform-driven innovation," focusing on strengthening the "mega convention and exhibition" industry as its core. Leveraging digital and intelligent empowerment as its driving force, it promotes deep synergy across all business segments. The Company is fully committed to becoming a domestically leading and internationally advanced chain leader enterprise in the convention and exhibition industry chain, as well as a comprehensive operator empowered by the "convention and exhibition +" model.

1. Convention and Exhibition and Ancillary Facilities Services

The Company will focus on serving the national agenda and advancing the development of Beijing's "four centers" functions, firmly seize the development opportunities presented by new-quality productive forces, promote the high-quality development of the convention and exhibition industry. We will fully leverage the industry's role and functions within strategic emerging industries, and drive the integrated development of ancillary facilities such as hotels, office buildings, apartments, and integrated commercial complexes.

The Company builds a new business framework centered on four pillars and eight supporting elements. The four pillars are our core business of government-sponsored exhibitions, international events, proprietary brand shows, and one-stop exhibition services for leading enterprises. The supporting elements encompass lean venue operations, enhanced entrusted management, standardized service systems, diversified business formats, deep vertical industry integration, a proprietary brand matrix, centralized procurement, and digital platform development. Simultaneously, we deepen our model transformation by building a new business model through "expanding, extending, and complementing the industrial chain." Positioned as an "industrial development partner," we focus on advantageous industrial sectors, providing full-chain, high-value-added services to establish an "convention and exhibition +" industrial ecosystem. We accelerate product innovation to create a product portfolio characterized by standardized offerings, commercialized exhibits, and specialized content, thereby achieving comprehensive upgrades in venue management and other services, and leveraging core data to streamline product sales channels. We expand our client base by incorporating all entities across the convention and exhibition industry value chain into our customer roster, utilizing data platforms to enable precise insights and marketing.

The Company prioritizes asset value enhancement as its core objective, leveraging the industrial park's resource aggregation advantages around the "convention and exhibition +" model to establish new benchmarks in asset operations. We will strengthen the integration of the Asia Olympic Business District and the Changsha Riverside Business District through "north-south linkage", and innovate models such as the "event economy" and "ticket stub economy" to establish a cross-regional commercial district cooperation model. We will drive upgrades in commercial products and customer service, refine differentiated product and pricing systems, and optimize tenant structures. We will intensify efforts in developing three major industrial parks, build one-stop services covering the entire industrial chain, and transform customer service from "leasing coordination" to "ecosystem cultivation." Create a vibrant hub for emerging entrepreneurs in the Asia Olympic area by selecting premium apartment projects. Leverage the "live-work integration" advantage to transform into an "ecosystem service provider for new entrepreneurial spaces." Strengthen the "North Star Yue" property brand, enhance refined property management, and continuously expand operational scale.

2. *Real Estate Development*

The Company prioritizes "risk prevention, transformation promotion, and cash flow stabilization" as core tasks, driving the real estate business toward transformation into a specialized urban renewal service provider anchored by "convention and exhibition +" initiatives. Full efforts are dedicated to implementing "one project, one strategy" to accelerate sales of flagship projects, ensuring delivery of key projects. We are reshaping our business core by aligning with the "convention and exhibition +" development strategy, planning urban renewal and district operation projects that complement convention and exhibition venues. We will expand growth opportunities through service upgrades. We are revitalizing existing assets through intensive management, accelerating the integration of remaining inventory projects, and enhancing the operational efficiency of existing assets by combining leasing and sales, and leveraging leasing to drive sales.

3. *Digitalization Initiatives*

The Company will actively cultivate new digital businesses, systematically advance digital transformation centered on the service ecosystem spanning the upstream and downstream of the convention and exhibition industry, the commercial district ecosystem of the Asia-Olympic City, and the Company's various business formats. Through measures such as control digitization, convention and exhibition venue digitization, hotel digitization, and digitized coordination of event and consumption, it will enhance industrial operational efficiency and strengthen the Company's core competitiveness.

4. *Financing and Capital Expenditure*

The Company will enhance its capital planning by fully leveraging the “headquarters financing” model, diversifying financing methods, and broadening financing channels while strengthening liability management and control. Additionally, the Company will prioritize improving the efficiency of capital utilization, effectively reducing expenditures, and ensuring the quality of collection of sales proceeds to safeguard the cash flow of the Company.

In 2026, the Company’s estimated fixed asset investment is RMB162 million, the payment of which will be made according to the construction progress. The source of funds will be internal funds.

(III) Operation Plans

The convention and exhibition and ancillary facilities service segment is fully committed to enhancing professional support capabilities for major state affairs and high-level exhibitions. It will innovate the market-oriented operation of the CIFTIS, promote multifunctional and diversified use of venues, and focus on festive holidays and key dates by hosting the “Dadu New Year Temple Fair” series of events to foster the integrated development of culture, commerce, tourism, sports, and exhibitions.

The real estate development segment is fully committed to advancing efforts to reduce inventory, prevent risks, lower costs, and minimize losses. In 2026, it is projected to achieve a total construction area of 956,000 square meters for new and resumed projects, with a completion area of 386,000 square meters. The segment aims to realize a sales area of 343,000 square meters and secure contracted sales (including parking spaces) valued at RMB3.4 billion.

(IV) Potential Risks

1. *Market Risk*

The real estate market is currently in a period of adjustment. Although the policy front continues to release positive signals, such as the introduction of a series of favorable measures including reserve requirement ratio cuts, interest rate reductions, optimization of purchase restrictions, and support for housing consumption, homebuyer confidence has not yet significantly recovered. Market sentiment remains cautious, and the persistently sluggish market environment may lead to continued low levels of both volume and price in real estate market transactions. This could directly impact the efficiency of sales collections, and may pose certain risks to the stability of business operations.

In response to the aforesaid risks, the Company will pay close attention to the development trend of the market, and continuously optimize development strategies. Leveraging our competitive industries, we focused on synergistic development in areas such as urban renewal and “convention and exhibition +” (會展+), while maintaining an appropriate scale, and strive to strengthen professional management to improve the cash recovery rate, avoiding market risks.

2. Risks of Talent Reserve

The steady development of the convention and exhibition and commercial properties business of the Company in recent years has led to soaring demands for all kinds of talents, especially professional personnel and senior management personnel. The Company faces the risk of talent shortage.

In response to the aforesaid risk, the Company will implement a “six-step” strategy for talent selection and recruitment, with a focus on building a team of high-quality, professional cadre and outstanding young cadres and talents. Through various channels and means, including the launch of the “Excellent Training Programme”, university-enterprise cooperation, and the “internal training and external recruitment” of multi-skilled talents, the company continuously attracts and retains talents. While continuously refining and improving the system and mechanism that are conducive to the growth of young cadres and talents, the Company will step up its efforts in nurturing a pool of young cadres and talents, and enhance the targeted education and training as well as purposeful practical exercises based on the development needs of various sectors and industries, including the convention and exhibition and ancillary facilities services industry, real estate development sector. The Company will also provide specialized services, entrusted venue training, and cross-segments temporary appointment training to cultivate more multi-skilled talents with professional backgrounds.

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2025, the equity attributable to ordinary shareholders of the Company amounted to RMB13,229,524,000, representing a decrease of 18.75% as compared to 31 December 2024.

The Group’s bank and other borrowings as at 31 December 2025 amounted to RMB12,943,199,000. As at the end of the year, net values of the Group’s 5-year corporate bonds, 3-year corporate bonds, 2-year corporate bonds, 5-year medium-term notes and 3-year medium-term notes were RMB 2,256,488,000, RMB324,549,000, RMB873,308,000, RMB3,132,309,000 and RMB932,690,000, respectively. The net values of asset-backed securities were RMB2,859,523,000 at the end of the year.

Current assets of the Group, which mainly comprised cash at bank and on hand, completed properties held for sale and properties under development, amounted to RMB31,865,118,000, whereas the current liabilities amounted to RMB16,911,663,000. As at 31 December 2025, balances of cash at bank and on hand amounted to RMB6,376,402,000 (excluding restricted bank deposits) and none of the bonds in issue were exposed to redemption and payment risks. During the year, the Company did not engage in any transaction on financial products or derivative instruments.

As at 31 December 2025, the Group had secured borrowings from banks and other financial institutions of RMB12,922,765,000 with certain investment properties, hotel properties, properties under development and completed properties held for sale as the collaterals. The asset-liability ratio calculated by total liabilities divided by total assets for the Group was 70% as at the end of the Reporting Period (31 December 2024: 68%).

All of the Group's operations take place within the territory of mainland China and all transactions are settled in RMB. Accordingly, there is no exposure to the significant risk of exchange rate fluctuations.

The Group has arranged bank financing for certain buyers of property units and provided repayment guarantee for such buyers. The above phased guarantees will not have a material impact on the financial position of the Group. The amount of outstanding phased guarantees as at 31 December 2025 was RMB3,461,022,000 (31 December 2024: RMB4,175,446,000).

PROVISION FOR IMPAIRMENT

During the Reporting Period, after having comprehensively taken into account the market conditions of the real estate project location, project positioning, development and sales plans and other factors, the Company conducted the impairment tests on the net realisable value of its projects, and made provision for the impairment of inventories whose cost is higher than its net realisable value. As confirmed by the test, the Company is required to make provision for the impairment of inventories for real estate projects of RMB2.177 billion.

The Group accounts for its credit risk by appropriately providing for expected losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data. Based on the assessment and analysis, the Group is required to make provision for impairment losses on financial assets of RMB92 million in 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DESIGNATED DEPOSITS AND OVERDUE FIXED DEPOSITS

As at 31 December 2025, the Group had no designated deposits placed with financial institutions in the PRC. All of the Group's cash deposits are placed with commercial banks in the PRC and are in compliance with applicable laws and regulations. The Group has not experienced any incidents of not being able to withdraw bank deposits upon maturity.

EMPLOYEES

As at 31 December 2025, the Company had 4,729 employees. The employee remuneration policy of the Company is that the total salary is paid with reference to its economic efficiency. Save for the remuneration policy disclosed above, the Company did not provide any share option scheme for its employees. The Company regularly provides its management personnel with trainings on various subjects, including operation management, foreign languages, computer skills, industry know-how and policies and laws. The trainings are provided in different forms, such as seminars, site visits and field trips.

CORPORATE GOVERNANCE CODE

The Company strives to maintain and establish a high level of corporate governance, and the Company had fully complied with the codes and provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the year.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules. Having made specific enquiries to all directors of the Company, the Company confirms that its directors have complied with the required standards as set out in the Model Code during the year.

AUDIT COMMITTEE

The Company has established an audit committee of the Board (the “**Audit Committee**”) since September 2004. The Audit Committee comprises three independent non-executive directors, namely Ms. QIAN Ai-min (as chairman), Dr. CHOW Wing-Kin, Anthony and Mr. GAN Pei-Zhong. Their duties include reviewing and supervising the Company’s financial reporting process, risk management and internal control systems. The Audit Committee and the management have jointly reviewed the accounting principles and major policies adopted by the Group and have discussed matters on auditing, risk management, internal control and financial reporting, including reviewing the unaudited interim financial report and the audited annual financial statements of the Group. The Audit Committee has also reviewed the annual results and draft financial statements of the Group for the year ended 31 December 2025.

APPOINTMENT OF MEMBER OF THE BOARD COMMITTEE

At the Board meeting convened on 27 March 2026, the Board considered and approved the appointment of Mr. ZHU Yan as a member of the Legal Compliance Committee. Other members of the Legal Compliance Committee include Ms. LIANG Jie, Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Ms. QIAN Ai-min, among whom Ms. LIANG Jie is the chairman of the Legal Compliance Committee.

By Order of the Board
Beijing North Star Company Limited
ZHANG Jie
Chairman

Beijing, the PRC, 27 March 2026

As at the date of this announcement, the Board comprises eight directors, of which Mr. ZHANG Jie, Ms. LIANG Jie, Mr. YANG Hua-Sen, Mr. WEI Ming-Qian and Mr. ZHU Yan are executive directors and Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Ms. QIAN Ai-min are independent non-executive directors.

Should there be any differences between the Chinese and English versions of this announcement, the Chinese version shall prevail.