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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)

2024 INTERIM RESULTS ANNOUNCEMENT

The board of directors (the “**Board**”) of Beijing North Star Company Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2024 (the “**Period**” or “**Reporting Period**”), based on the interim condensed consolidated financial information which has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and relevant requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The 2024 interim condensed consolidated financial information of the Company has not been audited, but has been reviewed by the Board and the audit committee of the Company (the “**Audit Committee**”).

For the Period, the Group achieved revenue of RMB3,429,871,000, representing a decrease of 52.81% over the same period of the previous year. Operating loss was RMB355,699,000, representing a decrease of 147.10% over the same period last year. Loss attributable to the ordinary shareholders of the Company was RMB769,580,000, representing a decrease of RMB902,546,000 over the same period last year, among others, the after-tax core operating results of the Company’s principal business (excluding losses arising from the changes in fair value) recorded losses of RMB586,427,000, representing a decrease of RMB696,127,000 over the same period last year. During the Period, the losses (after taxation) on changes in fair value of investment properties were RMB183,153,000.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	Unaudited	
		Six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
Revenue	2	3,429,871	7,268,886
Cost of sales		<u>(2,941,989)</u>	<u>(5,977,765)</u>
Gross profit		487,882	1,291,121
Selling and marketing expenses		(150,712)	(196,984)
Administrative expenses		(380,218)	(395,050)
Net provision for impairment losses on financial assets		(133,539)	(58,884)
Other income and (losses)/gains – net		<u>(179,112)</u>	<u>115,072</u>
Operating (loss)/profit	3	(355,699)	755,275
Finance income	4	72,307	46,136
Finance expenses	4	<u>(423,279)</u>	<u>(433,577)</u>
Finance expenses – net	4	(350,972)	(387,441)
Share of net (loss)/profit of investments accounted for using the equity method		<u>(201)</u>	<u>12,150</u>
(Loss)/profit before income tax		(706,872)	379,984
Income tax expense	5	<u>(173,560)</u>	<u>(286,299)</u>
(Loss)/profit for the Period		<u>(880,432)</u>	<u>93,685</u>
Attributable to:			
Ordinary shareholders of the Company		(769,580)	132,966
Non-controlling interests		<u>(110,852)</u>	<u>(39,281)</u>
		<u>(880,432)</u>	<u>93,685</u>
(Losses)/earnings per share attributable to ordinary shareholders of the Company (expressed in RMB cents per share) (basic and diluted)	6	<u>(22.86)</u>	<u>3.95</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
(Loss)/profit for the Period	(880,432)	93,685
Other comprehensive income	—	—
	<hr/>	<hr/>
Total comprehensive (loss)/income for the Period	(880,432)	93,685
	<hr/> <hr/>	<hr/> <hr/>
Attributable to:		
Ordinary shareholders of the Company	(769,580)	132,966
Non-controlling interests	(110,852)	(39,281)
	<hr/>	<hr/>
	(880,432)	93,685
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INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

	<i>Note</i>	Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
ASSETS			
Non-current assets			
Right-of-use assets		398,210	414,133
Investment properties		16,503,166	16,739,636
Property, plant and equipment		2,365,331	2,433,403
Investments accounted for using the equity method		133,567	326,720
Deferred income tax assets		1,230,424	1,160,697
Other receivables and prepayments	8	247,089	403,396
		<u>20,877,787</u>	<u>21,477,985</u>
Current assets			
Properties under development		13,142,448	13,617,019
Completed properties held-for-sale		16,246,992	17,407,630
Other inventories		39,093	41,497
Trade and other receivables and prepayments	8	3,079,631	3,174,360
Restricted bank deposits		839,150	931,854
Cash and cash equivalents		7,301,722	8,505,482
		<u>40,649,036</u>	<u>43,677,842</u>
Total assets		<u>61,526,823</u>	<u>65,155,827</u>

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

		Unaudited 30 June 2024 RMB'000	Audited 31 December 2023 RMB'000
LIABILITIES			
Non-current liabilities			
Long-term borrowings		12,593,114	14,984,857
Loans from other parties	9	5,222,127	5,512,543
Employee termination benefit obligations		98,812	100,604
Deferred income tax liabilities		2,222,103	2,232,671
Lease liabilities		466	4,228
Deferred income		34,410	34,778
		20,171,032	22,869,681
Current liabilities			
Trade and other payables	9	6,368,020	7,273,603
Loans/advances from other parties	9	2,171,213	3,431,650
Contract liabilities		1,515,516	2,089,140
Current income tax liabilities		1,656,052	1,659,374
Lease liabilities		26,446	29,493
Current portion of long-term borrowings		8,557,614	5,575,026
		20,294,861	20,058,286
Total liabilities		40,465,893	42,927,967
Net assets		21,060,930	22,227,860
EQUITY			
Share capital		3,367,020	3,367,020
Other reserves		4,687,438	4,948,137
Retained earnings		10,392,093	11,229,013
		18,446,551	19,544,170
Capital and reserves attributable to ordinary shareholders of the Company		18,446,551	19,544,170
Non-controlling interests		2,614,379	2,683,690
Total equity		21,060,930	22,227,860

1. SUMMARY OF ACCOUNTING POLICIES AND BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 June 2024 (the “**interim financial information**”) has been prepared in accordance with HKAS 34 “Interim Financial Reporting”. The interim financial information does not include all the notes of the type normally included in an annual financial statements. Accordingly, this interim financial information should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023 and any public announcements made by the Company during the interim reporting period.

This interim financial information has been reviewed, not audited.

The accounting policies adopted are consistent with those of the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of amended standards as set out below.

The Group has applied the following amendments for the first time for the Group’s financial period beginning on 1 January 2024:

- (a) Classification of liabilities as current or non-current – Amendments to HKAS 1
- (b) Non-current liabilities with covenants – Amendments to HKAS 1
- (c) Lease liability in a sale and leaseback – Amendments to HKFRS 16
- (d) Supplier finance arrangement – Amendments to HKAS 7 and HKFRS 7

The adoption of these amended standards does not have significant impact on the interim financial information of the Group.

The Group has not early adopted any of the new or amended standards and interpretations which have been published but not yet effective for the financial period commencing on 1 January 2024. 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.

2. SEGMENT INFORMATION

Management has determined the operating segments based on the internal reports reviewed by 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 real estate development and convention and exhibition (including hotels) and commercial properties. Real estate development is the segment which involves the sales of developed properties; Convention and exhibition (including hotels) and commercial properties is the segment which involves in operation of rental apartments, office buildings, conference centers and hotels.

Other segments of the Group mainly comprise businesses relating to property management and others, 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)/profit 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)/gains 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 this interim condensed consolidated financial information.

Total segment assets mainly exclude 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. These are part of the reconciliation to total balance sheet assets.

Total segment liabilities mainly exclude 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 balance sheet liabilities.

2. SEGMENT INFORMATION (CONTINUED)

The Group's revenue consists of revenue from sales of development properties and revenue generated from the operation of convention and exhibition (including hotels) and commercial properties. Revenues recognised during the six months ended 30 June 2024 and 2023 are as follows:

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Revenue		
Real estate development segment	2,079,049	5,992,742
Convention and exhibition (including hotels) and commercial properties segment	1,248,098	1,191,616
	3,327,147	7,184,358
Other segments	102,724	84,528
	3,429,871	7,268,886

For the six months ended 30 June 2024 and 2023, the Group drives 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
For the six months ended 30 June 2024 (Unaudited)		
Real estate development segment	2,079,049	–
Convention and exhibition (including hotels) and commercial properties segment	366,750	418,693
Other segments	32,590	70,134
	2,478,389	488,827

2. SEGMENT INFORMATION (CONTINUED)

	At a point in time <i>RMB'000</i>	Over time <i>RMB'000</i>
For the six months ended 30 June 2023 (Unaudited)		
Real estate development segment	5,992,742	–
Convention and exhibition (including hotels) and commercial properties segment	158,584	326,325
Other segments	<u>11,030</u>	<u>73,498</u>
	<u><u>6,162,356</u></u>	<u><u>399,823</u></u>

Other segments of the Group mainly comprise property management and others, none of which constitutes a separately reportable segment.

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

2. SEGMENT INFORMATION (CONTINUED)

The segment information provided to the Board for the reportable segments for the six months ended 30 June 2024 and 2023 is as follows:

Business segment	Real estate development <i>RMB'000</i>	Convention and exhibition (including hotels) and commercial properties <i>RMB'000</i>	Other segments <i>RMB'000</i>	Total <i>RMB'000</i>
Six months ended				
30 June 2024 (Unaudited)				
Total segment revenue	2,079,049	1,294,139	130,937	3,504,125
Inter-segment revenue	–	(46,041)	(28,213)	(74,254)
Revenue from external customers	<u>2,079,049</u>	<u>1,248,098</u>	<u>102,724</u>	<u>3,429,871</u>
Adjusted (loss)/profit before income tax	<u>(801,340)</u>	<u>198,372</u>	<u>(34,567)</u>	<u>(637,535)</u>
Six months ended				
30 June 2023 (Unaudited)				
Total segment revenue	5,992,742	1,239,936	101,613	7,334,291
Inter-segment revenue	–	(48,320)	(17,085)	(65,405)
Revenue from external customers	<u>5,992,742</u>	<u>1,191,616</u>	<u>84,528</u>	<u>7,268,886</u>
Adjusted profit/(loss) before income tax	<u>155,932</u>	<u>205,907</u>	<u>(19,819)</u>	<u>342,020</u>

2. SEGMENT INFORMATION (CONTINUED)

The segment information as at 30 June 2024 and 31 December 2023 is as follows:

Business segment	Real estate development <i>RMB'000</i>	Convention and exhibition (including hotels) and commercial properties <i>RMB'000</i>	Other segments <i>RMB'000</i>	Total <i>RMB'000</i>
As at 30 June 2024 (Unaudited)				
Total segment assets	35,362,833	10,072,185	162,267	45,597,285
Total segment assets include:				
Investments accounted for using the equity method	123,272	10,295	–	133,567
Additions to non-current assets*	14,300	13,543	1,421	29,264
Total segment liabilities	23,129,991	1,759,791	155,642	25,045,424
Contract liabilities	<u>1,346,654</u>	<u>167,050</u>	<u>1,812</u>	<u>1,515,516</u>
As at 31 December 2023 (Audited)				
Total segment assets	37,133,959	10,359,154	100,054	47,593,167
Total segment assets include:				
Investments accounted for using the equity method	316,431	10,289	–	326,720
Additions to non-current assets*	16,121	189,111	2,513	207,745
Total segment liabilities	24,341,316	1,223,425	284,723	25,849,464
Contract liabilities	<u>1,971,399</u>	<u>112,360</u>	<u>5,381</u>	<u>2,089,140</u>

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

2. SEGMENT INFORMATION (CONTINUED)

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of the interim condensed consolidated financial information. 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 centralised treasury function.

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

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
<i>Revenue recognised that was included in the contract liability balance at the beginning of the period</i>		
Real estate development segment	1,341,945	3,337,261
Convention and exhibition (including hotels) and commercial properties segment	112,360	127,072
Other segments	5,381	6,487
	<u>1,459,686</u>	<u>3,470,820</u>

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

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
(Loss)/profit before income tax for reportable segments	(637,535)	342,020
Corporate overheads	(60,331)	(53,584)
Corporate finance expenses	(13,238)	(168,348)
Corporate finance income	65,951	22,152
Other income and losses – net	(97,576)	(26,545)
Fair value (losses)/gains on investment properties	(245,672)	26,612
Reversal of depreciation and impairment losses of investment properties	203,401	139,032
Land appreciation tax	78,128	98,645
	<u>(706,872)</u>	<u>379,984</u>

2. SEGMENT INFORMATION (CONTINUED)

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

	Unaudited As at 30 June 2024 <i>RMB'000</i>	Audited As at 31 December 2023 <i>RMB'000</i>
Total segment assets	45,597,285	47,593,167
Deferred income tax assets at corporate level	597,020	959,891
Corporate cash	6,187,280	7,226,356
Accumulated fair value gains on investment properties	5,121,629	5,367,301
Reversal of accumulated depreciation and impairment losses of investment properties	3,766,785	3,563,384
Receivables due from joint ventures and associates	205,017	434,792
Other corporate assets	51,807	10,936
Total assets	<u>61,526,823</u>	<u>65,155,827</u>

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

	Unaudited As at 30 June 2024 <i>RMB'000</i>	Audited As at 31 December 2023 <i>RMB'000</i>
Total segment liabilities	25,045,424	25,849,464
Deferred income tax liabilities at corporate level	2,222,103	2,232,671
Corporate borrowings	8,642,004	8,943,140
Other corporate liabilities	4,556,362	5,902,692
Total liabilities	<u>40,465,893</u>	<u>42,927,967</u>

The Company and its subsidiaries were domiciled in the People's Republic of China ("PRC") and all the revenue from external customers of the Group for the six months ended 30 June 2024 and 2023 are derived in the PRC.

There are no changes from the last annual financial statements in respect of segmentation or measurement of segment profit or loss.

At 30 June 2024 and 31 December 2023, all the Group's non-current assets (other than deferred income tax assets) were located in the PRC.

The Group has a large number of customers and no significant revenue (in excess of 10% of the Group's revenue) was derived from any specific external customers during the six months ended 30 June 2024 and 2023.

3. OPERATING (LOSS)/PROFIT

The following items have been (charged)/credited to the operating (loss)/profit during the Period:

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Fair value (losses)/gains on investment properties (charged)/credited to profit or loss*	(245,672)	26,612
Provision of impairment losses for properties under development and completed properties held-for-sale	(478,572)	(191,681)
Net provision for impairment losses on financial assets	(133,539)	(58,884)
(Loss)/gain on deregistration of joint ventures*	(4,490)	20,678
Gain on disposal of a subsidiary*	348	–
Loss on disposal of property, plant and equipment and investment properties*	(471)	(1,145)
Government grants*	1,075	1,260
Investment income*	26,738	29,996
Penalty and compensation and others*	43,360	37,671
	<u>43,360</u>	<u>37,671</u>

* Included in other income and (losses)/gains – net, in the interim condensed consolidated income statement.

4. FINANCE INCOME AND EXPENSES

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Interest expenses	(626,436)	(734,443)
Less: amounts capitalised in properties under development and investment properties	<u>206,150</u>	<u>304,710</u>
Finance expenses	(420,286)	(429,733)
Bank charges and others	(2,993)	(3,844)
	<u>(423,279)</u>	<u>(433,577)</u>
Finance income – Interest income	<u>72,307</u>	<u>46,136</u>
Net finance expenses	<u>(350,972)</u>	<u>(387,441)</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% (2023: 25%).

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.

	Unaudited	
	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
Current income tax		
– PRC enterprise income tax	175,727	192,055
– PRC land appreciation tax	78,128	98,645
Deferred income tax credit	(80,295)	(4,401)
	<u>173,560</u>	<u>286,299</u>

6. (LOSSES)/EARNINGS PER SHARE

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit attributable to ordinary shareholders of the Company by the number of shares in issue during the six months ended 30 June 2024 and 2023.

Diluted (losses)/earnings per share is equal to the basic (losses)/earnings per share since the Company has no potential dilutive ordinary shares during the six months ended 30 June 2024 and 2023.

	Unaudited	
	Six months ended 30 June	
	2024	2023
(Loss)/profit attributable to ordinary shareholders of the Company (RMB'000)	(769,580)	132,966
Number of ordinary shares in issue (thousands)	<u>3,367,020</u>	<u>3,367,020</u>
(Losses)/earnings per share (basic and diluted) (RMB cents per share)	<u>(22.86)</u>	<u>3.95</u>

7. DIVIDENDS

The final dividend that related to the year ended 31 December 2023 amounting to RMB67,340,000 was approved at the annual general meeting in May 2024. No dividend that related to the year ended 31 December 2022 was proposed.

The Board resolved that no interim dividend will be declared in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

As at 30 June 2024 and 31 December 2023, the Group's trade and other receivables and prepayments included trade receivables, receivables due from other related parties and non-controlling interests of subsidiaries, other receivables, and prepayments for tax, construction cost and others.

The majority of the Group's sales were on cash or advance basis. The remaining amounts were with credit terms of 30 to 90 days.

As at 30 June 2024 and 31 December 2023, the ageing analysis of the trade receivables was as follows:

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables		
0 – 30 days	96,485	146,463
31 – 90 days	37,170	16,456
Over 90 days	164,424	93,515
	298,079	256,434

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

As at 30 June 2024 and 31 December 2023, the Group's trade and other payables and loans/advances from other parties mainly included trade payables to third parties, trade payables to related parties, prepaid rental income from tenants, dividends payable, amounts due to related parties and non-controlling shareholders of subsidiaries, other taxes payable, loans/advances from related parties and non-controlling interests, commercial mortgage backed securities issued by the Group and other payables.

As at 30 June 2024 and 31 December 2023, the ageing analysis of the trade payables to third parties and related parties based on the date of services/goods received was as follows:

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
0 – 180 days	1,504,272	2,251,550
181 – 365 days	489,252	981,950
Over 365 days	2,948,216	2,535,282
	<u>4,941,740</u>	<u>5,768,782</u>

RECONCILIATION OF CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Group has prepared a separate set of consolidated interim financial information for the six months ended 30 June 2024 in accordance with Basic Standard and 38 specific standards of the China Accounting Standards for Business Enterprises issued by Ministry of Finance of the PRC on 15 February 2006, and the Application Guidance for Accounting Standard for Business Enterprises, Interpretations of Accounting Standards for Business Enterprises and other relevant regulations issued thereafter (“CAS”). The differences between the financial information prepared under the CAS and the Hong Kong Financial Reporting Standards (“HKFRS”) issued by the HKICPA are summarised as follows:

	(Loss)/profit attributable to owners of the Company		Capital and reserves attributable to owners of the Company	
	For the six months ended		As at	As at
	30 June		30 June	31 December
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As stated in accordance with CAS	(738,317)	9,570	11,779,227	12,845,583
Impact of HKFRS adjustments:				
1. Reversal of depreciation and impairment losses of investment properties under CAS	151,890	100,130	2,773,448	2,621,558
2. Fair value adjustment of investment properties under HKFRS	(183,153)	23,266	3,893,876	4,077,029
	<u>(769,580)</u>	<u>132,966</u>	<u>18,446,551</u>	<u>19,544,170</u>
As stated in accordance with HKFRS (including those attributable to ordinary shareholders of the Company)	<u>(769,580)</u>	<u>132,966</u>	<u>18,446,551</u>	<u>19,544,170</u>

MANAGEMENT DISCUSSION AND ANALYSIS

I. DESCRIPTION OF THE INDUSTRY AND PRINCIPAL BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

(I) Summary of the Businesses of the Company

The Company's main businesses include convention and exhibition (including hotels) and commercial properties, and real estate development.

Convention and exhibition (including hotels) business relies on Capital Convention Group (“CEGC”) 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 expansion of the whole of convention and exhibition industry, it has become a professional operator of the China International Fair for Trade in Services, 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, and is committed to building “China's number one convention and exhibition enterprise.

With the operating model of “Convention and Exhibition + Property”, the Company has continued to enhance integration and industry interaction. The Company relies on Beijing North Star Commercial Management Co., Ltd. (“**Beijing North Star Commercial Management**”) to 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 which contributes to the building of an asset operation and management model and a standard property management system with North Star's characteristics, thereby forming a new development pattern featuring mutual support, complementary advantages and coordinated development between its convention and exhibition and real estate businesses.

The real estate development business has continued to promote regional cultivation and expansion into new cities in recent years, gradually forming a multi-regional and multi-level development layout on a national scale. Its business covers 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, enabling the Company to establish a synergistic development pattern of businesses including residential, industry complex, commercial and property services.

(II) Development of the Industry of the Company

In the first half of 2024, as the complexity and severity of the external environment increased significantly, China faced challenges head-on by continuing to deepen domestic structural adjustments, reform, and opening-up. Strengthening macroeconomic control and effectively responding to risks and challenges, China accelerated the cultivation of new growth drivers and steadily advanced high-quality development. The economy has remained generally stable with steady progress, and continued its growing trend, with the growth rate of gross domestic product reaching 5.0% in the first half of the year.

1. Convention and Exhibition (Including Hotels) and Commercial Properties

In the first half of 2024, various convention and exhibition enterprises in China actively carried out business innovation and expanded their business by the combination of online and offline exhibitions, online introductory sessions and online press conferences, etc. There has been a growing trend of digital transformation in the convention and exhibition industry, with cross-border exchanges and cooperation being further deepened. The hotel industry has been affected by the weakened business demand in the PRC, reduced consumer budgets, price competition among hotels, and the base effect, leading to declines in both occupancy rates and average hotel room rates. In Beijing's office market, the reduction in new supply, coupled with the sluggish recovery in the demand for new leases, has led to a slight decrease in vacancy rates, while rental prices have continued to decline.

2. Real Estate Development

In the first half of 2024, significant changes have taken place in the relationship between supply and demand in the real estate market, which is currently undergoing adjustments. The Central Government has emphasized the importance of real estate and called for measures to prevent and mitigate real estate risks, focusing policies on stabilizing the market and reducing inventory. Local governments have continued to implement city-specific policies, with enhanced efforts in policy optimization. Many regions have swiftly implemented measures such as lowering down payment ratios, removing the lower limit on commercial loan interest rates, and reducing interest rates on provident fund loans. However, the overall new housing market has yet to show any significant improvement, and it will take time for the policies to take effect.

Overall, in the first half of the year, the real estate market has remained relatively subdued, with transaction volumes at their lowest levels in the same period in recent years and all tiers of cities experiencing significant year-on-year declines. Driven by the introduction of improved properties, the average transaction price showed a slight structural increase. According to the statistics from the National Bureau of Statistics, in the first half of 2024, the commodity housing sales area in the real estate market of the PRC was 401,141,800 square meters, representing a year-on-year decrease of 21.9%, while the sales of commodity housing amounted to RMB4,126,974,000,000, representing a year-on-year decrease of 26.9%. Hit by the downturn in the national land market, the residential area released for sale, the area sold and the land premium for residential land declined significantly, while the average transaction floor price and the premium rate slightly declined.

II. ANALYSIS ON CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company's advantages and core competitiveness are mainly reflected in the comprehensive brand influence of its convention and exhibition business and development and operating capacity of composite real estate. In particular, leading convention and exhibition businesses and professional and branded businesses in the PRC such as hotels, office buildings, apartments and integrated commercial properties in the PRC provide a stable income base for the Company. In recent years, the Company has focused on the convention and exhibition business as its core, using the 'leading' strategy of convention and exhibition business to drive the strategic extension of its real estate and commercial property segments. Various business segments of the Company are interdependent and mutually reinforcing, thus safeguarding the steady and healthy development of the Company.

On the one hand, with nearly 30 years of professional experience in convention and exhibition and hotel operation as well as its international operation and service standards and teams, the Company strengthens and optimizes the convention and exhibition industry chain, continues to promote the layout and expansion of the whole convention and exhibition industry chain in the areas such as organizing conventions and exhibitions, high-end state and governmental activities services support, management output of convention and exhibition venues and hotels, and convention and exhibition research. The Company enhances the core functions of the convention and exhibition business and improves core competitiveness through business expansion, capital operations, and other innovations in business models. Currently, it has become one of the largest operators of convention and exhibition venues in China, with growing brand recognition and influence. In recent years, it has successfully delivered hosting services for an array of national, integrated and international conferences such as the Beijing Olympic Games, APEC summit, G20 Hangzhou Summit, "Belt and Road" Forum for International Cooperation, BRICS Xiamen Summit, the Qingdao Summit of Shanghai Cooperation Organization, Beijing Summit of the Forum on China-Africa Cooperation, CIFTIS, Beijing Winter Olympics, Beijing Paralympic Winter Games, China-Central Asia Summit, Hangzhou Asian Games and Hangzhou Asian Para Games, creating a globally renowned service brand of North Star.

On the other hand, the Company possesses diversified real estate development and operation capabilities, which cover projects of luxury homes, villas, apartments, affordable housing, office buildings, commercial properties, etc. It also has strong professional competence and competitiveness in the development of large-scale and comprehensive real estate projects. Taking into account the current development trend of the industry, the Company actively innovates its development model and advances the integration of 'convention and exhibition + real estate' projects.

In addition, fully utilizing the advantages of the “headquarters financing” model and leveraging its good credit standing and risk management ability, the Company has established long-term and stable strategic cooperative relationships with many banks and financial institutions, and boasts remarkable advantages in terms of loan interest rates. In the meantime, the Company has actively developed diversified financing channels such as medium-term notes, corporate bonds and asset securitization to continuously optimize its overall debt structure and maintain its advantage of lower financing costs, thus effectively enhancing the risk aversion capacity of the Company.

III. DEVELOPMENT OF THE INDUSTRY OF THE COMPANY

(1) Review of the Company’s Operation

In the first half of 2024, the Company actively planned its business development, promoted resource integration and facilitated industry collaboration. The Company strived to grasp operations, pursue reforms, mitigate risks and promote growth, employing various measures to reduce losses. During the Reporting Period, the Company recorded an operating income of RMB3,429,871,000, representing a year-on-year decrease of 52.81%. The Company’s loss before tax and loss attributable to ordinary shareholders amounted to RMB706,872,000 and RMB769,580,000, respectively. In particular, the after-tax core operating loss of the Company’s main business (excluding losses arising from the changes in fair value) was RMB586,427,000. During the Period, the losses (after taxation) on changes in fair value of investment properties were RMB183,153,000. Losses per share were RMB0.2286.

1. Convention and Exhibition (Including Hotels) and Commercial Properties

In the first half of 2024, the Company continued to make efforts, achieving a steady growth in the convention and exhibition and hotel businesses, while the commercial properties business remained in stable operation, all of which achieved the expected profits for the first half of the year. During the Reporting Period, operating income from the convention and exhibition (including hotels) and commercial properties segment reached RMB1,248,098,000, representing a year-on-year increase of 4.74%, while profit before tax amounted to RMB198,372,000, representing a year-on-year decrease of 3.66%.

1) Convention and Exhibition (Including Hotels)

With the recovery of the convention and exhibition industry, in the first half of 2024, the Company held 674 exhibitions of various types, representing a year-on-year increase of approximately 18%, of which 19 were major exhibitions, attracting 1,422,500 visitors, representing a year-on-year increase of approximately 9%.

Focusing on serving the national strategies and the construction of the core functions of the capital, the Company continued to promote the integration of its convention and exhibition business with the construction of Beijing's city functions as an international exchange center, a science and technology innovation center and an international consumption center. The Company's convention and exhibition business has become an important platform for the national innovation ecosystem.

Successfully completing various major event assurances. The Company has successively organized and completed various service assurances and operation tasks including two meetings for the 14th Beijing Municipal Committee of the Chinese People's Political Consultative Conference, the 2024 Zhongguancun Forum Exhibition, the 2024 Beijing International Food Festival Launch ceremony and food market event, as well as successfully planned and executed the first overseas exhibition of the China-Africa Economic and Trade Expo with the 'Into Kenya' special event, demonstrating the Company's spirit of "Beijing Service" with North Star standard and further enhancing the Company's brand influence.

Actively expanding the upstream business of convention and exhibition. The Company has vigorously advanced the convention and exhibition sponsoring and undertaking business. It has successfully sponsored the China Refrigeration Expo, Bus and Truck Expo, Traffic Engineering Expo, and has undertaken events such as the Beijing Franchise Expo, the 8th Chinese Science Fiction Convention 2024 and the 4th Beijing Sci-Fi Carnival: Fantasy Adventure Season. In particular, the exhibition total area of the 2024 China Refrigeration Expo was over 100,000 square meters, attracting 1,006 companies and 36 overseas professional organizations from 27 countries and regions, with international exhibitors comprising over 20% of participants, and drew a total of over 80,000 visitors, nearly 5,000 of whom were overseas professional visitors. Additionally, the Company actively prepared for major events such as the 2024 Big Data Expo, the Beijing International High-tech Expo, the 2024 SIBOS Financial Annual Meeting and WGC 2025. The Company actively expanded marketing promotion, and newly developed the China Cycling Carnival project and agreed on cooperation intentions for exhibitions such as Pet Carnival Asia and Clean Energy Expo China.

Continuous pushing forward brand management output business. During the Reporting Period, the Company entered into 2 new entrusted management projects and 4 new consultancy projects. To date, the Company has expanded its exhibition venue and hotel management output business into 29 cities across China, covering Beijing-Tianjin-Hebei, Guangdong-Hong Kong-Macao, Chengdu-Chongqing and other important strategic development areas in China, and owns 65 venues and hotel consultancy projects and 56 entrusted venues and hotel management projects, with a total area of 4.70 million square meters of venues under entrusted management, enabling the Company to steadily expand its market share and maintain its leading position in the industry.

Table 1: Convention and exhibition venues 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		Main Venue Project of Zhongguancun Forum Permanent Venue
4		Beijing V-Continent Tongzhou Crown Zhenpin Hotel
5	Zhangjiakou City, Hebei Province	Chongli International Convention & Exhibition Center
6		V-Continent Chongli Garden-style Hotel
7		North Star V-Continent Zhangjiakou Crown Hotel
8		North Star V-Continent Wanquan Crown Hotel
9		North Star V-Continent Huai'an Garden-style Hotel
10	Shijiazhuang City, Hebei Province	Shijiazhuang International Convention & Exhibition Center
11	Xiong'an New District, Hebei Province	Xiong'an Convention & Exhibition Center
12		Xiong'an Convention Center Hotel
13	Langfang City, Hebei Province	North Star V-Continent Yongqing Crown Hotel
14		North Star V-Continent Yinfeng Crown Hotel

No.	Location	Name
15	Zhuhai City, Guangdong Province	Zhuhai International Convention & Exhibition Center
16		North Star Zhuhai Jinye V-Continent Crown Hotel
17		Zhuhai V-Continent Athletes Apartment
18	Guangzhou City, Guangdong Province	Convention & Exhibition Project of Permanent Venue of International Finance Forum (IFF)
19	Huizhou City, Guangdong Province	North Star V-Continent Huidong Executive Apartment
20	Fuzhou City, Fujian Province	Fuzhou Digital China Convention & Exhibition Center
21	Nanjing City, Jiangsu Province	Yangtze International Convention Center
22		Yangtze International Convention Center Hotel
23		Nanjing Biotech and Pharmaceutical Valley Business Center Project
24		V-Continent Nanjing Executive Apartment
25		Nanjing V-Continent Crown Hotel
26	Nantong City, Jiangsu Province	Nantong International Convention & Exhibition Center
27		Nantong V-Continent Crown Hotel
28	Lianyungang City, Jiangsu Province	Lianyungang Continental Bridge Convention Center
29		Ancillary hotels for Lianyungang Continental Bridge Convention Center
30	Taizhou City, Jiangsu Province	Taizhou China Medical City Exhibition Center
31	Guilin City, Guangxi Zhuang Autonomous Region	Guilin International Convention & Exhibition Center
32		Ancillary hotels for Guilin International Convention & Exhibition Center
33	Yinchuan City, Ningxia Hui Autonomous Region	Ningxia International Hall
34	Nyingchi City, Tibet Autonomous Region	V-Continent Nyingchi Hotel
35	Hangzhou City, Zhejiang Province	Hangzhou International Expo Center
36		Hangzhou International Expo Center North Star Hotel

No.	Location	Name
37	Lishui City, Zhejiang Province	Lishui International Convention & Exhibition Center
38		Ancillary hotels for Lishui International Convention & Exhibition Center
39	Dezhou City, Shandong Province	Dezhou Tianqu Expo Plaza
40	Qingdao City, Shandong Province	Shanghe International Convention Center
41		Qingdao SCODA Pearl International Expo Center Complex (Hall A)
42	Weihai City, Shandong Province	Weihai International Economic and Trade Exchange Center
43		Weihai Chengtou Beichen Hotel
44	Yuncheng City, Shanxi Province	Yuncheng Convention & Exhibition Center
45	Chengdu City, Sichuan Province	Conference Center of Chengdu Airport Industrial Service Zone Construction Project
46		Chengdu Airport Industrial Service Zone Construction Project Conference Center Hotel
47	Chongqing City	Chongqing BBMG V-Continent Crown Hotel
48		Chongqing BBMG V-Continent Crown Executive Apartment
49		Chongqing V-Continent China Communications City Crown Hotel
50	Wuhan City, Hubei Province	North Star V-Continent Wuhan China Communications City Crown Hotel
51	Changsha City, Hunan Province	North Star V-Continent Changsha China Communications International Center Crown Hotel
52	Zhengzhou City, Henan Province	Zhengzhou Central Culture District Culture Exchange Center and Convention Center
53		Ancillary hotels for Zhengzhou Central Culture District Culture Exchange Center and Convention Center
54	Tonghua City, Jilin Province	North Star V-Continent Tonghua Wanfeng Crown Hotel 54
55		Tonghua V-Continent Canchuang Crown Hotel
56	Yichun City, Jiangxi Province	North Star V-Continent Jiangxi Hongwei Crown Hotel

Promoting industry talent cultivation. With the view to enhancing the competitiveness of high-end talents in the convention and exhibition industry and promoting the development of the convention and exhibition industry, the Company signed a professional qualification certification cooperation agreement with the Beijing Municipal Human Resources and Social Security Bureau and ICCA (International Congress and Convention Association), jointly developed the professional certification certificate for Chartered International Business Exhibition Professionals (CIBEP), built a rich and diverse evaluation system for convention and exhibition professionals, and launched Asia’s first ICCASkills international conference talent training program.

2) *Commercial Properties*

The commercial properties business of the Company has continued to drive innovation and enhancement, strengthen market research and analysis, and plan the integration of ‘convention, commerce, culture, tourism, and sports’ resources in the Asian-Olympic area to promote the construction of a new regional commercial ecosystem. The Company actively participated in the development of “new quality” regional industries, formed a new customer base through multiple channels, and jointly established the “Chaoyang Data Industry Base” with Chaoyang District, Beijing, to leverage the advantages of high-quality office resources to create a data industry cluster, and to assist in the overall development of Beijing’s digital industry, thereby laying the foundation for the repositioning of the industrial development of the Asia-Olympic area. In addition, the Company has also collaborated with local street authorities to establish the Asian-Olympic Area Buildings Competitive Alliance, aiming to enhance the overall value of regional assets and achieve mutually beneficial cooperation.

Table 2: Operation and leasing of real estate during the Reporting Period

Unit: 0’000 Currency: RMB

No.	Location	Project	Mode of operation	Construction area of the leased real estate (square meter)	Rental income of the leased real estate	Equity Proportion (%)
1	No. 7 Tian Chen Dong Road, Chao Yang District, Beijing	China National Convention Center	Convention and exhibition	270,800	20,990	100
2	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Beijing International Convention Center	Convention and exhibition	58,000	4,724	100
3	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Bin Plaza	Office building	37,800	2,877	100

No.	Location	Project	Mode of operation	Construction area of the leased real estate (square meter)	Rental income of the leased real estate	Equity Proportion (%)
4	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Xin Plaza	Office building	40,900	2,522	100
5	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	North Star Times Tower	Office building	131,300	6,874	100
6	No. 8 Bei Chen Xi Road, Chao Yang District, Beijing	North Star Century Center	Office building	149,800	8,005	100
7	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Zhen Building Property	Office building	8,400	1,020	100
8	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Beijing Continental Grand Hotel	Hotel	42,000	5,841	100
9	No. 8 Bei Chen Xi Road, Chao Yang District, Beijing	National Convention Centre Hotel	Hotel	42,900	4,147	100
10	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	V-Continent Beijing Parkview Wuzhou Hotel	Hotel	60,200	7,466	100
11	No. 8 Bei Chen Xi Road, Chao Yang District, Beijing	Intercontinental Beijing Beichen Hotel	Hotel	60,000	7,467	100
12	No. 1500, Xiang Jiang Bei Road, Kaifu District, Changsha, Hunan Province	Intercontinental Changsha	Hotel	79,200	7,748	100
13	No. 8 Bei Chen Dong Road, Chao Yang District, Beijing	Hui Yuan Apartment	Apartment	184,300	13,534	100
14	A13 Beiyuan Road, Chao Yang District, Beijing	B5 Commercial Area of North Star Green Garden	Commercial	49,700	1,722	100
15	No. 1500, Xiang Jiang Bei Road, Kaifu District, Changsha, Hunan Province	Changsha North Star Delta Joy City	Commercial	100,000	6,227	100
16	No. 1500, Xiang Jiang Bei Road, Kaifu District, Changsha, Hunan Province	Changsha North Star International Convention Centre	Convention and exhibition	39,100	2,949	100

No.	Location	Project	Mode of operation	Construction area of the leased real estate (square meter)	Rental income of the leased real estate	Equity Proportion (%)
17	No. 1500, Xiang Jiang Bei Road, Kaifu District, Changsha, Hunan Province	Changsha North Star International Hotel	Hotel	62,500	4,544	100
18	No. 9, Gaoxin 2nd Road, Hongshan District, Wuhan City, Hubei Province	Wuhan Guangguli	Commercial	29,600	695	100
19	No. 8 Bei Chen Xi Road, Chao Yang District, Beijing	North Star New Space	Office building	31,000	1,523	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 Xincheli Shopping Centre commercial project.
5. The above-mentioned property items 2, 3, 7, 8, 10 and 13 are erected on land leased from Beijing North Star Industrial Group Limited.

2. Real Estate Development

In the first half of 2024, the Company adhered to a prudent business strategy and strived to improve its risk prevention ability relating to the real estate development business. Due to the impact of a decrease in settlement area of the real estate development segment of the real estate development segment recorded operating income of RMB2,079,049,000 (including parking spaces) during the Reporting Period, which decreased by 65.31% on a year-on-year basis. Loss before tax amounted to RMB801,340,000. As at the end of the Reporting Period, the Company has entered into 15 cities and achieved a total land reserve of 4,214,400 square meters. During the Reporting Period, the new construction areas, the resumed construction areas and the completed areas were 40,000 square meters, 1,836,100 square meters and 89,900 square meters, respectively.

Seizing opportunities to promote sales. The Company closely monitored changes in real estate policies and market trends, undertook in-depth analysis of the actual situation of each project, and dynamically adjusted marketing strategies to accelerate project disposals. Emphasizing strict performance assessments and strong incentives equally, the Company strived to invigorate its organization. By leveraging both online and offline marketing efforts, the Company continuously strengthened digital marketing and broadened customer acquisition channels. Notably, the Changsha North Star Delta A2 residential project successfully launched with sale prices ranking among the highest in the market, while the Suzhou North Star Guanlan Mansion completed its centralized delivery. During the Reporting Period, the Company achieved contracted sales of RMB2.194 billion (including parking spaces) and contracted sales area of 151,700 square meters.

Optimizing layout to reduce costs. The Company strengthened risk management and control and successfully exited three closing projects. The Company optimized the layout of city centers while cutting unnecessary expenses, enhancing per capita efficiency and lowering operational costs.

Table 3: Real estate reserve during the Reporting Period

No.	Region(s) of the land held for development	Land area held for development (square meters)	Planned plot ratio-based gross floor area (square meters)	Whether cooperative development project is involved	Area of cooperative development project (square meters)	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 4,214,400 square meters; equity land reserve was 3,923,800 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	0.04
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	Shunyi, Beijing	Beijing North Star • Villa 1900	Residence	Completed	101,200	140,000	213,300	-	213,300	24.45	-
5	Changping, Beijing	Beijing Jinchun Mansion	Residence	Completed	86,600	170,400	280,100	-	280,100	53.17	0.03
6	Mentougou, Beijing	Beijing Longfor North Star Lanjing	Residence	Completed	26,000	66,200	104,100	-	104,100	24.78	0.47
7	Changsha, Hunan	Changsha North Star Delta	Residence, commercial and office building	Under construction	780,000	3,820,000	5,200,000	236,500	4,783,300	407.08	5.99
8	Changsha, Hunan	Changsha North Star Central Park	Residence	Completed	336,300	720,000	927,100	-	927,100	26.03	0.17
9	Changsha, Hunan	Changsha North Star Shiguangli	Residence and commercial	Completed	27,700	107,900	145,400	-	145,400	12.28	0.33
10	Wuhan, Hubei	Wuhan North Star Modern You +	Residence and commercial	Completed	104,700	241,100	313,300	-	313,300	21.00	0.0033
11	Wuhan, Hubei	Wuhan North Star Guangguli	Commercial service	Under construction	84,200	337,000	492,000	-	357,200	25.81	3.42
12	Wuhan, Hubei	Wuhan Blue City	Residence and commercial	Under construction	358,000	716,000	980,100	17,000	745,400	102.68	0.56
13	Wuhan, Hubei	Wuhan Gemdale • North Star China Chic	Residence	Completed	41,800	127,000	178,900	-	178,900	13.51	0.05
14	Wuhan, Hubei	Wuhan North Star Peacock City Hangtian Mansion	Residence	Completed	75,200	172,800	220,400	-	220,400	9.88	0.02

No.	Location	Project	Mode of operation	Projects under construction/ Newly commenced projects/ Completed projects	Planned plot ratio-based gross floor area (square meter)	Project 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
15	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 067)	Residence and commercial	Completed	126,200	50,500	180,900	-	180,900	12.42	0.40
16	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 068)	Residence and commercial	Under construction	158,100	63,200	227,700	227,700	-	16.38	0.05
17	Wuhan, Hubei	Wuhan North Star Jindiyang Time	Residence and commercial	Completed	151,400	50,500	212,100	-	212,100	18.72	0.17
18	Hangzhou, Zhejiang	Hangzhou North Star Shushan Project	Residence and commercial	Completed	235,000	83,900	317,500	-	317,500	25.29	0.09
19	Hangzhou, Zhejiang	Hangzhou Guosongfu	Residence	Completed	48,200	21,900	69,900	-	69,900	17.16	0.02
20	Hangzhou, Zhejiang	Hangzhou Lingchao Mansion	Residence	Completed	25,700	12,200	44,400	-	44,400	12.52	0.24
21	Hangzhou, Zhejiang	Hangzhou North Star Chenchun Lancheng	Residence	Under construction	179,500	69,000	276,400	276,400	-	52.18	2.48
22	Ningbo, Zhejiang	Ningbo Beichenfu	Residence	Completed	137,400	47,300	189,700	-	189,700	45.20	0.13
23	Ningbo, Zhejiang	Ningbo Mansion • Jintian	Residence and commercial	Completed	292,500	133,000	404,800	-	404,800	34.33	0.20
24	Yuyao, Zhejiang	Ningbo Xianglu Bay	Residence	Completed	116,800	68,700	166,400	-	166,400	22.43	0.40
25	Suzhou, Jiangsu	Suzhou North Star CIFI Park No. 1 Mansion	Residence and commercial	Completed	180,500	178,700	273,900	-	273,900	17.28	0.0003
26	Suzhou, Jiangsu	Suzhou Guanlan Mansion	Residence and commercial	Completed	268,800	170,000	392,900	84,200	392,900	65.70	2.30
27	Wuxi, Jiangsu	Wuxi Tianyi Juzhu	Residence	Completed	196,000	88,000	255,400	-	255,400	28.60	0.0007
28	Chengdu, Sichuan	Chengdu North Star Langshi Nanmen Lvjun	Residence and commercial	Completed	158,600	63,600	237,000	-	237,000	9.83	0.02
29	Chengdu, Sichuan	Chengdu North Star • Xianglu	Residence and commercial	Completed	96,900	40,400	148,300	-	148,300	16.16	-

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
30	Chengdu, Sichuan	Chengdu North Star • South Lake Xianglu	Residence	Completed	88,000	210,000	297,100	-	297,100	26.25	0.07
31	Chengdu, Sichuan	Chengdu North Star Royal Palace	Residence and commercial	Completed	26,600	79,800	120,000	-	120,000	18.03	0.12
32	Chengdu, Sichuan	Chengdu North Star Luming Mansion	Residence and commercial	Completed	80,100	160,300	227,300	-	227,300	22.00	0.45
33	Meishan, Sichuan	Sichuan North Star Guosongfu	Residence and commercial	Completed	59,900	149,800	197,400	-	197,400	16.32	0.63
34	Meishan, Sichuan	Sichuan North Star Longxitai	Residence and commercial	Completed	69,900	84,000	126,600	-	126,600	15.08	1.01
35	Langfang, Hebei	Langfang North Star Xianglu	Residence and commercial	Under construction	140,700	296,800	414,500	65,800	317,700	31.28	1.01
36	Langfang, Hebei	Langfang North Star Blue City (Lot 2018-4)	Residence	Under construction	82,500	164,800	245,600	245,600	-	24.56	1.39
37	Langfang, Hebei	Langfang Xingchenli (Lot 2019-3)	Commercial	Newly commenced	21,100	52,800	75,400	75,400	-	5.45	0.54
38	Langfang, Hebei	Langfang North Star (Lot 2020-5)	Residence	Under construction	46,200	92,000	135,400	135,400	-	13.43	0.04
39	Hefei, Anhui	Hefei North Star CIFI Park Mansion • Luzhou	Residence and commercial	Completed	141,700	239,000	356,200	-	356,200	21.07	0.04
40	Yubei, Chongqing	Chongqing • Yuehai Mansion One	Residence and commercial	Under construction	429,100	918,000	1,321,100	251,700	902,000	115.93	2.74
41	Yubei, Chongqing	Chongqing North Star Xianglu	Residence	Under construction	68,200	102,200	150,400	1,000	149,400	24.64	0.54
42	Haikou, Hainan	North Star Mansion in Haikou	Residence and commercial	Completed	106,800	206,000	281,100	-	281,100	36.31	0.52
43	Haikou, Hainan	Haikou North Star Changxiu Shijia	Residence	Completed	30,500	106,800	134,700	-	134,700	12.35	0.32
44	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 116)	Residence and commercial	Under construction	25,900	77,800	113,700	113,700	-	12.00	0.20
45	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 114)	Residence and commercial	Under construction	25,100	76,600	110,600	64,200	46,400	9.66	0.41

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 40,000 square meters; the area for new and resumed construction was 1,836,100 square meters; and the completed area was 89,900 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	Chao Yang, Beijing	Beijing North Star Green Garden	Residence, commercial and office building	6,291	-	-	389	337
2	Haidian, Beijing	Beijing North Star Xianglu	Residence	-	-	-	3	728
3	Chao Yang, Beijing	Beijing North Star Fudi	Residence and commercial	3,131	-	-	-	-
4	Shunyi, Beijing	Beijing North Star • Villa 1900	Residence	3,959	1,139	1,734	4,680	167
5	Chao Yang, Beijing	Beijing Bihai Fangzhou	Residence	830	-	-	-	1,499
6	Changping, Beijing	Beijing North Star Red Oak Villa	Villa	27,729	-	-	-	620
7	Shunyi, Beijing	Beijing Modern North Star Yue MOMA	Self-occupied commercial housing, two-limit housing	3,243	655	655	-	-
8	Changping, Beijing	Beijing Jinchen Mansion	Residence	85,234	972	972	4,333	-
9	Mentougou, Beijing	Beijing Longfor North Star Lanjing	Residence	5,066	156	-	-	-
10	Changsha, Hunan	Changsha North Star Delta	Residence, commercial and office building	112,065	18,116	46,265	81,236	29,959
11	Changsha, Hunan	Changsha North Star Central Park	Residence	12,040	492	4,449	4,456	4,216
12	Changsha, Hunan	Changsha North Star Shiguangli	Residence and commercial	16,429	6,586	5,121	3,607	5,637
13	Wuhan, Hubei	Wuhan North Star Modern You +	Residence and commercial	662	-	-	-	-

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)
14	Wuhan, Hubei	Wuhan North Star Guangguli	Commercial service	73,613	13,515	13,739	2,333	268
15	Wuhan, Hubei	Wuhan Blue City	Residence and commercial	60,037	3,299	3,154	1,757	586
16	Wuhan, Hubei	Wuhan Gemdale • North Star China Chic	Residence	849	849	849	891	-
17	Wuhan, Hubei	Wuhan North Star Peacock City Hangtian Mansion	Residence	35,865	329	219	-	458
18	Wuhan, Hubei	Wuhan North Star Jingkaiyou+ (Lot 067)	Residence and commercial	48,022	12,783	10,679	5,472	2,105
19	Wuhan, Hubei	Wuhan North Star Jindiayang Time	Residence and commercial	34,885	4,726	-	-	-
20	Hangzhou, Zhejiang	Hangzhou North Star Shushan Project	Residence and commercial	7,304	-	190	1,134	-
21	Hangzhou, Zhejiang	Hangzhou Guosongfu	Residence	-	-	-	87	-
22	Hangzhou, Zhejiang	Hangzhou Lingchao Mansion	Residence	800	160	318	1,197	-
23	Hangzhou, Zhejiang	Hangzhou North Star Chenchun Lancheng	Residence	51,053	3,905	-	-	13,066
24	Ningbo, Zhejiang	Ningbo Beichenfu	Residence	7,510	-	-	92	-
25	Ningbo, Zhejiang	Ningbo Mansion • Jintian	Residence and commercial	147	147	147	71	-
26	Yuyao, Zhejiang	Ningbo Xianglu Bay	Residence	19,470	9,844	8,563	14,218	1,281
27	Suzhou, Jiangsu	Suzhou Guanlan Mansion	Residence and commercial	88,769	15,963	22,464	27,808	3,810
28	Chengdu, Sichuan	Chengdu North Star Langshi Nanmen Lvjun	Residence and commercial	1,816	106	106	335	735
29	Chengdu, Sichuan	Chengdu North Star • Xianglu	Residence and commercial	602	-	-	-	-
30	Chengdu, Sichuan	Chengdu North Star • South Lake Xianglu	Residence	7,055	307	516	134	-
31	Chengdu, Sichuan	Chengdu North Star Royal Palace	Residence and commercial	5,459	884	305	385	578
32	Chengdu, Sichuan	Chengdu North Star Luming Mansion	Residence and commercial	11,733	1,024	988	2,301	774
33	Meishan, Sichuan	Sichuan North Star Guosongfu	Residence and commercial	16,653	9,714	9,688	4,797	609
34	Meishan, Sichuan	Sichuan North Star Longxitai	Residence and commercial	68,176	5,167	3,846	2,829	1,874
35	Langfang, Hebei	Langfang North Star Xianglu	Residence and commercial	38,647	6,799	6,950	9,149	236

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)
36	Hefei, Anhui	Hefei North Star CIFI Park Mansion • Luzhou	Residence and commercial	857	-	-	436	-
37	Yubei, Chongqing	Chongqing • Yuelai Mansion One	Residence and commercial	121,225	9,965	1,408	1,602	28,704
38	Yubei, Chongqing	Chongqing North Star Xianglu	Residence	54,717	10,244	12,030	17,868	1,750
39	Haikou, Hainan	North Star Mansion in Haikou	Residence and commercial	43,984	3,560	3,849	9,704	9,746
40	Haikou, Hainan	Haikou North Star Changxiu Shijia	Residence	2,373	100	4,032	4,603	-
41	Guangzhou, Guangdong	Guangzhou Lanting Xianglu (Lot 114)	Residence and commercial	30,893	10,167	-	-	-

Note:

During the Reporting Period, the Company's sales area was 151,672 square meters; sales amount was RMB2,194,000,000; settlement area was 163,234 square meters; settlement amount was RMB2,079,000,000; the area to be booked as at the end of the Reporting Period was 109,745 square meters.

3. *Financing*

The Company has consistently enhanced its cash management and control, improved capital efficiency, optimized its financing structure, expanded financing channels, and secured sufficient and stable funding through various means, with total financing amount to RMB1,302,000,000 during the Reporting Period, which ensured the safety and stability of its capital chain.

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
2,457,890	4.18	20,615

(2) Development Strategy of the Company

The Company will align development with safety, overcome difficulties, tackle challenges head-on, and leverage its strategic leadership to actively plan for business growth. It aims to further advance the integration of real estate and commercial management by using the implementation of convention and exhibition strategies as a key breakthrough, thereby elevating its operations to a new level.

1. Convention and Exhibition (Including Hotels) and Commercial Properties

The Company will focus on serving the overall national plans and the functional construction of the “four centers” of the capital city, and supporting the establishment of Beijing’s international consumption center. It will continuously enhance the strategic framework of the convention and exhibition segment, and fully leverage its role as a driving force within the industry, driving the synergistic growth of hotels, office buildings, apartments, integrated commercial properties and other business types.

In respect of the convention and exhibition business segment, the Company is committed to advancing its “leading” strategy within the segment by focusing on establishing China’s number one convention and exhibition enterprise, facilitating the layout development of the whole industry chain while enhancing the overall capacity of the industry. We will explore various channels and fields to tap into the upstream business of the conference and exhibition sector and plan for potential mergers and acquisitions, in order to strengthen its initiative and leadership within the industry chain. We also aim to intensify our marketing efforts in both domestic and international markets, with a focus on securing high-level conferences and large-scale exhibitions, as well as strengthening partnerships with international convention and exhibition institutions. Furthermore, we will continue to refine our management model to ensure a market-oriented operation, enabling an improved coordination across management, resources, and business operations within the capital city’s convention and exhibition industry.

In respect of the commercial properties segment, the Company will leverage Beijing North Star Commercial Management as a platform to foster innovative development and strengthen its business management foundation. Our aim is to establish a leading domestic brand in the operation and management of public construction and park assets. We will concentrate on key business lines, including office buildings, apartments, and commercial properties, while thoroughly exploring the value of assets within industrial and cultural parks. Additionally, we will optimize resource allocation and drive consumption and upgrades within the Asian-Olympic business circle. We will deepen cooperation between government and enterprises, effectively utilize competitive alliances, and strengthen regional synergies to boost brand awareness and influence. We will also strengthen the professional operation and management of our hotel and apartment product lines, initiating ISO system certification for North Star Yue Property. By diversifying its operations, the Company aims to discover new opportunities for revenue and efficiency, while continuing to promote group-oriented operation, specialized management and diversified development of the Company, and to enhance the competitiveness of the industry.

2. *Real Estate Development*

The Company is committed to maintaining its firm confidence in development and leveraging its strategic strengths to ensure the stable operation of its real estate segment while effectively managing risk prevention, stability, and transformation. We will enhance our tracking and research of market policies, optimize our marketing strategies, and accelerate project disposals to recover capital, ensuring a healthy cycle of revenue and expenditure. Our focus will also be on promoting the leasing and sales of commercial properties to enhance their value and facilitate disposals. The Company will prioritize proactive risk assessment and management and strengthen risk prevention, aiming for early detection and resolution of potential issues. In addition, the Company will integrate its inventory assets, improve asset management efficiency, and continuously refine its organizational structure to reduce costs and boost efficiency. We are also dedicated to exploring innovative real estate development models and optimizing our business layout to support the Company's new industrial framework, ultimately driving high-quality development.

In the second half of 2024, the Company is expected to record resumed construction areas of 1,746,200 square meters and completed areas of 586,500 square meters. The Company aims to achieve sales areas of 639,200 square meters with a targeted contracted amount (including parking spaces) of RMB8.506 billion.

3. *Financing and Capital Expenditure*

The Company will enhance its capital planning by fully leveraging the "headquarter financing" model, diversifying financing methods, and broadening financing channels while strengthening liability management and control. Additionally, we 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 the second half of 2024, the Company's estimated fixed asset investment is RMB123,000,000, the payment of which will be made according to the construction progress. The source of funds will be internal funds.

IV. POTENTIAL RISKS FACED BY THE COMPANY

1. Market Risk

Affected by the expected decline in residents' income and property prices, the real estate market in China has faced great overall downward pressure. Meanwhile, the differentiation among cities has continued and competition for popular cities and certain prime land parcels among real estate enterprises has become intensively fierce. Land transaction prices remain high, driving up development costs. The situation of large proportion of land costs and difficulty in increasing selling price poses certain risks to enterprises in terms of finance and capital position as well as operational stability.

In response to the aforesaid risks, the Company will pay close attention to the development trend of the market, and select cities and regions featuring mature markets, with a favorable investment atmosphere and a relatively reasonable net inflow of population and housing price-to-income ratio. Additionally, the Company will continuously optimize development strategies and maintain an appropriate scale, and be committed to strengthening professional management, shortening the development cycle, accelerating the turnover rate, improving the cash recovery rate, and avoiding market risks.

2. Policy Risk

The development of the real estate industry is closely related to the direction of national policies. Despite the relaxation of current industry policies, with new challenges brought by the continuous deepening of the industrial reform, uncertainties remain. There may be possible further adjustments to subsequent regulatory policies and the credit environment, and real estate companies may face policy risks to a certain extent in areas such as land acquisition, project development and construction, sales, and financing.

In response to the aforesaid risks, the Company will pay close attention to relevant national policies and changes in the macroeconomic environment. The Company will continue to optimize its direction of business development according to the policy orientation based on the actual situation, enhance the sustainable development potential of the real estate development business, and improve its comprehensive competitiveness.

3. Risks of Talent Reserve

As the Company has steadily advanced the convention and exhibition and commercial property businesses in recent years, it has led to soaring demands for all kinds of talents, especially people with professional expertise and senior management personnel. The Company may be exposed to the risk of talent shortage.

In response to the aforesaid risks, the Company will proactively develop a work pattern of "Great Talent" with a focus on the urgently needed talents required for high-quality corporate development. It will strengthen the overall planning for the sources of talent introduction and continue to attract and gather talents through a variety of channels and means, such as the launch of the "Excellence Training Programme", school – enterprise cooperation and market-oriented selection of professional managers. 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 industry, real estate industry and commercial property sector. In addition, consistent efforts will be devoted to boosting the professional competence of dedicated talents in each business line and the integrated management capability of composite cadres in various segments, in an endeavor to build a high-quality and professional cadre talent team.

DISCUSSION AND ANALYSIS OF FINANCIAL PERFORMANCE

Financial Resources and Liquidity

As at 30 June 2024, the equity attributable to ordinary shareholders of the Company decreased by 5.62% compared with 31 December 2023. The decrease was mainly due to the loss attributable to the ordinary shareholders of the Company of RMB769,580,000 during the Period.

The Group's bank and other borrowings (excluding bonds) as at 30 June 2024 amounted to RMB13,632,802,000. At the end of the Period, net values of the Group's 5-year corporate bonds, 3-year corporate bonds, 2-year corporate bond and 5-year medium term notes were RMB2,479,049,000, RMB599,267,000, RMB373,342,000 and RMB3,926,836,000, respectively. Net value of the asset-backed securities was RMB3,567,600,000 at the end of the Period.

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 RMB40,649,036,000, whereas the current liabilities amounted to RMB20,294,861,000. As at 30 June 2024, the balance of cash at bank and on hand amounted to RMB7,301,722,000 (excluding restricted bank deposits) and none of the bonds in issue were exposed to redemption and payment risks. During the Period, the Company did not engage in any transaction on financial products or derivative instruments.

As at 30 June 2024, the Group had secured borrowings from banks and other financial institutions of RMB13,459,134,000 with certain right-of-use assets, investment properties, hotels, 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 66% as at the end of the Reporting Period (31 December 2023: 66%).

The Group's operations took place within the territory of mainland China and all transactions were settled in Renminbi. Accordingly, there was no exposure to the risk of exchange rate fluctuations.

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. The above mentioned financial guarantees provided in phases had no material impact on the financial position of the Group. As at 30 June 2024, the outstanding amount of financial guarantees provided in phases was RMB5,553,911,000 (31 December 2023: RMB7,137,252,000).

SHARE CAPITAL AND SHAREHOLDERS

Share Capital

The Company's registered capital as at 30 June 2024 totalled 3,367,020,000 shares in issue, comprising:

Domestic-listed circulating A shares	2,660,000,000 shares	Representing 79.002%
Foreign-listed H shares	707,020,000 shares	Representing 20.998%

SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, the following person, other than a director, supervisor or chief executive of the Company, had 5% or more interests or short positions in the shares and underlying shares of the relevant class of issued share capital of the Company as recorded in the register of interests in the shares and short positions required to be kept under Section 336 of Part XV of the Securities and Futures Ordinance (“SFO”):

Interests and Short Positions in Shares of the Company

Name of shareholder	Nature of interest	Capacity	Class of shares	Number of shares held	Percentage of the relevant class of share capital	Percentage of total share capital
Beijing North Star Industrial Group Limited Liabilities Company	Corporate interest	Beneficial owner	A shares	1,161,000,031	43.65%	34.48%

Save as disclosed above, based on the register required to be kept under Section 336 of Part XV of the SFO, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as at 30 June 2024.

INTERESTS OF DIRECTORS AND SUPERVISORS OF THE COMPANY

As at 30 June 2024, none of the directors, supervisors, chief executives of the Company or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “**Model Code**”).

CORPORATE GOVERNANCE

The Company has strived to maintain and establish a high level of corporate governance, and the Company has fully complied with all code provisions set out in the “Corporate Governance Code” contained in Appendix C1 of the Listing Rules during the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code. Having made specific enquiries with all directors and supervisors of the Company, the Company confirms that its directors and supervisors have complied with the required standards as set out in the Model Code during the six months ended 30 June 2024.

AUDIT COMMITTEE

The Audit Committee has been established by the Company to review and supervise the financial reporting process and internal control measures of the Company. The Group's unaudited interim results for the six months ended 30 June 2024 have been reviewed by the Audit Committee and the Board. The Audit Committee comprises three independent non-executive directors of the Company, namely, Dr. CHOW Wing-Kin, Anthony, Mr. GAN Pei-Zhong and Mr. CHEN De-Qiu.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

DESIGNATED DEPOSITS AND DUE FIXED DEPOSITS

As at 30 June 2024, the Group had no designated deposits that were placed with financial institutions in the PRC. All of the Group's cash deposits have been placed with commercial banks in the PRC in compliance with relevant laws and regulations. The Group has not experienced any incidents of not being able to withdraw bank deposits when due.

EMPLOYEES

As at 30 June 2024, the Company had 5,140 employees. Adjustments of employees' remuneration will be made according to the Company's results and profitability and are determined by assessing the correlation between the total salary paid to employees and the economic efficiency of the Company. The policy contributes to the management of the Company's remuneration expenses while employees will be motivated to work hard for good results and development of the Company. Save for the remuneration policies disclosed above, the Company did not maintain any share option scheme for its employees and the employees did not enjoy bonus. The Company regularly provided administrative personnel with trainings on various subjects, including operations management, foreign languages, computer skills, industry know-how and policies and laws, in different forms, such as seminars, site visits and study tours.

STAFF QUARTERS

During the Period, the Company did not provide any staff quarters to its staff.

IMPORTANT EVENTS AFTER THE REPORTING DATE

There were no important events affecting the Company which occurred after June 30, 2024 and up to the date of this announcement.

PUBLICATION OF INTERIM REPORT

The Company's 2024 interim report which sets out all the information required by the Listing Rules will be published on the designated website of the Stock Exchange at <http://www.hkexnews.hk> and on the website of the Company at <http://www.beijingns.com.cn> in due course.

DOCUMENT FOR INSPECTION

The original copy of the 2024 interim report, signed by the Chairman, will be available for inspection at the office of the Board, the address of which is:

Beijing North Star Company Limited
12th Floor, Tower A, Hui Xin Building
No. 8 Bei Chen Dong Road
Chao Yang District
Beijing, the PRC

By order of the Board
Beijing North Star Company Limited
LI Wei-Dong
Chairman

Beijing, the PRC
28 August 2024

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

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