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北京金隅股份有限公司

BBMG Corporation*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2009)

POSITIVE PROFIT ALERT

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company and potential investors that, based on the Company's preliminary estimations and calculations, the Group is expected to record an increase in net profit attributable to shareholders of the listed company of 20% to 45% for the year ended 31 December 2016 as compared with the same period in 2015.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by BBMG Corporation* (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the Company's preliminary estimations and calculations, the Group is expected to record an increase in net profit attributable to shareholders of the listed company of 20% to 45% for the year ended 31 December 2016 as compared with the same period in 2015.

The Board considers that such increase in the profit level for the year ended 31 December 2016 is mainly because during the year 2016, the strategic re-organization between the Company and Jidong Development Group Co., Ltd. (冀東發展集團有限責任公司) (“**Jidong Development Group**”) has promoted the gradual improvement in the market order for the core area of the cement market of the Company and prices for cement and clinker have become more rational. At the same time, the Company had strengthened its internal control management, implemented unified management, proactively tapped into potential sources and decreased consumption and controlled and reduced costs and expenses. As a result, gross profit margin for the sales of cement and clinker increased as compared with the same period of last year while the profit contribution from the cement segment also increased significantly as compared with the same period in 2015.

The net profit attributable to shareholders of the listed company for the year ended 31 December 2015 was RMB2,017,453,800, with basic earnings per share of RMB0.21 (adjusted for the bonus issue in 2016).

For the year ended 31 December 2016, the Group recorded (i) consolidated sales volume of cement and clinker of approximately 55.35 million tonnes (according to accounting records and calculation), representing an increase of 41% from the same period of last year of 39.26 million tonnes; (ii) sales volume of concrete of approximately 13.50 million cubic meters, representing an increase of 19% from the same period of last year of 11.34 million cubic meters; and (iii) booked GFA of approximately 1,130 thousand square meters. from property development, representing a decrease of 10.3% from the same period of last year of 1,260 thousand square meters.

The Company has completed the subscription of the new registered capital of Jidong Development Group and the acquisition of the 10% equity interests in Jidong Development Group held by Zhongtai Trust Co., Ltd. (中泰信託有限責任公司) in cash. Subsequently, the Company controls Jidong Development Group and indirectly controls Tangshan Jidong Cement Co., Ltd. (唐山冀東水泥股份有限公司). In preparation of the consolidated financial statements of the Company, the basis date used for including the operating results of Jidong Development Group, being a subsidiary company not controlled by the same enterprise on consolidation, is 30 September 2016. The Company has included the operating results of Jidong Development Group for the period between October 2016 and December 2016 in its preliminary results estimations and calculations.

The information in this announcement is based on the Company’s preliminary estimations and calculations and has not been audited or reviewed by the independent auditors of the Company. Detailed audited financial information of the Group for the year ended 31 December 2016 will be announced in March 2016, which shall prevail over the information contained herein.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
BBMG Corporation*
Jiang Deyi
Chairman

Beijing, the PRC, 10 January 2017

As at the date of this announcement, the executive directors are Jiang Deyi, Wu Dong and Zang Feng; and the independent non-executive directors are Wang Guangjin, Tian Lihui, Tang Jun and Ngai Wai Fung.

** English translation denotes for identification purposes only*