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北京金隅集團股份有限公司

**BBMG Corporation\***

*(a joint stock company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 2009)**

**ANNOUNCEMENT**  
**PROPOSED SPIN-OFF AND SEPARATE QUOTATION OF**  
**BBMTA ON THE NEEQ**

This announcement is made by the board of directors (the “**Board**”) of BBMG Corporation\* (the “**Company**”) pursuant to Practice Note 15 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Board is pleased to announce that the Company is proposing a spin-off (the “**Proposed Spin-off**”) and separate quotation of Beijing Building Materials Testing Academy Co., Ltd. (北京建築材料檢驗研究院股份有限公司) (“**BBMTA**”), an indirect non wholly-owned subsidiary of the Company, on the National Equities Exchange and Quotations System (全國中小企業股份轉讓系統) (the “**NEEQ**”) a national securities exchange approved and established by the State Council of the People's Republic of China (the “**PRC**”) and operated and managed by National Equities Exchange and Quotations Co., Ltd.\* (全國中小企業股份轉讓系統有限責任公司) (“**NEEQ Co., Ltd.**”).

BBMTA submitted an application to the NEEQ Co., Ltd. for quotation of its shares on NEEQ on 29 September 2022.

**IMPLICATIONS OF THE LISTING RULES**

As at the date of this announcement, the Company (i) directly holds 43.38% equity interest in BBMTA; (ii) holds approximately 26.52% and 1.18% equity interest in BBMTA through its two indirect non wholly-owned subsidiaries, Tianjin Building Materials Scientific Study Co., Ltd. (天津市建築材料科學研究院有限公司) and Hebei Building Material Industry Design &

Research Institution (河北省建築材料工業設計研究院有限公司) respectively; and (iii) holds another approximately 28.92% equity interest in BBMTA through its direct wholly-owned subsidiary, Beijing Building Materials Academy Co., Ltd. (北京建築材料科學研究總院有限公司). As the Company does not intend to effect any sale of its shares in BBMTA in connection with the Proposed Spin-off, and there is no planned issue of new shares by BBMTA in connection with the Proposed Spin-off for now, BBMTA will still remain an indirect non wholly-owned subsidiary of the Company immediately upon the completion of the Proposed Spin-off, and the financial results and position of BBMTA will continue to be consolidated in the financial statements of the Company. The Proposed Spin-off will not constitute a deemed disposal under Chapter 14 of the Listing Rules and will not be required to obtain the approval by the shareholders' general meeting of the Company.

According to Practice Note 15 to the Listing Rules, the Company has submitted an application in relation to the Proposed Spin-off to the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for approval. As at the date of this announcement, such application is still pending for the approval from the Stock Exchange.

The Proposed Spin-off will be subject to, among other things, the approvals by the Stock Exchange and NEEQ Co., Ltd. The Company will keep the shareholders of the Company and potential investors informed of further developments in relation to the Proposed Spin-off in accordance with the Listing Rules.

## **INFORMATION ON THE GROUP AND BBMTA**

The Group operates its principal businesses through two segments, namely (i) the modern green building materials segment and (ii) property development and operation segment. The modern green building materials segment engages in the manufacture and sale of cement and concrete, the manufacture and sale of building materials and furniture and the provision of commerce and logistics services whereas the property development and operation segment engages in property development and sales, investment in properties for potential rental income and/or for capital appreciation, and the provision of management and security services to residential and commercial properties.

BBMTA is an indirect non wholly-owned subsidiary of the Company and is principally engaging in testing for building materials quality.

## **REASONS FOR AND BENEFITS OF THE PROPOSED SPIN-OFF**

The Proposed Spin-off will enable BBMTA as a subsidiary of the Company to be re-evaluated in the NEEQ market which will have a positive effect on market value management. It will also

facilitate the establishment of separate fund raising platforms for the businesses of the Group and the group of BBMTA to fund the growth and expansion of their respective businesses. In addition, it will enhance the corporate profile and reputation of BBMTA, thereby increasing its ability to attract investors and strategic partners and offering greater clarity for credit profiling of BBMTA by financial institutions that wish to extend credit or financing to BBMTA.

## **GENERAL**

As at the date of this announcement, no final decision has been made as to whether and/or when to proceed with the Proposed Spin-off.

The Company will keep its shareholders and potential investors informed by making further announcement(s) in connection with the Proposed Spin-off as and when appropriate in compliance with the Listing Rules.

**Shareholders of the Company and potential investors should note that there is no assurance as to whether or when the Proposed Spin-off will proceed. As the Proposed Spin-off may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**BBMG Corporation\***  
**Jiang Yingwu**  
*Executive Director*

Beijing, the PRC, 30 September 2022

*As at the date of this announcement, the executive directors of the Company are Jiang Yingwu, Wu Dong and Zheng Baojin; the non-executive directors of the Company are Wang Zhaojia and Gu Tiemin; and the independent non-executive directors of the Company are Yu Fei, Liu Taigang, Li Xiaohui, Hong Yongmiao and Tam Kin Fong.*

*\* English translation denotes for identification purposes only*