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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)

**PROFIT ALERT ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

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, for the year ended 31 December 2020, the Group is expected to record a net profit attributable to shareholders of the listed company of approximately RMB2,700 million to 3,030 million, representing a year-on-year decrease of 27% to 18% and a net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss of approximately RMB1,660 million to 1,980 million, representing a year-on-year decrease of 48% to 38%.

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, for the year ended 31 December 2020 (the "**Reporting Period**"), the Group is expected to record a net profit attributable to shareholders of the listed company of approximately RMB2,700 million to 3,030 million, representing a year-on-year decrease of 27% to 18% and a net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss of approximately RMB1,660 million to 1,980 million, representing a year-on-year decrease of 48% to 38%.

The Board considers that such decrease in the profit level for the year ended 31 December 2020 is mainly because of the outbreak of COVID-19 epidemic in 2020 has produced a significant impact on the production and operation of the Company. The Company responded actively and made overall plans to advance the pandemic prevention and control as well as the production and operation, therefore the profitability has been improved in the second half of 2020. However, among the recognized real estate projects, the proportion of affordable housing with low gross profit margin has increased significantly during the Reporting Period, thus resulting in a significant year-on-year decline in the aggregated gross profit margin of the property business, which had relative significant impacts on the net profit attributable to shareholders of the listed companies of the Company and the net profit attributable to shareholders of the listed companies after deducting non-recurring profit and loss. Meanwhile, in response to the government's call, the Company lowered and waived the rent of some medium-, small- and micro-sized enterprises that leased premises from the Company, to certain extent, has affected the revenue and profit of the investment properties.

The net profit attributable to shareholders of the listed company and the net profit attributable to shareholders of the listed company after deducting non-recurring profit and loss for the year ended 31 December 2019 were approximately RMB3,693,582,700 and approximately RMB3,204,906,600 respectively and basic earnings per share was RMB0.35.

During the Reporting Period, the Group recorded (i) consolidated sales volume of cement and clinker of approximately 107.0 million tonnes (according to accounting records and calculation), representing an increase of approximately 11% from the same period of last year of approximately 96.40 million tonnes; (ii) sales volume of concrete of approximately 16.05 million cubic meters, representing a decrease of approximately 8% from the same period of last year of approximately 17.50 million cubic meters; and (iii) booked GFA of approximately 1,555.0 thousand square meters from property development, representing an increase of approximately 54% from the same period of last year of approximately 1,013.0 thousand square meters.

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 2020 will be announced in March 2021, 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*
Zeng Jin
Chairman

Beijing, the PRC, 20 January 2020

As at the date of this announcement, the executive directors of the Company are Mr. Zeng Jin, Mr. Jiang Yingwu, Mr. Wu Dong and Mr. Zheng Baojin; the non-executive directors of the Company are Mr. Wang Zhaojia and Mr. Xue Chunlei; and the independent non-executive directors of the Company are Mr. Wang Guangjin, Mr. Tian Lihui, Mr. Tang Jun and Mr. Ngai Wai Fung.

** English translation denotes for identification purposes only*