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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)

**DISCLOSEABLE TRANSACTION  
ACQUISITION OF EQUITY INTEREST IN THE TARGET COMPANY**

**THE ACQUISITION**

The Board is pleased to announce that on 17 November 2023 (after trading hours), the Company entered into the Share Transfer Agreement with the Seller, Mr. Wang and Khorgas Huixinda, pursuant to which, the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Target Shares (representing approximately 10.00% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement) at the Consideration of RMB2,231.99 million (equivalent to approximately HK\$2,429.61 million), subject to the Transitional Period Adjustments.

Upon Completion, the Target Company will be directly held as to approximately 10.00% by the Company.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

**As the Completion is subject to (i) the fulfillment (or waiver) of the Conditions Precedent; (ii) the compliance review by the Shenzhen Stock Exchange; and (iii) the registration of the transfer of the Target Shares at the Shenzhen Branch of the CSDC, the Acquisition may or may not proceed. Accordingly, shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

On 17 November 2023 (after trading hours), the Company entered into the Share Transfer Agreement with the Seller, Mr. Wang and Khorgas Huixinda, pursuant to which, the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Target Shares (representing approximately 10.00% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement) at the Consideration of approximately RMB2,231.99 million (equivalent to approximately HK\$2,429.61 million), subject to the Transitional Period Adjustments.

## **THE SHARE TRANSFER AGREEMENT**

Principal terms of the Share Transfer Agreement are set out below:

### **Date**

17 November 2023 (after trading hours)

### **Parties**

- (1) The Company
- (2) The Seller
- (3) Mr. Wang
- (4) Khorgas Huixinda

### **The Acquisition**

Pursuant to the Share Transfer Agreement, the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Target Shares (representing approximately 10.00% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement). There is no restriction which applies to the subsequent sale of the Target Shares.

### **Consideration and Payment Terms**

The Consideration payable by the Company shall be RMB2,231.99 million (equivalent to approximately HK\$2,429.61 million), subject to the Transitional Period Adjustments, which shall be funded by internal resources of the Company.

The Consideration shall be settled by the Company in three installments:

- (1) 30% of the Consideration (i.e. RMB669.60 million) (equivalent to approximately HK\$728.89 million) shall be paid by the Company to the Seller within five (5) Business Days from the date of the Share Transfer Agreement (the “**First Installment of the Consideration**”);
- (2) 60% of the Consideration (i.e. RMB1,339.19 million) (equivalent to approximately HK\$1,457.76 million) shall be paid by the Company to the Seller within two (2) Business Days from the date of transfer of the Target Shares from the Seller to the Company (the “**Second Installment of the Consideration**”);
- (3) 10% of the Consideration (i.e. RMB223.20 million) (equivalent to approximately HK\$242.96 million) shall be paid by the Company to the Seller within two (2) Business Days from the appointment of one (1) director candidate and one (1) supervisor candidate nominated by the Company as a director and a supervisor of the Target Company according to the Share Transfer Agreement.

### **Basis of the Consideration**

The Consideration was the aggregate value of the transfer price of RMB3.55 per Target Share, which was determined after arm’s length negotiations with the Seller, after taking reference of the secondary market trading price of the shares of the Target Company.

### **Transitional Arrangements**

If there are any ex-rights events such as bonus issue of shares and capitalisation of capital reserve of the Target Company during the Transitional Period, the number of shares comprising of the Target Shares and the transfer price per Target Share shall be adjusted accordingly but the Consideration shall remain unchanged; if there are any ex-dividend events such as distribution of dividend, the number of shares comprising of the Target Shares shall remain unchanged while the transfer price per Target Share shall be adjusted by deducting the amount of dividend per share of the Target Company and the Consideration shall be adjusted accordingly (the “**Transitional Period Adjustments**”).

During the Transitional Period, the Seller shall take effective measures such as exercising its shareholder’s rights to ensure the stability of the Target Company’s core management. If the Transitional Period is longer than two (2) months, the Seller, Mr. Wang and Khorgas Huixinda shall, from the day following the expiry of two (2) months from the date of the Share Transfer Agreement (inclusive) to the Completion Date (exclusive), ensure that they and the directors recommended by them and elected by the Target Company shall not propose or approve the Target Company and its holding subsidiaries to carry out the following matters: (1) provide guarantees to third parties other than the Target Company and entities within the scope of its consolidated statements, except for the guarantees provided for the purpose of the daily business activities of the Target Company; (2) provide loans to third parties other than the Target Company and entities within the scope of its consolidated statements, except for the loans provided for the purpose of the daily business activities

of the Target Company; (3) increase or reduce the registered capital of the Target Company (other than the adjustment to the registered capital of the Target Company due to circumstances already disclosed to the Company and/or the intermediary agencies engaged by the Company or publicly disclosed by the Target Company); (4) adopt resolutions on merger, division, spin-off, dissolution, liquidation or change of corporate form of the Target Company; and (5) amend the provisions of the articles of association of the Target Company which are relevant to the rights and obligations of its shareholders, except for the amendments caused by the amendments required by laws and regulations or the competent securities regulatory authorities, unless written consent has been obtained from the Company.

### **Conditions Precedent**

The Completion is conditional upon the fulfillment (or waiver), among other things, of the following (the “**Conditions Precedent**”):

- (1) the Seller, Mr. Wang and Khorgas Huixinda not having breached the representations, warranties and undertakings made in the Share Transfer Agreement that will have substantial impact on the Completion, as if the representations, warranties and undertakings are repeated on the Completion Date; and there not having been any material adverse change to the Target Group as a whole during the period from the date of the Share Transfer Agreement to the Completion Date;
- (2) the Shenzhen Stock Exchange having issued the confirmation opinion in relation to the transfer of Target Shares in accordance with the Share Transfer Agreement;
- (3) the Company having settled the First Installment of the Consideration;
- (4) the Company not having breached the representations, warranties and undertakings made in the Share Transfer Agreement that will have substantial impact on the Completion, as if the representations, warranties and undertakings are repeated on the Completion Date;
- (5) the Seller, Mr. Wang and Khorgas Huixinda having issued a signed certificate to the Company, certifying the satisfaction of sub-paragraph (1) above; and
- (6) the Company having issued a signed certificate to the Seller, Mr. Wang and Khorgas Huixinda, certifying the satisfaction of sub-paragraph (4) above.

### **Completion**

Within fifteen (15) Business Days after the Share Transfer Agreement takes effect, the Company and the Seller shall each have its own application documents and information required for the application to the Shenzhen Stock Exchange for the transfer of Target Shares prepared in accordance with the

rules stipulated in the Guidelines for Handling Shares Agreement Transfer Business of Listed Companies on the Shenzhen Stock Exchange\* (《深圳證券交易所上市公司股份協議轉讓業務辦理指南》).

The Company and the Seller shall apply to the Shenzhen Branch of the CSDC for the transfer of the Target Shares to the Company within five (5) Business Days after the fulfillment (or waiver) of the Conditions Precedent.

Completion shall occur when the Target Shares are transferred to the Company through the Shenzhen Branch of the CSDC, and: (1) the Company has obtained the confirmation from the Shenzhen Branch of the CSDC registering the transfer (if any); and (2) the Second Installment of the Consideration has been paid to the Seller by the Company (whichever is later).

All rights and obligations in connection with the Target Shares will be transferred with the Target Shares from the Completion Date. The Seller shall enjoy and bear all rights, obligations, risks and responsibilities in connection with the Target Shares prior to the Completion Date; whereas the Company shall enjoy and bear all rights, obligations, risks and responsibilities in connection with the Target Shares from the Completion Date.

Upon Completion, the Target Company will be directly held as to approximately 10.00% by the Company.

### **Post Completion Arrangement**

#### ***(i) Corporate Governance of the Target Company***

Provided that Mr. Wang remains as the actual controller of the Target Company and there is no material change in the percentage of shares held by the Company in the Target Company pursuant to the Share Transfer Agreement, the Target Company shall maintain eight (8) non-independent directors and four (4) independent directors, and the Company shall be entitled to nominate one (1) non-independent director candidate to the Target Company.

Provided that Mr. Wang remains as the actual controller of the Target Company and there is no material change in the percentage of shares held by the Company in the Target Company pursuant to the Share Transfer Agreement, the Target Company shall maintain two (2) non-employee supervisors and one (1) employee supervisor, and the Company shall be entitled to nominate one (1) non-employee supervisor candidate to the Target Company.

**(ii) Compensation**

Within 24 months from the Completion Date, if the Target Company suffers a loss exceeding RMB 100 million in accordance with a Compensation Triggering Event, the Seller, Mr. Wang and Khorgas Huixinda shall, according to the Share Transfer Agreement, compensate the Target Company for the claims and losses actually borne by the Target Company due to the Compensation Triggering Event.

A “**Compensation Triggering Event**” means: (1) a problem or matter which has led to the Target Company suffering a single loss exceeding RMB 10 million (which is a direct loss caused by a penalty or litigation arising from an issue of labour, safety, tax, asset and business etc, except for the liabilities, fees or losses arising from the Target Company’s ordinary course of business, open for business, close of business, external investments or impairment of goodwill) save for the circumstances that the Seller and/or Mr. Wang and Khorgas Huixinda could prove are not caused by its and/or their subjective intentions; (2) the Target Company providing financial assistance or guarantees to third parties other than the entities within the scope of its consolidated statements, and the Seller, Mr. Wang and Khorgas Huixinda, in breach of laws and regulations, uses the Target Company to illegally provide guarantee or illegally embezzle the Target Company’s funds, which has led to the Target Company suffering a single loss exceeding RMB 10 million. Such Compensation Triggering Event should have existed between the date Mr. Wang became the actual controller of the Target Company (which shall be determined by the date of the announcement of the Target Company in relation to the passing of its 2019 second extraordinary general meeting in relation to the change of board composition, i.e. 24 December 2019) to the Completion Date; and should have but has not been disclosed by the Target Company in accordance with the Measures for the Administration of Information Disclosure by Listed Companies (《上市公司信息披露管理办法》), or has not been disclosed by Mr. Wang and Khorgas Huixinda to the Company and/or the intermediary agencies engaged by the Company or publicly disclosed by the Target Company.

**(iii) Repurchase**

Within 24 months from the Completion Date, the Company is entitled to demand the Seller and/or Mr. Wang and Khorgas Huixinda to repurchase all shares of the Target Company held by the Company pursuant to the Share Transfer Agreement if any of the following events is triggered:

- (1) Mr. Wang ceases to be the actual controller of the Target Company, unless otherwise agreed by the Parties;
- (2) occurrence of any circumstances which will lead to the shares of the Target Company being mandatorily delisted in accordance with Chapter 9 of the Rules Governing the Listing of Shares on the Shenzhen Stock Exchange;

- (3) a modified audit opinion has been issued by the auditor in relation to the Target Company's annual financial report for year 2023 or year 2024; or the internal control assurance report of the Target Company for year 2023 or year 2024 is determined by the auditor to have major internal control deficiencies or qualified opinions.

## **Breach**

In the event that the Seller and Mr. Wang and Khorgas Huixinda unreasonably fail to cooperate or properly cooperate in the registration of the transfer of Target Shares or there is occurrence of any circumstances stipulated in the Share Transfer Agreement which results in the failure of the Completion, and no rectification or remedial measures have been taken within thirty (30) calendar days after the occurrence of such circumstance, the Company is entitled to demand performance of the Share Transfer Agreement by the Seller or Mr. Wang and Khorgas Huixinda, and at the same time seek liquidated damages from the Seller or Mr. Wang and Khorgas Huixinda, save for circumstances caused by the Company's breach of the Share Transfer Agreement or where the Company voluntarily gives up Completion; the Company is also entitled to unilaterally terminate the Share Transfer Agreement while seeking liquidated damages.

In the event that there is occurrence of certain circumstances with the Company which give rise to the Seller's right to unilaterally terminate the Share Transfer Agreement or the Company is in breach of certain representations and warranties stipulated in the Share Transfer Agreement, the Seller is entitled to demand performance of the Share Transfer Agreement by the Company, and at the same time seek liquidated damages from the Company, save for circumstances caused by the Seller's or Mr. Wang's and Khorgas Huixinda's breach of the Share Transfer Agreement; the Seller is also entitled to unilaterally terminate the Share Transfer Agreement while seeking liquidated damages.

## **Termination**

The Share Transfer Agreement may be terminated by the unanimous written consent of the Parties.

The Company may terminate the Share Transfer Agreement by written notice to other Parties and shall not be liable for any contractual fault or breach of contract if any of the following material events occurs after the Share Transfer Agreement takes effect and before the Completion Date:

- (1) The Target Company commits a material breach of laws and regulations under Chapter 9 of the Rules Governing the Listing of Shares of the Shenzhen Stock Exchange which may result in the suspension or termination of listing of the shares of the Target Company; or there is occurrence of any circumstances which may result in the Target Company failing to meet the conditions for non-public issuance of securities and/or material asset restructuring as required by applicable laws and regulations, provided that such information has not been publicly disclosed by the Target Company and the Seller, Mr. Wang, Khorgas Huixinda and the Target Company have not disclosed such information to the Company and/or its intermediary agencies, and the Target Company fails to remedy such circumstances within thirty (30) calendar days after the occurrence of such circumstances;

- (2) There exist: (1) Compensation Triggering Events that result in the aggregate loss of the Target Company exceeding RMB100 million; or (2) circumstances that result in the transfer of the Target Shares unable to meet the substantive conditions stipulated by the Shenzhen Stock Exchange and the Target Company fails to remedy such circumstances within thirty (30) calendar days after the occurrence of such circumstances, save for the circumstances that are not caused by the Seller's, Mr. Wang's and Khorgas Huixinda's subjective intentions; and
- (3) The Conditions Precedent are not fully fulfilled by the expiry of six (6) months after the date of the Share Transfer Agreement (or other term as agreed by the parties), unless such unfulfillment is resulted from the breach of the Share Transfer Agreement by the Company.

The Seller may terminate the Share Transfer Agreement by written notice to the Parties and shall not be liable for any contractual fault or breach of contract if any of the following material events occurs after the Share Transfer Agreement takes effect and before the Completion Date:

- (1) The Company fails to settle the Consideration in accordance with the payment terms of the Share Transfer Agreement and the Consideration is overdue for more than ten (10) Business Days;
- (2) The Company fails to satisfy the requirements of applicable rules such as the Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》) or the competent authorities in terms of the subject qualification to acquire the Target Company, source of funds and acquisition strength, and/or the Company's acquisition funds have the structuration, leverage ratio and other arrangements that fail to satisfy the regulatory requirements of competent authorities, and/or the Company fails to satisfy the substantive conditions of written or oral queries from other competent regulatory authorities, and/or the Company has the circumstances that are not allowed to acquire listed companies as stipulated in Article 6 of the Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》), resulting in the Target Shares being unable to be registered under the Company's name as agreed in the Share Transfer Agreement, and the Company fails to eliminate such circumstances within thirty (30) calendar days after the occurrence of such circumstances;
- (3) The Company fails to cooperate or properly cooperate in providing relevant documents such as the changes in equity involved in the Acquisition, application materials for the transfer of the Target Shares, carrying out necessary steps for the registration of the transfer of Target Shares, resulting in the Target Shares failing to be registered under the Company's name as agreed in the Share Transfer Agreement and the Company fails to remedy such circumstances within thirty (30) calendar days after the occurrence of such circumstances;
- (4) The Conditions Precedent are not fulfilled by the expiry of six (6) months after the date of the Share Transfer Agreement (or other term as agreed by the parties), unless such unfulfillment is resulted from the breach of the Share Transfer Agreement by the Seller or Mr. Wang and Khorgas Huixinda.



## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Acquisition is an in-depth cooperation to be carried out by the Company with the Target Company in response to the call of the national policy for two-way mixed ownership reform of state-owned enterprises and private enterprises and based on the principle of “resource sharing, complementary advantages and win-win cooperation”, and the Company and the Target Company are committed to achieving a long-term and stable strategic partnership. The Company also entered into a strategic cooperation agreement with the Target Company on 17 November 2023 (please refer to the Overseas Regulatory Announcement published by the Company on 17 November 2023 for further details). The Company has solid industrial advantages, policy advantages, capital advantages and resource advantages, and the Target Company has the advantages of commercial platform, digitalization, flexible mechanism and outstanding operational ability. In the future, the Company and the Target Company will give full play to the product advantages, resource advantages and market advantages of their respective industrial systems to carry out in-depth cooperation in the fields of store operation, property development, overall decoration business, property management, digital transformation and logistics delivery network construction. The strategic cooperation between the Company and the Target Company will help enrich and optimize the industrial chain of the Group and create greater value for all shareholders. Upon Completion, on the one hand, the Company will actively exercise its shareholder rights to participate in the operation decision-making of the Target Company according to law; on the other hand, the Company and the Target Company will give full play to their respective advantages to comprehensively strengthen the business collaboration and cooperation, so as to realize powerful combination and promote the mutual development of the Company and the Target Company.

The Company is the leader of the building materials industry in the PRC and one of the largest building materials manufacturers and suppliers in Beijing, Tianjin and Hebei. The Target Company specialises in operating retail furniture stores, which possesses a mature, efficient and nationwide home building materials distribution network and offline sales resources. The Target Company also has rich experience in store operation and management, a strong brand influence and marketing capabilities on customers. The Company can create good synergy effect with multiple business segments of the Target Company. Upon Completion, the consistent and in-depth business cooperation between the Company and the Target Company will be conducive to enriching and optimizing the industry chain of the Company, and to improving the core competitiveness of the Company.

The Company may elect to increase or reduce its equity interests in the Target Company within 12 months from the date of this announcement. If such changes in equity interests occur in the future, the Company will strictly and promptly fulfill its disclosure obligation in accordance with all applicable laws and regulations.

The terms and conditions of the Share Transfer Agreement were determined after arm’s length negotiations between the Parties. In view of the above, the Board considers that the terms of the Share Transfer Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE PARTIES**

### **The Group**

The Company is a joint stock company incorporated in the PRC with limited liability and its principal activities are investment holding and property investment. The Group is principally engaged in the manufacture of building materials supplemented by property development and property investment and management.

### **The Seller**

The Seller is a company established under the laws of the PRC with limited liability. To the best of the Directors' knowledge, information and belief of the Board having made all reasonable enquiries, the Seller is principally engaged in investment and asset management, investment consulting, economic information consulting, contracting in home decoration market; import and export of goods, technology import and export, import and export agency; sales of furniture, construction materials and hardware and electrical equipment; freight forwarding, warehousing services, and rental of commercial premises. As at the date of this announcement, the Seller is held as to 69.62% by Beijing Zhongtian Jiye Commercial Management Co., Ltd.\* (北京中天基業商業管理有限公司) and 16.70% by Mr. Wang. Mr. Wang is the actual controller of the Seller.

### **Mr. Wang**

As disclosed in the 2022 annual report and 2023 interim report of the Target Company, Mr. Wang is the chief executive officer, chairman of the board of directors and actual controller of the Target Company.

### **Khorgas Huixinda**

Khorgas Huixinda is a company established under the laws of the PRC with limited liability. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Khorgas Huixinda is an investment holding company and it is principally engaged in equity investment as at the date of this announcement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Seller, Khorgas Huixinda and their ultimate beneficial owners, and Mr. Wang are third parties independent of the Company and its connected persons.

### **The Target Company**

The Target Company is a company established under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000785). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Target Company is principally engaged in the operation of chain outlets, the establishment of digital home

industry service platform and the provision of design, decoration, smart home, logistics and delivery services. As at the date of this announcement, the Target Company is held as to approximately 36.22% by the Seller, 11.37% by Khorgas Huixinda, 9.18% by Alibaba (China) Network Technology Co., Ltd., 5.92% by Mr. Wang, 4.59% by Hangzhou Hanyun Xinling Investment LLP.\* (杭州瀚雲新領股權投資基金合夥企業 (有限合夥)) and 0.45% by Alibaba (Chengdu) Software Technology Co., Ltd., respectively.

### **Financial Information of the Target Company**

According to the audited financial statements of the Target Company prepared in accordance with the China Accounting Standards for Business Enterprises, the key financial information of the Target Company for its two financial years ended 31 December 2022 and 31 December 2021 is as follows:

	<b>For the year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<i>RMB' million</i>	<i>RMB' million</i>
	<i>(audited)</i>	<i>(audited)</i>
Net profit (before taxation and extraordinary items)	2,472.04	3,175.08
Net profit (after taxation and extraordinary items)	1,720.68	2,378.01

Further financial information of the Target Company is as follows:

	<b>For the nine months ended 30 September 2023</b> <i>RMB'00 million</i> <i>(unaudited)</i>	<b>For the year ended 31 December 2022</b> <i>RMB'00 million</i> <i>(audited)</i>
Operating Income	97.44	129.81
Net Profit	11.74	17.21
Net profit attributable to shareholders of the parent company after deducting non-recurring profit/loss	11.84	16.97
	<b>As at 30 September 2023</b> <i>RMB'00 million</i> <i>(unaudited)</i>	<b>As at 31 December 2022</b> <i>RMB'00 million</i> <i>(audited)</i>
Total assets	535.96	533.88
Total liabilities	329.03	326.09
Net asset value	206.93	207.79

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the notification and announcement requirements, but exempt from the circular and shareholders' approval requirements, under Chapter 14 of the Listing Rules.

**As the Completion is subject to (i) the fulfillment (or waiver) of Conditions Precedent; (ii) the compliance review by the Shenzhen Stock Exchange; and (iii) the registration of the transfer of the Target Shares at the Shenzhen Branch of the CSDC, the Acquisition may or may not proceed. Accordingly, shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Acquisition”	the acquisition of the Target Shares by the Company from the Seller in accordance with the Share Transfer Agreement
“Board”	the board of Directors
“Business Day(s)”	any day other than Saturdays, Sundays and statutory holidays prescribed by the PRC government; where relevant procedures to be handled by securities regulatory authorities are involved, a Business Day shall be a trading day of the Shenzhen Stock Exchange
“Company”	BBMG Corporation* (北京金隅集團股份有限公司), a joint stock company established under the laws of the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 02009) and the A shares of which are listed on the Shanghai Stock Exchange (Stock Code: 601992)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration for the Acquisition
“Completion”	the completion of the Acquisition
“Completion Date”	the date on which Completion occurs
“CSDC”	China Securities Depository and Clearing Corporation Limited
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Khorgas Huixinda”	Khorgas Huixinda Building Material Co., Ltd.* (霍爾果斯慧鑫達建材有限公司), a company established under the laws of the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Mr. Wang”	Mr. Wang Linpeng* (汪林朋)
“Parties”	the Company, the Seller, Mr. Wang and Khorgas Huixinda
“PRC”	the People’s Republic of China and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Seller”	Beijing Easyhome Investment Holding Group Co., Ltd.* (北京居然之家投資控股集團有限公司), a company established under the laws of the PRC with limited liability
“Share Transfer Agreement”	the share transfer agreement dated 17 November 2023 entered into among the Parties in relation to the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	shall have the meaning ascribed thereto in the Listing Rules
“Target Company”	Easyhome New Retail Group Corporation Limited, a company established under the laws of the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange (Stock Code: 000785)
“Target Group”	the Target Company and its domestic and overseas subsidiaries, partnerships and branches included in the scope of the Target Company’s consolidated financial statements as at 30 June 2023
“Target Share(s)”	628,728,827 shares of the Target Company, each a Target Share, owned and held by the Seller as at the date of this announcement, representing approximately 10.00% of the total issued share capital of the Target Company, subject to the Transitional Period Adjustment
“Transitional Period”	the period from the date of the Share Transfer Agreement (inclusive) to the Completion Date (exclusive)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

“%”

per cent

*Unless otherwise specified in this announcement and for the purpose of illustration only, RMB is translated into HK\$ at the rate of HK\$1.00 = RMB0.91866.*

By Order of the Board  
**BBMG Corporation\***  
**Jiang Yingwu**  
Chairman

Hong Kong, 17 November 2023

*As at the date of this announcement, the executive directors of the Company are Jiang Yingwu, Gu Yu, Jiang Changlu and Zheng Baojin; the non-executive director of the Company is Gu Tiemin; and the independent non-executive directors of the Company are Yu Fei, Liu Taigang, Hong Yongmiao and Tam Kin Fong.*

\* *English translation denotes for identification purpose only*