BBMG 金隅

**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 IN RELATION TO THE DECREASE IN 2024 INTERIM RESULTS

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 its shareholders and potential investors that, based on the Company's preliminary estimations and calculations, the Group is expected to record a net loss attributable to shareholders of the Company between approximately RMB750,000,000 and RMB950,000,000 for the six months ended 30 June 2024, representing a decrease in net profit attributable to shareholders of the Company between approximately 283% and 332% when compared with the same period of last year and a net loss attributable to shareholders of the Company after deducting non-recurring profit and loss of approximately RMB2,050,000,000 to RMB2,250,000,000, representing a year-on-year increase in net loss of 274% to 310%.

**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 its shareholders and potential investors that, based on the Company's preliminary estimations and calculations, the Group is expected to record a net loss attributable to shareholders of the Company between approximately RMB750,000,000 and RMB950,000,000 for the six months ended 30 June 2024 (the "**Reporting Period**"), representing a decrease in net profit attributable to shareholders of the Company between approximately 283% and 332% when compared with the same period of last year and a net loss attributable to shareholders of the Company after deducting non-recurring profit and loss of approximately RMB2,050,000,000 to RMB2,250,000,000, representing a year-on-year increase in net loss of 274% to 310%.

The Board believes that the year-on-year decline in the Company's performance during the Reporting Period is mainly due to the overall weak effective demand for cement. The sales volume of cement and clinker was approximately 38.00 million tonnes (based on accounting records), representing a decrease of approximately 5.96 million tonnes or approximately 13.2% from approximately 43.96 million tonnes in the same period last year. Although the Company has taken a number of measures to reduce costs and adjust selling prices upward, these were at the moment insufficient to make up for various adverse effects, resulting in a year-on-year expansion of operating losses during the Reporting Period. In the first half of the year 2024, real estate policies continued to be optimized and regulations in core cities were loosened. However, sales continued to bottom out and remained at a low level. During the Reporting Period, the Company's property development business recorded a recognized gross floor area of approximately 396.0 thousand square meters, representing a decrease of approximately 113.0 thousand square meters or approximately 22.2% from approximately 509.0 thousand square meters in the same period last year.

The Group recorded net profit attributable to shareholders of the Company and the net loss attributable to shareholders of the Company after deducting non-recurring profit and loss for the six months ended 30 June 2023 of approximately RMB410,060,000 and RMB548,630,000 respectively, with basic earnings per share of RMB0.0025.

There are no material uncertainties in the Company that may affect the accuracy of the content of this announcement.

The Company has always been committed to building low-cost core competitive advantage. During the Reporting Period, it has taken a number of measures to reduce costs and enhance operation efficiency, and the costs of cement and clinker dropped by more than 12%. The Company has actively implemented the government-led rigid staggered peak (剛性錯峰) policy and promoted the improvement of the industry ecology. In the second quarter of 2024, cement prices have stabilized and rebounded, turning losses into profits.

The Company adheres to the policy on optimizing asset utilization efficiency, deeply exploring assets utilization potential, revitalizing multiple assets, and creating new growth momentum to achieve long-term sustainable development.

The Company focuses on the new materials industry, develops new productivity areas, focuses on new materials business, gives full play to the supporting and driving role of core industries in the smooth circulation of the industrial chain, strengthens technological innovation, grasps new development directions, and promotes the deep integration of technology and business development.

The Company actively leverages the "chain length" effect to develop C-end business. Tintan Home (天壇整裝) has deeply explored the Beijing-Tianjin-Hebei market, expanded into the

Eastern China region, and pioneered the construction of a new business model of "complete equipment + new retail" (整裝+新零售) to stand out in the fierce integrated equipment market.

The information related to this results alert is based on the preliminary estimations and calculations by the Company's finance department and have not been pre-audited by the Company's auditor. Detailed financial information of the Group for the Reporting Period will be announced in August 2024, 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 Yingwu**
*Chairman*

Beijing, the PRC, 9 July 2024

*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 directors of the Company are Gu Tiemin and Hao Liwei; and the independent non-executive directors of the Company are Yu Fei, Liu Taigang, Hong Yongmiao and Tam Kin Fong.*

* *for identification purposes only*