

Stock code: 601992	Stock short name: BBMG	No.: Lin 2016-055
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**BBMG CORPORATION**  
**ANNOUNCEMENT ON PROGRESS OF THE**  
**MATTERS IN RELATION TO THE SUBSCRIPTION**  
**OF SHARES TO BE ISSUED BY TANGSHAN**  
**JIDONG CEMENT CO., LTD. WITH THE**  
**RELEVANT ASSETS OF THE CEMENT AND**  
**OTHER BUSINESSES OF THE COMPANY**

**The board of Directors and all directors of the Company warrant that there are no false representations, misleading statements or material omissions contained in the contents of this announcement, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of its contents.**

On 29 June 2016, the eighth meeting of the Fourth Session of the board of Directors of BBMG Corporation\* (hereinafter referred to as the “**Company**”) considered and approved the “Resolution on the Matters in relation to the Subscription of Shares to be Issued by Tangshan Jidong Cement Co., Ltd. with the Relevant Assets of the Cement and Other Businesses of the Company” (《關於公司以水泥等業務相關資產認購唐山冀東水泥股份有限公司發行股份相關事宜的議案》) and it is agreed that the Company shall subscribe the shares to be issued under the non-public issuance by Tangshan Jidong Cement Co., Ltd. (hereinafter referred to as “**Jidong Cement**”) with the equity interests in subsidiaries, which are engaging in cement and other related businesses, held by the

Company (hereinafter referred to as “The Transaction”). On the same day, the Company signed the “Share Issuance and Asset Purchase Agreement between Tangshan Jidong Cement Co., Ltd. and BBMG Corporation” (《唐山冀東水泥股份有限公司與北京金隅股份有限公司之發行股份購買資產協議》) with Jidong Cement.

According to the above resolution and agreement, the transaction price and the number of shares to be issued by Jidong Cement of The Transaction were determined based on the valuation results of the subject assets as at 31 March 2016 prepared by Beijing Pan-China Assets Appraisal Co., Ltd. which has been approved the State-owned Assets Supervision and Administration Commission of the People’s Government of Beijing Municipality (hereinafter referred to as the “**Beijing SASAC**”); the values of the subject assets appraised by Beijing Pan-China Assets Appraisal Co., Ltd. amounted to RMB12,952,998,200 and such valuation results of the assets are still subject to the approval of the Beijing SASAC. For details, please refer to the “Announcement of BBMG Corporation on the Matters in relation to the Subscription of Shares to be Issued by Tangshan Jidong Cement Co., Ltd. with the Relevant Assets of Cement and Other Businesses” (《北京金隅股份有限公司關於以水泥等業務相關資產認購唐山冀東水泥股份有限公司發行股份相關事宜的公告》) (Announcement No.: Lin 2016-047) published on China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily and the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) by the Company on 30 June 2016.

On 13 July 2016, the Company received a notice from BBMG Group Company Limited\* (北京金隅集團有限責任公司), its controlling shareholder, stating that the Beijing SASAC has approved the valuation results of the subject assets of The Transaction and issued the “Written Approval on the Asset Valuation Project in respect of the Subscription of Shares to be Issued by Tangshan Jidong Cement Co., Ltd. with the equity interests in 31 Companies by BBMG Corporation” (Jing Guo Zi Chan Quan [2016] No.123) (《關於對北京金隅股份有限公司以 31 家企業股權認購唐山冀東水泥股份有限公司所發行股份的資產評估項目予以核准的批復》(京國資產權【2016】123 號)). The approved asset valuation results mentioned above are consistent with the asset valuation results as set out in the relevant resolutions considered and approved by the eighth meeting of the Fourth Session of the board of Directors of the Company and the Share Issuance and Asset Purchase Agreement signed by the Company. The Company hereby confirms that the contents of the relevant resolution and other legal documents considered and approved at the eighth meeting of the Fourth Session of the board of directors are as follows:

#### I. Transaction price of the subject assets

The transaction price of The Transaction was determined based on the valuation results of the subject assets as at 31 March 2016 prepared by Beijing Pan-China Assets Appraisal Co., Ltd. which has been approved by the Beijing SASAC.

According to the “Asset Valuation Report on the Relevant Asset

Valuation Projects of the Cement Business in relation to the Proposed Subscription of Shares to be Issued by Tangshan Jidong Cement Co., Ltd. with the Relevant Assets of the Cement Business of BBMG Corporation” (Tian Xing Ping Bao Zi [2016] No. 0421) (天興評報字[2016]第 0421 號 《北京金隅股份有限公司擬以水泥相關資產認購唐山冀東水泥股份有限公司發行的股份所涉及的水泥相關資產價值項目資產評估報告》) issued by Beijing Pan-China Assets Appraisal Co., Ltd., the date of valuation was 31 March 2016 and the appraised value of the subject assets was RMB12,952,998,200. The abovementioned assets valuation results have been approved by the Beijing SASAC.

II. The number of shares of Jidong Cement to be subscribed by the Company

Based on the issue price of the shares to be issued by Jidong Cement and the appraised value of the subject assets, the number of shares of Jidong Cement to be subscribed by the Company shall be 1,391,299,488.

The number of shares to be subscribed by the Company is subject to the final approval and confirmation of China Securities Regulatory Commission.

The Transaction is still subject to the consideration and approval of the general meeting of the Company and the general meeting of Jidong Cement, the necessary approval or exemption made by The Stock Exchange of Hong Kong Limited and the approval of the relevant national authorities such as

the Beijing SASAC, Anti-monopoly Bureau of the Ministry of Commerce and China Securities Regulatory Commission.

The Company will continue to strictly comply with the disclosure requirements in accordance with the relevant laws and regulations, and will make further announcements on the progress of the relevant matters in a timely manner. The designated media for information disclosure of the Company by way of publishing announcements are China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily, and the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)). Investors are advised to pay close attention to the relevant announcements and be cautious of the investment risks involved.

Notice is hereby given.

The Board of Directors of BBMG Corporation

14 July 2016