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北京金隅股份有限公司

BBMG Corporation*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2009)

BUSINESS UPDATE
STRATEGIC CO-OPERATION AGREEMENT WITH CHINA RESOURCES CEMENT

STRATEGIC CO-OPERATION AGREEMENT

This announcement is made by BBMG Corporation* (the "**Company**") on a voluntary basis. The board of directors of the Company (the "**Board**") is pleased to announce that, on 19 December 2016, the Company and China Resources Cement Holdings Limited ("**China Resources Cement**") entered into a strategic co-operation agreement (the "**Strategic Co-operation Agreement**"). China Resources Cement is one of the leading cement and concrete producers in the southern region of the People's Republic of China (the "**PRC**"). The shares of China Resources Cement are listed on the main board of the Stock Exchange of Hong Kong Limited (stock code: 1313).

According to the Strategic Co-operation Agreement, the Company and China Resources Cement shall jointly explore the markets in the PRC and overseas and further promote the advancement of the technology as well as the transformation and upgrade of the cement industry. The parties shall establish a market communications mechanism to strengthen the sharing of market information and experience in production, technology and business management on a regular basis, which would allow the parties to complement each other's strengths and compensate each other's deficiencies for mutual benefits, achieve improvement in relation to management, jointly explore paths on transformation development towards environmental protection and promote the advancement of the cement industry in the PRC.

The entering into of the Strategic Co-operation Agreement is in line with the strategic development requirements of the Company. By forming a key strategic partnership, both parties will commence business co-operation in accordance with the requirements of the relevant laws and regulations. The enter into of the Strategic Co-operation Agreement will give full play to the competitive advantages of both parties in areas such as transformation development towards environmental protection, production, technological research and development and operations in relation to cement, concrete and other modern building materials, which is beneficial to the enhancement of the competitiveness of the Company and the promotion of a healthy and sustainable development.

The Strategic Co-operation Agreement sets out the framework of the strategic co-operation between the Company and China Resources Cement and lays a good foundation for the future co-operation between the parties. Both parties may further negotiate and agree on the specific co-operation plans and projects. Further announcements will be made by the Company in accordance with all applicable requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as and when appropriate.

By order of the Board
BBMG Corporation*
Jiang Deyi
Chairman

Beijing, the PRC, 19 December 2016

As at the date of this announcement, the executive directors are Jiang Deyi, Wu Dong and Zang Feng; and the independent non-executive directors are Wang Guangjin, Tian Lihui, Tang Jun and Ngai Wai Fung.

* *English translation denotes for identification purposes only*