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北京城建设计发展集团股份有限公司

BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

Beijing Urban Construction Design & Development Group Co., Limited

北京城建設計發展集團股份有限公司

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

(Stock Code: 1599)

**CONTINUING CONNECTED TRANSACTIONS
ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT TO THE
INTEGRATED SERVICES FRAMEWORK AGREEMENT AND
REVISION OF RELEVANT ANNUAL CAP RESULTING
FROM AMENDMENTS TO
THE EXISTING NON-COMPETITION AGREEMENT**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



SOMERLEY CAPITAL LIMITED

**ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT TO THE
INTEGRATED SERVICES FRAMEWORK AGREEMENT AND REVISION OF
RELEVANT ANNUAL CAP**

The Company and BUCG entered into the Integrated Services Framework Agreement on 18 June 2014, pursuant to which the Group provides BUCG, its subsidiaries and/or associates, from time to time in its ordinary and usual course of business, with the integrated services including (i) services relating to construction design, survey and consultancy, including but not limited to measurement, test, inspection of construction drawings; and (ii) training services and other services required by BUCG, its subsidiaries and/or associates to carry out their business.

Reference is made to the announcement of the Company dated 29 October 2015 in relation to the amendments to the Existing Non-competition Agreement by entering into a supplemental agreement between the Company and BUCG, providing for the co-operations between the Company and BUCG in certain specific situations. The Supplemental Agreement to the Existing Non-competition Agreement is conditional upon the approval of the Independent Shareholders at the EGM.

Upon the Supplemental Agreement to the Existing Non-competition Agreement becoming effective, BUCG may assist the Company to bid for urban rail transit projects under specific circumstances as specified therein. Accordingly, BUCG may sub-contract part or parts of an awarded project to the Company in accordance with the bidding documents and in compliance with the relevant laws and regulations, and/or require the Company to provide specialised services, such as management services and equipment leasing. Sub-contracting arrangements and provision of specialised services by the Company to BUCG under Situations (2) and (3) set out in the Supplemental Agreement to the Existing Non-competition Agreement will become new continuing connected transactions of the Company under the Hong Kong Listing Rules. As such, the Company proposes to amend the Integrated Services Framework Agreement by entering into a supplemental agreement to incorporate the Situations (2) and (3) Continuing Connected Transactions into the Integrated Services Framework Agreement (as amended) and to provide the revised annual cap of the relevant revenue transactions for the financial year ending 31 December 2016.

IMPLICATIONS OF THE HONG KONG LISTING RULES

According to Chapter 14A of the Hong Kong Listing Rules, as the highest of the applicable size test percentage ratios (as defined in the Hong Kong Listing Rules) for entering into the Supplemental Agreement to the Integrated Services Framework Agreement and revising the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 is higher than 5%, such continuing connected transactions are subject to the reporting, announcement and the independent shareholders' approval requirement.

GENERAL

The EGM will be held for the Independent Shareholders to consider and, if thought fit, among other things, (i) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement; and (ii) the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 by way of ordinary resolutions.

A circular containing, among other things, (i) principal terms of, and information relating to, the Supplemental Agreement to the Integrated Services Framework Agreement; (ii) information relating to the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; (iii) a letter from the Independent Board Committee, which sets out the recommendations of the Independent Board Committee to the Independent Shareholders in relation to the Supplemental Agreement to the Integrated Services Framework Agreement and the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; (iv) a letter from the Independent Financial Adviser, which sets out the opinions and recommendations of the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders in relation to the Supplemental Agreement to the Integrated Services Framework Agreement and the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; and (v) a notice to convene the EGM, is expected to be despatched to the Shareholders on or before 11 December 2015.

I. BACKGROUNDS OF THE SUPPLEMENTAL AGREEMENT TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT AND REVISION OF RELEVANT ANNUAL CAP

The Company and BUCG entered into the Integrated Services Framework Agreement on 18 June 2014, pursuant to which the Group provides BUCG, its subsidiaries and/or associates, from time to time in its ordinary and usual course of business, with the integrated services (“**Integrated Services**”) including (i) services relating to construction design, survey and consultancy, including but not limited to measurement, test, inspection of construction drawings; and (ii) training services and other services required by BUCG, its subsidiaries and/or associates to carry out their business.

Reference is made to the announcement of the Company dated 29 October 2015 in relation to the amendments to the Existing Non-competition Agreement by entering into a supplemental agreement between the Company and BUCG, providing for the co-operations between the Company and BUCG in certain specific situations. The Supplemental Agreement to the Existing Non-competition Agreement is conditional upon the approval of the Independent Shareholders at the EGM.

Upon the Supplemental Agreement to the Existing Non-competition Agreement becoming effective, BUCG may assist the Company to bid for urban rail transit projects under specific circumstances as specified therein. Accordingly, BUCG may sub-contract part or parts of an awarded project to the Company in accordance with the bidding documents and in compliance with the relevant laws and regulations, and/or require the Company to provide specialised services, such as management services and equipment leasing. Sub-contracting arrangements and provision of specialised services by the Company to BUCG under Situations (2) and (3) set out in the Supplemental Agreement to the Existing Non-competition Agreement (“**Situations (2) and (3) Continuing Connected Transactions**”) will become new continuing connected transactions of the Company under the Hong Kong Listing Rules. As such, the Company proposes to amend the Integrated Services Framework Agreement by entering into a supplemental agreement to incorporate the Situations (2) and (3) Continuing Connected Transactions into the Integrated Services Framework Agreement (as amended) and to provide the revised annual cap of the relevant revenue transactions for the financial year ending 31 December 2016.

II. SUPPLEMENTAL AGREEMENT TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT

For the purposes of regulating the Situations (2) and (3) Continuing Connected Transactions, BUCG and the Company entered into the Supplemental Agreement to the Integrated Services Framework Agreement on 9 December 2015. The Supplemental Agreement to the Integrated Services Framework Agreement is conditional upon the approval of the Independent Shareholders at the EGM.

Principal terms of the Integrated Services Framework Agreement (as amended) are summarized as follows (amendments are underlined as below):

Parties: BUCG
The Company

Date: 9 December 2015

Principal terms to be amended:

1. Service Scope
The integrated services provided by the Group to BUCG, its subsidiaries and/or associates include but not limited to, (i) services relating to construction survey, design and consultancy, including but not limited to measurement, test, inspection of construction drawings, and training services and other services required by BUCG, its subsidiaries and/or associates to carry out their business; (ii) project sub-contracting and/or specialised services, including but not limited to project management and equipment leasing, pursuant to Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement.
2. Transaction Rules
 - 4.1 The parties agree that, each of them is entitled to have full discretion in choosing the counterparties for the transactions (other than in the circumstances specified in Section 4.3 of this agreement). BUCG, its subsidiaries and/or associates shall provide services on terms no less favourable than those offered to independent third parties under similar circumstances and shall not request the Company to provide services on terms more favourable than those offered to the independent third parties by the Company.
 - 4.2 The parties agree that the transaction shall be consummated in line with the applicable market practice (if any) and on normal commercial terms.
 - 4.3 Notwithstanding any other provisions of this agreement, in terms of the awarded projects cooperated with and/or bid by BUCG under the Situations (2) and (3) set out in the Supplemental Agreement to the Existing Non-competition Agreement, BUCG shall, in accordance with the terms of the bidding documents and in compliance with the relevant laws and regulations, sub-contract part or parts of the awarded contract to the Company and/or require specialised services from the Company on a no profit basis to BUCG.

3. Pricing

5.1 Either party shall provide services to the other party at a price determined under the following pricing principles:

5.1.1 price prescribed by the government if available;
or

5.1.2 where there is no government-prescribed price, then the government-guided price taking into account market factors; or

5.1.3 where there is neither government-prescribed price nor government-guided price, then the price determined through tender process or other available market price; or

5.1.4 where none of the above is available or where none of the above transaction rules is applicable in the actual transaction, then the Contractual Price.

5.2 Notwithstanding the foregoing, in terms of the sub-contracting arrangements and specialised services, if required, to be provided by the Company to BUCG pursuant to Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement, the pricing of any such sub-contracting arrangements and specialised services will be based on Contractual Price (Situations (2) and (3) Sub-contracting) and Contractual Price (Specialised Services) (as defined in the “Definitions”).

4. Rights and Obligations Both parties are entitled to select a third party to provide relevant services to them, however, this provision shall not apply to the situations set out in the Supplemental Agreement to the Existing Non-competition Agreement.

5. Term From the execution date of this agreement up to 31 December 2016

The other terms will remain unchanged and applicable.

III. REVISION OF ANNUAL CAP

(1) Rail transit projects of the PRC and estimated awarded biddings

Historically, there were a number of engineering and construction projects for which the Company provided design or consultancy services at the preparatory stage or for supervisory work, but was restricted from bidding for the engineering and construction work of such projects. Such projects include Beijing subway lines 19, 17 and 3, Beijing Yuquan Rail Transit Line, Phase I of Ningbo Rail Transit Line 3 and Xi'an Subway Line 5. Through the Supplemental Agreement to the Existing Non-competition Agreement, BUCG will be able to assist the Company to participate, if similar projects arise.

Further, with the rapid development of the rail transit industry in the PRC in recent years, it is expected that tenders of the rail transit projects would increase in large cities of the PRC. The Company has recently tracked the urban rail transit projects development in Beijing, Taiyuan, Shenyang, Xi'an, Suzhou, Changzhou, Urumqi, Zhengzhou, Qingdao, Dalian, Hangzhou, Ningbo and Wuhan. It is expected that certain sections of the subway lines in Beijing and other cities will be available for tender in 2016. It is further expected that these would include some sections of Beijing subway lines 17 and 3 and Xi'an Subway Line 5, which are subway lines with sections already under constructions and new sections are expected to be available for tender in 2016. Where the Company is restricted from bidding by reason of its provision of design or consultancy services at the preparatory stage or for supervisory work, BUCG will be able to assist the Company when such offers for tender come up.

Upon the Supplemental Agreement to the Existing Non-competition Agreement becoming effective, and considering the number of sections which are expected to be available for bidding in Beijing and other cities, including Xi'an, in 2016, it is expected that pursuant to Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement, BUCG may be able to successfully obtain two sections out of the upcoming sections available for bidding in 2016. The average contract sum of such project by section is estimated to be between RMB0.4 billion and RMB0.5 billion.

(2) Estimated amount for the new continuing connected transactions for 2016

It is estimated that for the financial year ending 31 December 2016, out of the two projects obtained by BUCG under Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement, approximately 25% of such projects will be performed before 31 December of 2016 and therefore the annual cap for the Situations (2) and (3) Continuing Connected Transactions is estimated as follows:

**Year ending
31 December 2016**

Estimated revenue from the Situations (2) and (3) Continuing Connected Transactions	RMB250 million
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The estimated revenue from the Situations (2) and (3) Continuing Connected Transactions for the financial year ending 31 December 2016 was determined based on, among other things, the following consideration:

- (i) the number of urban rail transit projects in Beijing and other cities, including Xi'an, which the Company estimates will be upcoming and available for tender in 2016 and pursuant to Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement, it is expected that BUCG may be awarded two such projects in 2016;
- (ii) the average contract sum of each project is estimated to be between RMB0.4 billion and RMB0.5 billion;
- (iii) by reason of unexpected factors, such as unexpected geological conditions, or changes to the work plans as requested by the project owner, there could be variations or adjustments to the awarded contract sum. A 20% to 40% increase in the total sum of an awarded contract has been included in the estimate as a buffer for the estimated annual sum; and
- (iv) depending on the timing when BUCG may obtain the projects, it is estimated that construction work amounting to approximately 25% or equivalent to approximately RMB250 million of the two projects will be completed in the financial year ending 31 December 2016.

Annual Cap proposed to be revised

It is proposed that the Situations (2) and (3) Continuing Connected Transactions be added to and be regulated by the revenue transactions of the Integrated Services Framework Agreement. The proposed revised annual cap of the relevant revenue transactions (after consolidating the annual caps of the existing revenue transactions for the provision of Integrated Services) for the financial year ending 31 December 2016 is estimated as follows:

In RMB Million

Revenue Transactions	Year ending 31 December 2016
Existing annual cap for the provision of Integrated Services	36
Estimated amount for the Situations (2) and (3) Continuing Connected Transactions	250
Annual cap proposed to be revised	286

As the term of the Integrated Services Framework Agreement (as amended) will expire on 31 December 2016, the Company will, at an appropriate time before expiry of the Integrated Services Framework Agreement (as amended) in 2016, propose to renew the Integrated Services Framework Agreement (as amended) for a term of three years from 1 January 2017 to 31 December 2019 and provide the estimated annual caps for the Situations (2) and (3) Continuing Connected Transactions and for the provision of Integrated Services for the three financial years ending 31 December 2019.

IV. REASONS FOR AND BENEFITS OF THE SUPPLEMENTAL AGREEMENT TO THE INTEGRATED SERVICES FRAMEWORK AGREEMENT AND REVISION OF RELEVANT ANNUAL CAP

The entering into of the Supplemental Agreement to the Integrated Services Framework Agreement is to incorporate the Situations (2) and (3) Continuing Connected Transactions into and be regulated by the Integrated Services Framework Agreement, by amending the service scope, transaction rules and pricing principles of the services to be provided by the Company to BUCG under the existing Integrated Services Framework Agreement. The terms of the Supplemental Agreement to the Integrated Services Framework Agreement are in line with the co-operation arrangement between the Company and BUCG set out in the Supplemental Agreement to the Existing Non-competition Agreement. The pricing of any such Situations (2) and (3) Continuing Connected Transactions will be based on the Contractual Price (Situations (2) and (3) Sub-contracting) and Contractual Price (Specialised Services) (both as defined in the “Definitions” section), pursuant to which BUCG will not obtain any profit out of the assistance or cooperation it provides to the Company in the Situations (2) and (3) Continuing Connected Transactions.

According to the Supplemental Agreement to the Existing Non-competition Agreement, the independent non-executive Directors will review and approve any proposal to request BUCG to assist or cooperate in bidding to ensure that such proposals fall within Situation (2) or (3) of the Supplemental Agreement to the Existing Non-competition Agreement. Further, any such continuing connected transactions will be reviewed annually by the independent non-executive Directors in accordance with the requirements with Rule 14A.55 of the Hong Kong Listing Rules and their confirmations, if confirmed, will be disclosed in the annual report of the Company. The auditors of the Company will also review annually and provide the auditors confirmation (if confirmed) to the Company on such continuing connected transactions in accordance with Rule 14A.56 of the Hong Kong Listing Rules. In addition, in accordance with the terms of the Existing Non-competition Agreement (as amended), the independent non-executive Directors of the Company will also review compliance by BUCG with the Existing Non-competition Agreement (as amended) and disclose the results of such review in the annual report of the Company.

Based on the above factors, the Directors (excluding the independent non-executive Directors, whose opinion is set out in the circular of the EGM) believe that the Supplemental Agreement to the Integrated Services Framework Agreement and the terms thereof and the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

V. IMPLICATIONS OF THE HONG KONG LISTING RULES

As at the date of this announcement, BUCG held 44.87% of the Company's issued shares and is therefore a controlling shareholder and connected person of the Company under the Hong Kong Listing Rules. According to Chapter 14A of the Hong Kong Listing Rules, as the highest of the applicable size test percentage ratios (as defined in the Hong Kong Listing Rules) for entering into the Supplemental Agreement to the Integrated Services Framework Agreement and revising the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 is higher than 5%, such continuing connected transactions are subject to the reporting, announcement and the independent shareholders' approval requirement.

Ms. Wang Liping, Mr. Chen Daihua and Mr. Tang Shuchang, all being Directors, are the deputy general manager, the director and general manager, the head of the capital management department and an assistant to the general manager, respectively, of BUCG and are deemed to have material interests in the above transaction. Therefore, the above Directors have abstained from voting on the board resolution approving the above transaction in accordance with the requirements of the Articles of Association and Hong Kong Listing Rules.

The Independent Board Committee comprising the independent non-executive Directors, namely Mr. Zhang Fengchao, Mr. Wang Dexing, Mr. Sun Maozhu and Mr. Liang Qinghuai, has been established for the purpose of advising the Independent Shareholders in respect of, among other things, entering into the Supplemental Agreement to the Integrated Services Framework Agreement and revising the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016. As Mr. Yim Fung cannot be contacted for the time being (please refer to the Company's announcement

dated 23 November 2015), he will not be a member of the Independent Board Committee for this purpose. The Independent Financial Adviser has also been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of, among other things, entering into the Supplemental Agreement to the Integrated Services Framework Agreement and revising the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016.

VI. INFORMATION ABOUT THE PARTIES

The Company is principally engaged in the design, survey and consultancy business for urban rail transit engineering, industrial and civil construction and municipal engineering, as well as the construction contracting business for urban rail transit engineering.

BUCG is a wholly state-owned enterprise established as a limited liability company, which is principally engaged in the construction contracting, real estate development and design and consultation businesses.

VII. GENERAL

The EGM will be held for the Independent Shareholders to consider and, if thought fit, among other things, (i) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement; and (ii) the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 by way of ordinary resolutions.

A circular containing, among other things, (i) principal terms of, and information relating to, the Supplemental Agreement to the Integrated Services Framework Agreement; (ii) information relating to the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; (iii) a letter from the Independent Board Committee, which sets out the recommendations of the Independent Board Committee to the Independent Shareholders in relation to the Supplemental Agreement to the Integrated Services Framework Agreement and the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; (iv) a letter from the Independent Financial Adviser, which sets out the opinions and recommendations of the Independent Financial Adviser to the Independent Board Committee and Independent Shareholders in relation to the Supplemental Agreement to the Integrated Services Framework Agreement and the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016; and (v) a notice to convene the EGM, is expected to be despatched to the Shareholders on or before 11 December 2015.

As at the date of this announcement, BUCG, being the controlling shareholder of the Company, is deemed to have material interests in the Supplemental Agreement to the Integrated Services Framework Agreement and the revision of the relevant annual cap. BUCG and its associates shall, therefore, abstain from voting on the resolutions in relation to, among other things, (i) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement; and (ii) the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016 at the EGM.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Articles of Association”	the Articles of Association of the Company, as amended, modified or supplemented from time to time
“associate(s)”	shall have the meaning ascribed to it under the Hong Kong Listing Rules
“Board” or “Board of Directors”	the board of directors of the Company
“BUCG”	Beijing Urban Construction Group Co., Ltd. (北京城建集團有限責任公司), a controlling shareholder of the Company holding 44.8% interest in the Company and a wholly state-owned enterprise under the Beijing Municipal Government
“Company”	Beijing Urban Construction Design & Development Group Co., Limited (北京城建設計發展集團股份有限公司), a joint stock company with limited liability incorporated in the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1599)
“connected person(s)”	shall have the meaning ascribed to it under the Hong Kong Listing Rules
“Contractual Price (Situations (2) and (3) Sub-contracting)”	the price attributable to part or parts of the awarded contract subcontracted to the Company under the contract awarded to BUCG in Situations (2) and (3) of the Supplemental Agreement to the Existing Non-competition Agreement
“Contractual Price (Specialised Services)”	the price attributable to the remaining part of the awarded contract under the contract awarded to BUCG, after deducting the price of the part subcontracted to third parties and the Contractual Price (Situations (2) and (3) Sub-contracting) (being the price of the part subcontracted to the Company)
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and which are currently not listed or traded on any stock exchange

“EGM”	an extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among others, (i) the resolution in relation to the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement; and (ii) the resolution in relation to the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016
“Existing Non-competition Agreement”	the non-competition agreement entered into by BUCG and the Company on 24 January 2014 as amended by the Supplemental Agreement I to the Non-competition Agreement
“Group”	the Company and its subsidiaries
“H Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee comprising the independent non-executive Directors, namely Mr. Zhang Fengchao, Mr. Wang Dexing, Mr. Sun Maozhu and Mr. Liang Qinghuai, which has been established by the Company for the purpose of advising the Independent Shareholders in respect of (i) the amendments to the Existing Non-competition Agreement by entering into the Supplemental Agreement to the Existing Non-competition Agreement, and (ii) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement and revision of relevant annual cap resulting from the amendments to the Existing Non-competition Agreement. As Mr. Yim Fung cannot be contacted for the time being (please refer to the Company’s announcement dated 23 November 2015), he will not be a member of the Independent Board Committee for this purpose

“Independent Financial Adviser” or “Somerley”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of (i) the amendments to the Existing Non-competition Agreement by entering into the Supplemental Agreement to the Existing Non-competition Agreement, and (ii) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement and revision of relevant annual cap resulting from the amendments to the Existing Non-competition Agreement
“Independent Shareholders”	Shareholders other than those required by the Hong Kong Listing Rules to abstain from voting on the resolutions to be proposed at the EGM to approve (i) the amendments to the Existing Non-competition Agreement by entering into the Supplemental Agreement to the Existing Non-competition Agreement; (ii) the entering into of the Supplemental Agreement to the Integrated Services Framework Agreement; and (iii) the revision of the annual cap of the relevant revenue transactions for the financial year ending 31 December 2016
“Integrated Services Framework Agreement”	the mutual provision of integrated services agreement entered into between the Company and BUCG on 18 June 2014, for a term of three years commencing from the execution date of the agreement, details of which are set out in the section headed “Connected Transaction” of the prospectus of the Company dated 25 June 2014
“PRC”	the People’s Republic of China which, for the purpose of this announcement only, shall exclude the Hong Kong, the Macau Special Administrative Region and Taiwan
“Shareholder(s)”	holders of the Shares of the Company
“Share(s)”	H Share(s) and Domestic Share(s) of the Company
“subsidiary(ies)”	shall have the meaning ascribed to it under the Hong Kong Listing Rules
“Supplemental Agreement to the Integrated Services Framework Agreement”	the supplemental agreement entered into between the Company and BUCG to amend the Integrated Services Framework Agreement, to incorporate the new continuing connected transactions resulting from the amendments to the Existing Non-competition Agreement into the Integrated Services Framework Agreement (as amended)

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| <p>“Supplemental Agreement I to the Non-competition Agreement”</p> | <p>the supplemental agreement entered into by BUCG and the Company on 16 June 2014 to amend the non-competition agreement entered into by BUCG and the Company on 24 January 2014</p> |
| <p>“Supplemental Agreement to the Existing Non-competition Agreement”</p> | <p>the second supplemental agreement to the Existing Non-competition Agreement entered into by BUCG and the Company on 29 October 2015 to amend the Existing Non-competition Agreement</p> |

By order of the Board
Beijing Urban Construction Design & Development Group Co., Limited
Wang Liping
Chairman

Beijing, 9 December 2015

As at the date of this announcement, the executive directors of the Company are Wang Hanjun and Li Guoqing; the non-executive directors of the Company are Wang Liping, Chen Daihua, Wang Hao, Zhang Jie, Su Bin, Kong Lingbin and Tang Shuchang; and the independent non-executive directors of the Company are Zhang Fengchao, Wang Dexing, Yim Fung, Sun Maozhu and Liang Qinghuai.