

If you are in any doubts as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Beijing Urban Construction Design & Development Group Co., Limited, you should at once hand this circular together with the accompanying proxy form and reply slip for the AGM to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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**

**北京城建设计发展集团股份有限公司**

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

**(Stock Code: 1599)**

**(1) 2015 ANNUAL FINANCIAL REPORT;  
(2) 2015 AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND  
ITS SUMMARY;  
(3) 2015 PROFIT DISTRIBUTION PLAN AND  
DIVIDEND DECLARATION PROPOSAL;  
(4) RE-APPOINTMENT OF AUDITORS FOR 2016 AND  
PAYMENT OF AUDITING SERVICE FEE FOR 2015;  
(5) 2016 INVESTMENT PLAN;  
(6) 2015 WORK REPORT OF THE BOARD OF DIRECTORS;  
(7) 2015 WORK REPORT OF THE BOARD OF SUPERVISORS;  
(8) GENERAL MANDATE FOR PROPOSED ISSUANCE OF H SHARES;  
AND  
NOTICE OF 2015 ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at Conference Room 620, Building 2, No. 5 Fuchengmen North Street, Xicheng District, Beijing, China at 9:30 a.m. on Thursday, 2 June 2016, is set out on pages 26 to 29 of this circular.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible. For holders of H Shares, the proxy form should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof if you so wish.

If you intend to attend the AGM in person or by proxy, you are required to complete and return the reply slip on or before Thursday, 12 May 2016.

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## DEFINITIONS

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

“Annual General Meeting” or “AGM”	the 2015 annual general meeting of the Company to be held at Conference Room 620, Building 2, No. 5 Fuchengmen North Street, Xicheng District, Beijing, China at 9:30 a.m. on Thursday, 2 June 2016
“Articles of Association”	the Articles of Association of the Company, as amended, modified or supplemented from time to time
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“BUCCG”	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 44.87% 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)
“Company Law”	the Company Law of the PRC (中華人民共和國公司法), as enacted and adopted by the Standing Committee of the Eighth National People’s Congress on 29 December 1993 and effective on 1 July 1994, as the same may be amended, supplemented and otherwise modified from time to time
“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 are unlisted shares which are currently not listed or traded on any stock exchange
“Group”	the Company and its subsidiaries

## DEFINITIONS

“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
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, shall exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	holders of the Shares of the Company
“Shares”	H Share(s) and Domestic Share(s) of the Company
“Supervisor(s)”	supervisor(s) of the Company
“Year”	the year ended 31 December 2015

LETTER FROM THE BOARD



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)

**Members of the Board:**

*Executive Directors:*

Wang Hanjun

Li Guoqing

*Non-executive Directors:*

Wang Liping

Chen Daihua

Guo Yanhong

Wang Hao

Guan Jifa

Su Bin

Kong Lingbin

Tang Shuchang

**Registered office:**

5 Fuchengmen North Street

Xicheng District

Beijing

PRC

**Principal place of business in Hong Kong:**

18/F, Tesbury Centre

28 Queen's Road East

Wanchai

Hong Kong

*Independent non-executive Directors:*

Zhang Fengchao

Wang Dexing

Yim Fung

Sun Maozhu

Liang Qinghuai

15 April 2016

*To the Shareholders:*

Dear Sir or Madam,

- (1) 2015 ANNUAL FINANCIAL REPORT;  
(2) 2015 AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND  
ITS SUMMARY;  
(3) 2015 PROFIT DISTRIBUTION PLAN AND  
DIVIDEND DECLARATION PROPOSAL;  
(4) RE-APPOINTMENT OF AUDITORS FOR 2016 AND  
PAYMENT OF AUDITING SERVICE FEE FOR 2015;  
(5) 2016 INVESTMENT PLAN;  
(6) 2015 WORK REPORT OF THE BOARD OF DIRECTORS;  
(7) 2015 WORK REPORT OF THE BOARD OF SUPERVISORS;  
(8) GENERAL MANDATE FOR PROPOSED ISSUANCE OF H SHARES;  
AND  
NOTICE OF 2015 ANNUAL GENERAL MEETING

## LETTER FROM THE BOARD

### I. INTRODUCTION

On behalf of the Board of Directors, I would like to invite you to attend the AGM to be held at Conference Room 620, Building 2, No. 5 Fuchengmen North Street, Xicheng District, Beijing, China at 9:30 a.m. on Thursday, 2 June 2016.

The purpose of this circular is to provide you with the notice of the AGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

### II. BUSINESS TO BE TRANSACTED AT THE AGM

The business to be transacted at the AGM is specified in the notice of the AGM set out on pages 26 to 29 of this circular. The resolutions to be proposed and passed by way of ordinary resolutions at the AGM include: (1) 2015 Annual Financial Report, (2) 2015 Audited Consolidated Financial Statements and Its Summary, (3) 2015 Profit Distribution Plan and Dividend Declaration Proposal, (4) Re-appointment of Auditors for 2016 and Payment of the Auditing Service Fee for 2015, (5) 2016 Investment Plan, (6) 2015 Work Report of the Board of Directors, and (7) 2015 Work Report of the Board of Supervisors; and the resolution to be passed by way of special resolution is (8) Proposal on Granting the Board a General Mandate to Issue Additional H Shares.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make decisions upon obtaining sufficient and necessary information, we have provided detailed information in Appendix I to this circular to the Shareholders, including explanatory information on the proposed resolutions to be passed at the AGM.

### III. AGM

A notice convening the AGM to be held at Conference Room 620, Building 2, No. 5 Fuchengmen North Street, Xicheng District, Beijing, China at 9:30 a.m. on Thursday, 2 June 2016, is set out on pages 26 to 29 of this circular. A proxy form and a reply slip for the AGM are also enclosed herewith.

If you intend to appoint a proxy to attend the AGM, you are required to complete and return the proxy form in accordance with the instructions printed thereon as soon as possible. For holders of H Shares, the proxy form should be returned to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in hand or by post not less than 24 hours before the time stipulated for convening the AGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof if you so wish.

If you wish to attend the AGM either in person or by proxy, you are required to complete and return the reply slip for attending the meeting on or before Thursday, 12 May 2016.

<b>LETTER FROM THE BOARD</b>
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**IV. VOTES BY WAY OF POLL**

According to the Hong Kong Listing Rules and the Articles of Association, the resolutions set out in the notice of the AGM will be voted on by way of poll. Results of the poll voting will be posted on the website of the Company at [www.bjucd.com](http://www.bjucd.com) and the website of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) upon the conclusion of the AGM.

**V. RECOMMENDATION**

The Board considers that the resolutions set out in the notice of the AGM are in the interests of the Company and its Shareholders as a whole, and accordingly recommends you to vote in favour of the proposed resolutions above.

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

**1. 2015 ANNUAL FINANCIAL REPORT**

On 24 March 2016, the 2015 Annual Financial Report of the Company (see Annex A to this circular for details) was considered and passed at the meeting of the Board, and is hereby proposed to the AGM for consideration.

**2. 2015 AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND ITS SUMMARY**

The audited consolidated financial statements and its summary for the year ended 31 December 2015 of the Company are set out in 2015 Annual Report of the Company. The Annual Report together with this circular will be dispatched to the Shareholders. On 24 March 2016, the resolution relating to the audited consolidated financial statements and its summary for the year ended 31 December 2015 was considered and passed at the meeting of the Board, and is hereby proposed to the AGM for consideration.

**3. 2015 PROFIT DISTRIBUTION PLAN AND DIVIDEND DECLARATION PROPOSAL**

According to the International Financial Reporting Standards, the net profit attributable to the Shareholders of the Company in 2015 was RMB397,627,462.35. After the appropriations to the statutory surplus reserve according to the relevant regulations, the proposed profit distribution plan for 2015 of the Company may proceed by distributing dividends of RMB0.0837 (before applicable tax) per Share in cash on the base of a total of 1,272,670,000 Shares of the Company as at 31 December 2015, which will result in approximately RMB106,522,479.00 of profit distributed in total, representing approximately 30% of distributable profits in 2015.

To determine the list of the Shareholders entitled to receive the dividend, the register of H Shares of the Company will be closed from Wednesday, 15 June 2016 to Monday, 20 June 2016, both days inclusive, and Monday, 20 June 2016 will be taken as the record date. Holders of H Shares and Domestic Shares whose names appear on the register of members of the Company as at 20 June 2016 will be entitled to receive the dividends. The dividends should be paid to the Shareholders within three months after being approved at the AGM.

We propose to appoint Computershare Hong Kong Trustees Limited as the agency company in respect of the dividend distribution so as to deal with opening dividend account for the distribution for H Shares in Hong Kong and other distribution related matters.

On 24 March 2016, the resolution was considered and passed at the meeting of the Board, which is hereby proposed to the AGM for consideration.



**4. RE-APPOINTMENT OF AUDITORS FOR 2016 AND PAYMENT OF THE AUDITING SERVICE FEE FOR 2015**

The aggregating expenses relating to the auditing services and other related services conducted and provided by Ernst & Young engaged by the Company in 2015 were RMB3.15 million, which included the payments of RMB2.4 million and RMB0.75 million respectively incurred in auditing the annual financial statements of 2015 and reviewing the interim financial statements of 2015.

We propose to re-appoint Ernst & Young as the external auditors of the Company for 2016 to audit the annual financial statements of 2016 prepared by the Company in accordance with International Accounting Standards, and to review the interim financial statements for the six months ending 30 June 2016 in compliance with International Accounting Standards.

On 24 March 2016, the resolution was considered and passed at the meeting of the Board, which is hereby proposed to the AGM for consideration.

**5. 2016 INVESTMENT PLAN**

The Company plans to complete investment of RMB3.365 billion for the year 2016 and has drafted the 2016 Investment Plan (see Annex B to this circular for details). On 24 March 2016, the resolution was considered and passed at the meeting of the Board, which is hereby proposed to the AGM for consideration.

**6. 2015 WORK REPORT OF THE BOARD OF DIRECTORS**

The 2015 Work Report of the Board of Directors (see Annex C to this circular for details) has been prepared as required by the Company Law and the Articles of Association. On 24 March 2016, the resolution was considered and passed at the meeting of the Board, which is hereby proposed to the AGM for consideration.

**7. 2015 WORK REPORT OF THE BOARD OF SUPERVISORS**

The 2015 Work Report of the Board of Supervisors (see Annex D to this circular for details) has been prepared as required by the Company Law and the Articles of Association. On 24 March 2016, the resolution was considered and passed at the meeting of the Board of Supervisors, which is hereby proposed to the AGM for consideration.

## 8. PROPOSAL ON GRANTING THE BOARD A GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES

In order to meet the development needs of the Company after listing of the Company, it is proposed to the AGM by way of special resolution for consideration and approval of the granting of a general mandate to the Board of the Company (or Director(s) authorised by the Board) to issue no more than 20% additional H Shares during the Relevant Period (as defined below). Details of the general mandate are set out as follows:

(1) Subject to the following conditions, an unconditional and general mandate is granted to the Board of the Company (or Director(s) authorised by the Board) to issue, allot and deal with additional shares in the Company's share capital, being H Shares and to make or grant offers, agreements, or options in relation to such shares:

- (a) Except that the Board of the Company may make or grant offers, agreements, or options during the Relevant Period and such offers, agreements, or options might require further action or exercise after the end of the Relevant Period, the period of such mandate shall not exceed the Relevant Period;
- (b) The aggregate nominal value of H Shares allotted or conditionally or unconditionally agreed to be allotted (whether allotted pursuant to the options or otherwise) under the approval of the Board of the Company shall not exceed 20% of the aggregate nominal value of H Shares of the Company in issue on the date of passing the relevant resolution at the general meeting; and
- (c) The Board of the Company (or Director(s) authorised by the Board) will exercise the rights under the above mandate only under the circumstances where it is in compliance with the Company Law and the Hong Kong Listing Rules (both as amended from time to time) and obtains the approval from the China Securities Regulatory Commission and/or other related Chinese government authorities.

(2) For the purpose of this proposal:

**"Relevant Period"** means the period from the date of the passing of this proposal until whichever is the earliest of the followings:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of 12-month period after the passing of this proposal; or
- (c) the date on which the mandate granted under this proposal is revoked or varied by a special resolution at a general meeting.

- (3) To authorise the Board (or Director(s) authorised by the Board) to formulate and implement detailed issue proposals which includes, without limitation, the pricing mechanism and/or the issue price (including a price range), the number of shares to be issued, the target subscribers and the use of proceeds; to determine the issue timing and issue period, and to decide whether to place to existing shareholders or not when exercising the above-mentioned general mandate.
- (4) To authorise the Board (or Director(s) authorised by the Board) to engage intermediaries in connection with the issue and to approve and execute all actions, deeds, documents and such other matters that are necessary, appropriate, expedient or relevant to the issue; to consider, approve and execute agreements relating to the issue on behalf of the Company, including but not limited to placing and underwriting agreements, engagement agreements with intermediaries.
- (5) To authorise the Board (or Director(s) authorised by the Board) to consider, approve and execute, on behalf of the Company, the applications and documents relating to the issue to be submitted to relevant regulatory authorities; to fulfill relevant approval procedures in accordance with the requirements of regulatory authorities and requirements at the places where the Company is listed, and to handle all necessary archiving, registration and filing procedures at related government authorities in China, Hong Kong and/or any other districts and jurisdictions (if applicable).
- (6) To authorise the Board (or Director(s) authorised by the Board) to make amendments to the relevant agreements and legal documents mentioned in (4) and (5) above in accordance with the requirements of domestic and foreign regulatory authorities.
- (7) To authorise the Board (or Director(s) authorised by the Board) to approve the Company to increase its registered capital correspondingly after the issue pursuant to the H Shares in issue and to make relevant amendments as it thinks fit to the Articles of Association of the Company to reflect corresponding changes in the Company's registered capital, total capital and shareholding structure.

In 2015, the Group further promoted its business development, thereby further consolidating and raising its market position and capital strength, leading to a significant growth trend in operating results and a remarkable enhancement in its comprehensive strengths.

As at 31 December 2015, the total assets of the Group amounted to RMB7,740 million, representing an increase of RMB1,028 million or 15.3% compared to the total assets of RMB6,712 million as at the end of last year. The Group's net assets amounted to RMB3,014 million, representing an increase of RMB391 million or 14.9% compared to the net assets of RMB2,623 million as at the end of last year.

For the year ended 31 December 2015, the Group's revenue amounted to RMB4,009 million, representing an increase of RMB663 million or 19.8% compared to the revenue of RMB3,346 million of the corresponding period of last year. The Group's net profit amounted to RMB398 million, representing an increase of RMB47 million or 13.4% compared to the net profit of RMB351 million of the corresponding period of last year.

For the year ended 31 December 2015, the net cash outflows used in operating activities of the Group amounted to RMB865 million. The net cash inflows from investing activities of the Group amounted to RMB1,132 million. The net cash inflows from financing activities of the Group amounted to RMB377 million.

## Balance Sheet

Unit: RMB'000

	31 December 2015	31 December 2014	% of change
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	317,756	275,069	16
Prepaid land lease payments	32,646	33,356	(2)
Intangible assets	8,109	9,713	(17)
Investments in joint ventures	1,081	1,603	(33)
Investments in associates	12,771	10,530	21
Financial assets	585,566	–	N/A
Available-for-sale investments	8,650	3,650	137
Deferred tax assets	75,198	62,857	20
Trade receivables	72,714	32,028	127
Prepayments, deposits and other receivables	482,540	49,061	884
<b>Total non-current assets</b>	<b>1,597,031</b>	<b>477,867</b>	<b>234</b>
<b>CURRENT ASSETS</b>			
Prepaid land lease payments	710	710	–
Inventories	49,099	29,278	68
Available-for-sale financial assets	110,000	910,000	(88)
Trade and bills receivables	1,513,015	1,676,978	(10)
Prepayments, deposits and other receivables	240,914	199,927	21
Amounts due from contract customers	1,950,383	1,447,129	35
Pledged deposits	50,333	24,985	101
Cash and cash equivalents	2,228,119	1,944,687	15
<b>Total current assets</b>	<b>6,142,573</b>	<b>6,233,694</b>	<b>(1)</b>
<b>Total assets</b>	<b>7,739,604</b>	<b>6,711,561</b>	<b>15</b>

	31 December 2015	31 December 2014	% of change
<b>CURRENT LIABILITIES</b>			
Trade payables	1,561,319	1,438,483	9
Amounts due to contract customers	1,254,628	965,774	30
Other payables, advances from customers and accruals	1,347,819	1,402,445	(4)
Supplementary retirement benefits and early retirement fees	3,160	5,140	(39)
Tax payable	60,628	173,987	(65)
<b>Total current liabilities</b>	<b>4,227,554</b>	<b>3,985,829</b>	<b>6</b>
<b>NET CURRENT ASSETS</b>	<b>1,915,019</b>	<b>2,247,865</b>	<b>(15)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>3,512,050</b>	<b>2,725,732</b>	<b>29</b>
<b>Total non-current liabilities</b>	<b>498,312</b>	<b>103,042</b>	<b>384</b>
<b>Total net assets</b>	<b>3,013,738</b>	<b>2,622,690</b>	<b>15</b>
Equity attributable to owners of the parent			
Paid-up capital	1,272,670	1,272,670	–
Reserves	1,652,754	1,327,285	25
Non-controlling interests	88,314	22,735	288
<b>Total equity</b>	<b>3,013,738</b>	<b>2,622,690</b>	<b>15</b>

**Income Statement**  
**For the year ended 31 December 2015**

*Unit: RMB'000*

	2015	2014	% of change
Revenue	4,008,513	3,346,278	20
Cost of sales	<u>(3,174,537)</u>	<u>(2,592,362)</u>	<u>22</u>
<b>Gross profit</b>	<b><u>833,976</u></b>	<b><u>753,916</u></b>	<b><u>11</u></b>
Other income and gains	78,993	27,058	192
Selling and distribution expenses	(57,250)	(60,616)	(6)
Administrative expenses	(354,558)	(269,867)	31
Other expenses	<u>(35,575)</u>	<u>(36,249)</u>	<u>(2)</u>
<b>Operating profit</b>	<b><u>465,586</u></b>	<b><u>414,242</u></b>	<b><u>12</u></b>
Finance costs	(4,983)	(2,332)	114
Share of profits and losses of:			
Joint ventures	(522)	369	(241)
Associates	<u>1,842</u>	<u>1,479</u>	<u>25</u>
<b>PROFIT BEFORE TAX</b>	<b><u>461,923</u></b>	<b><u>413,758</u></b>	<b><u>12</u></b>
Income tax expense	<u>(64,215)</u>	<u>(62,838)</u>	<u>2</u>
<b>PROFIT FOR THE YEAR</b>	<b><u>397,708</u></b>	<b><u>350,920</u></b>	<b><u>13</u></b>
Profit attributable to:			
Owners of the parent	397,629	349,817	14
Non-controlling interests	79	1,103	(93)
Other comprehensive income	<u>21,636</u>	<u>(7,413)</u>	<u>(392)</u>
Total comprehensive income for the year, net of tax	<u>419,344</u>	<u>343,507</u>	<u>22</u>
Total comprehensive income attributable to:			
Owners of the parent	419,265	342,404	22
Non-controlling interests	<u>79</u>	<u>1,103</u>	<u>(93)</u>

**Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2015**

*Unit: RMB'000*

	2015	2014	% of change
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax	461,923	413,758	12
Adjustments for:			
Finance costs	4,983	2,332	114
Foreign exchange gains and losses	(29,866)	4,694	(736)
Interest income	(27,084)	(13,445)	101
Share of profits of associates and joint ventures	(1,320)	(1,848)	(29)
Gains on disposal of a joint venture	–	(47)	N/A
Dividend income from available-for-sale investments	(18,019)	(7,843)	130
Depreciation of items of property, plant and equipment	34,174	34,853	(2)
Amortisation of intangible assets	2,781	2,422	15
Amortisation of prepaid land lease payments	710	710	0
Impairment of trade receivables	25,324	20,116	26
Reversal of impairment of deposits and other receivables	(116)	(478)	(76)
Provision for foreseeable losses on contracts	10,227	11,803	(13)
Loss on disposal of items of property, plant and equipment, net	141	113	25
(Increase) in inventories	(19,821)	(7,912)	151
Decrease/(increase) in amounts due from/(to) contract customers	(224,628)	172,825	(230)
Increase in trade and bills receivables	161,090	(293,719)	(155)
Decrease/(increase) in prepayments, deposits and other receivables	(1,146,901)	(15,992)	7,072
Increase/(decrease) in trade payables	122,836	57,273	114
Increase/(decrease) in other payables, advances from customers and accruals	(58,733)	111,300	(153)
Increase in provisions for supplementary retirement benefits	(70)	(450)	(84)
<b>Cash flows (used in)/from operations</b>	<b>(702,369)</b>	<b>490,465</b>	<b>(243)</b>
Interest received	27,077	15,137	79
Income tax paid	(189,915)	(41,633)	356
<b>Net cash flows (used in)/from operating activities</b>	<b>(865,207)</b>	<b>463,969</b>	<b>(286)</b>



	2015	2014	% of change
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for acquisition of items of property, plant and equipment	(44,357)	(51,670)	(14)
Payments for acquisition of intangible assets	(1,177)	(6,266)	(81)
Purchase of available-for-sale investments	(3,775,000)	(2,910,000)	(30)
Addition of investment in an associate	(900)	–	N/A
Proceeds from disposal of items of property, plant and equipment	279	101	176
Proceeds from disposal of available-for-sale investments	4,588,019	2,007,843	129
Dividends received from associates and joint ventures	385	355	8
Proceeds from disposal of a joint venture	–	450	N/A
Increase in amounts due from related parties included in other receivables	–	(2,000)	N/A
Increase in amounts due from third parties included in other receivables	–	(200)	N/A
Decrease/(increase) in non-pledged time deposits with original maturity of more than three months	390,344	(170,739)	(329)
(Increase)/decrease in pledged deposits	<u>(25,348)</u>	<u>2,047</u>	<u>(1,338)</u>
<b>Net cash flows from/(used in) investing activities</b>	<b><u>1,132,245</u></b>	<b><u>(1,130,079)</u></b>	<b><u>(200)</u></b>

	2015	2014	% of change
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Capital reduction from non-controlling shareholders	(3,000)	–	N/A
Interest paid	(4,405)	–	N/A
Dividends paid to shareholders	(93,980)	(75,068)	25
Capital contribution from non-controlling interests	68,500	12,000	471
Expenses of issue of H Shares	–	(26,324)	N/A
Borrowings from interest-bearing banks	410,000	–	N/A
Net proceeds from issue of H Shares, net of underwriting fees	–	743,373	N/A
<b>Net cash flows from financing activities</b>	<b>377,115</b>	<b>653,981</b>	<b>(42)</b>
Net increase/(decrease) in cash and cash equivalents	644,153	(12,129)	(5411)
Cash and cash equivalents at beginning of year	1,469,365	1,486,145	(1)
Effect of exchange rate changes on cash and cash equivalents	29,623	(4,651)	(737)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>2,143,141</b>	<b>1,469,365</b>	<b>46</b>

According to the Company's strategic plan, the Company would continue with its capital operations and improve its capital operation and resource integration capabilities after its listing. In addition, with rail transit design as the leading business, the Company will develop the general construction contracting and diversified investment construction businesses by gradually developing EPC, PPP, TOD, etc. Based on the core strengths of the Company, and by integrating techniques in which the Company has an advantageous edge, the Company would commence industrialisation operations with a view to developing new profit growing points for the Company. Founded on the development of the Company's rail transit industrial business, the Company would extend its industrial business to high-value-added business and expand its business to the development of subway superstructure.

In 2016, the Company plans to complete an investment of RMB3,365 million, among which, RMB125 million is proposed to be invested in material fixed assets; RMB340 million is proposed to be invested in equity; RMB2,900 million is proposed to be invested in construction projects such as PPP, BOT in, among others, Beijing, Sanya, Kunming, Wuhu and Xiamen. The details are as follows:

#### **I. INVESTMENT IN MATERIAL FIXED ASSETS (RMB125 MILLION)**

1. Investment of approximately RMB140 million is proposed for infrastructure project of the Company's office building. In 2016, it is proposed to invest RMB50 million (the final size is determined based on the approval by the Beijing Municipal Commission of Urban Planning) for improving the office condition and promoting the corporate image and management efficiency, including structural consolidation, renovation of facades, equipment replacement of the existing office building as well as alteration and expansion inside the institute.
2. Investment of RMB75 million is proposed for the purchase of shield tunnelling machine, gantry crane equipment as well as machinery and equipment of instruments and apparatus for the Construction General Contracting Department.

#### **II. INVESTMENT IN EQUITY (RMB340 MILLION)**

1. Investment of RMB40 million is proposed for the acquisition of technology enterprises in order to obtain the maintenance and protection platform, e-commerce system and high-tech control system with proprietary intellectual property rights and hence strengthening the synergy in the industry, realising the strategic target for the development of whole industry chain; and building the production and inspection base for rail transit intelligence equipment so as to promote the research, development and innovation standard and production capabilities in signal-oriented intelligence equipment, reduce production costs of equipment, improve the production quality of equipment, expand testing and inspecting capabilities for self-invented products and establish a complete industry chain for intelligence equipment.

2. Investment of RMB100 million is proposed for incorporating Beijing Urban Construction Infrastructure Investment Fund Management Co., Ltd. (北京城建基礎設施投資基金管理有限公司) as a wholly-owned subsidiary of the Company, which will proactively take part in development of the public-private-partnership model which is highly encouraged by the government and to achieve the target of diversification and leaping development of the Company according to its new business development strategies. The fund management company platform will serve the fund financing channel of urban infrastructure PPP projects so as to resolve, in a flexible and targeted manner, the problem of investment funds for urban infrastructure PPP projects with a relatively large investment scale, and to facilitate the sound and sustainable development of new businesses.
3. Investment of RMB200 million is proposed for completing the remaining investment in the registered capital of Beijing Urban Rail Transit Construction Engineering Co., Ltd. (北京城建軌道交通建設工程有限公司), a wholly-owned subsidiary of the Company, of which the investment method for this part is to be made by the way of monetary and non-monetary properties.

### III. OTHER INVESTMENT (RMB2,900 MILLION)

First of all, the Company will make full use of its advantages in the rail transit market by proactively expanding its investment in integrated engineering projects. Secondly, the Company will adopt structural leveraged funds in order to satisfy the capital needs for PPP projects with high investment amount in order to obtain gains from equity investment. As for this part, RMB2,900 million is proposed to be invested in integrated development projects, engineering construction projects and equity fund projects, targeting to undertake PPP projects in, among others, Beijing, Sanya, Kunming and Wuhu in 2016.

In 2015, the Board of Directors of the Company strictly observed the laws and regulations such as the Company Law, the Securities Law of the People's Republic of China, and the relevant provisions of the Articles of Association, implemented the Rules of Procedure for the Board of Directors to diligently perform its duties delegated by the general meeting, and actively promoted various business development of the Company by operating in compliance with regulations and by scientific decision making. Facing the changing policy environment and the complicated market condition, the Company continued to leverage the edges in the rail transit sector, strengthened its business market and seized opportunities to expand into new business under an innovative model, and accelerated its resource integration, thereby completing the deployment throughout the whole industry chain. Based on the general development plan of the Company for the whole year, the Company orderly implemented its various work with an overall favourable development trend.

## **I.      OPERATION REVIEW OF THE COMPANY DURING THE REPORTING PERIOD**

During the reporting period, with favourable condition for comprehensive development of urban rail transit in China, the Company continued to expand the design, survey and consultancy business, and took up new projects under innovative models, resulting in a steady increase in business revenue. For the year ended 31 December 2015, the revenue of the Company amounted to RMB4,009 million, representing an increase of RMB663 million or 19.8% compared with the corresponding period of last year, among which revenue from the design, survey and consultancy business was RMB1,964 million, accounting for 49%, and revenue from the construction contracting business was RMB2,045 million, accounting for 51%. The net profit amounted to RMB398 million, representing an increase of RMB47 million or 13.4% compared with the corresponding period of last year. Various key operating indexes continued to achieve new record highs and the rail transit industry chain is taking shape, with rapid growth in the overall comprehensive strengths, thereby embracing a brand new stage for the corporate development.

Firstly, the rail transit design and consultancy business, which is the Company's long-existing and core business, continued to expand in scale. The Company was awarded a number of general design contracting projects for traffic lines in a number of cities as well as various design jobs for stations, sections, equipment system and initial stage design work. The Company has newly established markets in Yantai, Haikou, Hohhot, Tianjin Binhai New District and Changsha etc., which further strengthened the Company's leading position in rail transit design and consultancy.

Secondly, the Company achieved major breakthroughs in new business highlighted by the PPP project — the Outer Ring North Road PPP project in Anqing City. The Company is tracking the developments of a number of PPP projects in various places and regions, hopeful of winning more projects in 2016.

Thirdly, the Qingdao Chengyang District Rail Tram Project, the Company's first EPC project, was successfully delivered for operation; the estimated profit margin for the project is expected to be over 13%, setting a record among similar domestic projects in terms of its short construction period, effective investment and highest operating efficiency, receiving extensive responses in the industry.

Fourthly, the Company achieved breakthroughs in the business areas including industrial and civil construction, construction contracting and industrialisation. Despite the “deep winter” in civil construction segment, the Company seized opportunities in urban utility comprehensive channel market and won the comprehensive utility channel projects in Shenyang and Liupanshui, which are pilot projects of the Ministry of Finance and Ministry of Housing and Urban-Rural Development of PRC. The construction contracting segment performed well in the new round of bidding of Beijing subway, of which we were awarded the project regarding section 3 of Beijing line no. 7 east extension, Beijing City rail transit security center and the integrated project of Lize Financial and Commercial District (麗澤金融商務區) underground area. The Company’s product commercialisation saw the introduction of the Company’s proprietary R&D products into the market — the Company’s signal system has been applied for use in the sub-line of Hunnan South Rail Tram Station in Shenyang and the rail tram in Zhuhai.

Fifthly, in February 2015, the Company obtained the recognition of Beijing Development and Reform Office as a recognised research center for rail transit energy saving project in Beijing and in July 2015, the Company obtained the recognition of Beijing Scientific Committee as a research center for rail structure engineering technology in Beijing. The application for establishment of the first national engineering laboratory in the area of environmental-friendly and safety construction for urban rail transit, which was a joint application by the Company together with Tsinghua University, Beijing Jiaotong University and Nanjing Metro Corporation, has obtained the approval of the National Development and Reform Commission for establishment as a project for assessment. Achievements of good performance results in the construction of innovative technology platform have further strengthened the solid foundation of the Company’s platform on innovative technology. The platform will provide a more advantageous edge and even better terms of development for technological innovation and commercialisation in the field of environmental-friendly and safety urban rail transit construction, rail structural research and development and technique services as well as rail transit energy saving.

## **II. WORK OF THE BOARD OF DIRECTORS**

### **1. Meetings of the Board and the Proposals**

In 2015, the Board held seven meetings in total (among which one was held by the Chairman and non-executive Directors without the involvement of executive Directors), considered and passed 28 proposals, including the Proposal in Relation to the Consideration of 2014 Annual Financial Report, the Proposal in Relation to the Consideration of the 2014 Profit Distribution Plan and Proposed Dividend Declaration, the Proposal in Relation to the Consideration of 2015 Annual Operation Plan and Financial Budget, the Proposal in Relation to the Consideration of the 2014 Work Report of the Board of Directors, the Proposal in Relation to the Approval of the Establishment Plan of Rail Transit Energy Conservation Beijing Engineering Research Center Co., Ltd. (軌道交通節能北京市工程研究中心有限公司), the Proposal in Relation to the Approval of the Establishment Plan of Zhejiang Zhongchengyun Co., Limited (浙江中城運股份有限公司), the Proposal in Relation to the Establishment of the Project Company for Outer Ring North Road in Anqing City,

the Proposal in Relation to the Investment for Outer Ring North Road Project in Anqing City, the Proposal in Relation to the Approval of the 2015 Interim Results Announcement and the Interim Report of the Company, the Proposal in Relation to the Establishment of Beijing Urban Construction Engineering Co., Ltd. (北京城建城市建设工程有限公司) (a temporary name), the Proposal in Relation to the Launch of the Proposed Issuance of A-shares of the Company, the Proposal in Relation to the Revision of the Existing Non-competition Agreement, the Proposal in Relation to the Change of Directors of the Company, the Proposal in Relation to the Nomination of Non-executive Directors of the Company and the Proposal in Relation to the Appointment of the Chief Economist of the Company, and formed resolutions respectively.

## **2. Implementation of the Resolutions of General Meetings and the Resolutions of the Board by the Board**

The Board earnestly implemented the resolutions of the general meetings and supervised the implementation of the relevant resolutions by the management of the Company. In 2015, the Company convened one general meeting in total, i.e. the 2014 Annual General Meeting, on which seven proposals were considered and passed, including the Proposal in Relation to the Consideration of 2014 Annual Financial Report, the Proposal in Relation to the Consideration of the 2014 Work Report of the Board of Directors, the Proposal in Relation to the 2015 Investment Plans of the Company, the Proposal in Relation to the Consideration of the 2014 Profit Distribution Plan and Proposed Dividend Declaration etc.

## **III. WORK FOCUS OF THE BOARD IN 2016**

2016 is the first year of China's "13th Five Year Plan". The Group will seize the significant strategic opportunities arising from the State's "one Belt and one Road" construction, the collaborative development of the Jing-Jin-Ji region and the development of the Yangtze River Economic Zone as well as the opportunities arising from the market-oriented transformation in infrastructure construction with a PPP-directed model vigorously promoted by the government. The Company will develop and explore its long-existing and advantageous markets and proactively expand into the emerging business market, make fully use of the listing platform and continue to build up the comprehensive services capabilities of the whole industry chain, thereby playing a more important role in the urban rail transit area and realising greater values. The work focuses of the Board of the Company in 2016 are to:

1. complete the Company's formulation work of the 13th Five Year Development Plan (2016 to 2020) for an orderly and effective growth. Currently, the draft of the development plan has been basically completed while the management is inviting and seeking advice from various parties and making amendments on and polishing the draft, which will be submitted to the Board for consideration in due course.



2. develop and explore the long-existing and advantageous markets. Firstly, the rail transit design and consultancy segment shall keep on and continue to extend its leading position by continuously improving technical skills, quality and customer services as well as the level of average performance appraisals and compensation cost control. Secondly, the civil municipal construction and design segment will be supported by the rail transit design and consultancy segment for the expansion and strengthening of its relevant product lines and, by identifying appropriate opportunities in the market, to produce featured and advantageous products in utility tunnel, smart city, sponge city and green buildings etc. Thirdly, construction contracting segment will strengthen the performance of projects at hand, focus on raising the level of project management with a view to creating a brand image for urban rail transit construction.
  
3. proactively tap into the emerging business market, and to launch the work by adhering to the principles of proactive work, sensible studies and judgements and orderly implementation. **Proactive work** means to strive for contracting one to two projects in 2016 based on the one PPP project being contracted in 2015. **Sensible studies and judgements** means eliminating blindness and clearly targeting at the major direction, i.e. the rail transit, supported by roads and integrated utility tunnel. The geographical coverage is mainly in Beijing and focuses on influential cities and projects. Meanwhile we shall analyse from various perspectives, study and judge the normalisation of projects and the external environment, and conduct analysis and calculation in a precise manner so that we could have a clear picture in mind. **Orderly implementation** means proceeding within our capabilities. On one hand, the professional team of the Group should be well-trained in terms of business operating abilities and project establishment, operating and management abilities. On the other hand, appropriate partners should be identified in the society and we should integrate social resources properly for our own use.

At the same time, we shall leverage the edges as a listed company, endeavour to set up an investment and financing platform, earnestly plan on equity and bond financing and fund establishment and take action at the right moment. We shall timely conduct corporate mergers and acquisitions according to the positioning and goals set by the Company in order to explore external expansion. We shall also explore and build a market value management system and capital operation working system, and maintain a dynamic, balanced and sustainable development between market value and intrinsic value of the Company through capital operation tools, thereby enhancing the value of the Company.



4. further enhance the Company's corporate governance structure by establishing a sound working mechanism for the Board of Directors and its specialised committees to enable each specialised committee to fully contribute to the Company and for the Board to effectively assert its decision-making function in corporate governance and enhancement of its core role in strategic decision making. In the meantime, the Company will proactively support and coordinate in the studies, survey and research by the independent non-executive Directors, and timely organise special topic meetings for the Directors.

#### **IV. PROFIT DISTRIBUTIONS**

The Board of Directors proposed the distribution of a final dividend of RMB0.0837 per Share (before applicable tax) for the year based on the net profits of the Company for 2015 amounting to RMB397,627,462.35, after making appropriations to the statutory surplus reserve and general risks reserve, in accordance with the relevant regulations and Articles of Association. The proposal for the payment of the final dividend is subject to the approval by the Shareholders of the Company at the Annual General Meeting to be held on 2 June 2016.

During the year of 2015, all members of the Board of Supervisors performed their supervisory duties diligently in accordance with the relevant provisions of the Company Law, the Articles of Association and the Rules of Procedure for the Board of Supervisors in a stringent manner, strictly abided by the principle of good faith and continued to conduct their work on supervision over meetings and focused on supervision over financial matters, internal control and compliance, and therefore effectively facilitated the efficient operation of the Company's corporate governance and proactively protected the interests of the Shareholders, the Company and its employees.

#### **MEETINGS OF THE BOARD OF SUPERVISORS**

During the Year, the Board of Supervisors convened two meetings, one in March and the other in October 2015, at which the proposals were considered and unanimously approved, including the Work Report of the Board of Supervisors of Beijing Urban Construction Design & Development Group Co., Limited for the year 2014, Proposal for Consideration of Proposals at the 12th Meeting of the First Session of the Board and Proposal for Change of Supervisor.

#### **WORK OF THE BOARD OF SUPERVISORS**

The Supervisors attended the meetings of the Board and the general meetings of the Company held in 2015 to monitor the procedures and validity undertaken leading to the convening of and proposals made during the meetings of the Board and general meetings of the Company. Through convening meetings of the Board of Supervisors and attending the meetings of the Board and the general meetings, the Board of Supervisors performed its duties of supervising and reviewing the major operating activities of the Company and the corporate governance structure as well as the performance of Directors and senior management, and provided suggestions to the Board.

The Board of Supervisors focused on supervision over financial matters, internal control and compliance, attended to the hot issues that existed in the Company's operations and management, and gave advice and suggestions to the management in respect of operation and management strengthening and risk control from the perspective of healthy and sustainable development of the Company.

The Board of Supervisors further monitored and regulated the corporate governance structure of the Company through its participation, and supervised and urged the Company to run its business according to laws and regulations. The employee representative Supervisors fully expressed employees' intentions and requests in the supervision process, and earnestly protected employees' legal rights and interests.

## **CHANGE OF MEMBER OF THE BOARD OF SUPERVISORS**

Mr. Li Wenhong tendered his resignation as a shareholder representative Supervisor on 21 October 2015 due to change of job assignments. On 29 October 2015, after consideration and approval at the fifth meeting of the first session of the Board of Supervisors, it agreed to nominate Mr. Fu Yanbing as a shareholder representative Supervisor to fill the vacancy arising from the resignation of Mr. Li Wenhong.

Mr. Fu Yanbing was appointed as a Supervisor on 28 January 2016 following the consideration and approval at the first extraordinary general meeting of the Company in 2016.

## **INDEPENDENT OPINIONS ISSUED BY THE BOARD OF SUPERVISORS**

The Board of Supervisors issues the following opinions in relation to the supervision and inspection work of the Company during the Year:

The Company operates compliantly and legally. The Directors and senior management of the Company had loyally performed their duties set forth in the Articles of Association with diligence and in good faith, and had diligently implemented all proposals of the general meetings and those of the Board. No Director or member of the senior management was found to have committed any breach of laws, regulations or the Articles of Association or to have infringed any rights or interests of the shareholders, the Company or its employees when performing their duties.

The financial reports are authentic and complete. The reviewed financial statements for the interim period of 2015 and the audited annual financial statements for 2015 of the Company and its subsidiaries were prepared strictly in accordance with the relevant accounting standards. Accounting treatments have been applied consistently. The financial accounts are prepared regularly with clear records and complete information. The financial statements have given a true and fair view of the financial conditions and operating results of the Company and its subsidiaries.

The Board of Supervisors is fully confident in the development and prospects of the Company. In 2016, the Board of Supervisors will effectively implement its supervisory duties and enhance its supervision over the Company's compliance with laws and regulations in respect of its operations and the Company's establishment of internal control systems based on its work plan for the Year. The Board of Supervisors will also continue to perform its supervisory duties in accordance with the relevant provisions of the Company Law and the Articles of Association, regard maintaining effective operation and sound development of corporate governance of the Company as its responsibilities, proactively broaden the thought horizon for work, strengthen its supervision, constantly improve its performance capabilities, earnestly safeguard the interests of the Company, its shareholders and employees and diligently perform all its duties.



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)**

## NOTICE OF 2015 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2015 Annual General Meeting (the “AGM”) of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) will be held at Conference Room 620, Building 2, No. 5 Fuchengmen North Street, Xicheng District, Beijing, China at 9:30 a.m. on Thursday, 2 June 2016, to consider and, if thought fit, approve the following proposals (unless otherwise stated, the terms used herein shall have the same meaning as defined in the circular dated 15 April 2016 of the Company (the “Circular”)):

### ORDINARY RESOLUTIONS

1. To consider and approve the 2015 Annual Financial Report;
2. To consider and approve the 2015 Audited Consolidated Financial Statements and its Summary;
3. To consider and approve the 2015 profit distribution plan and dividend declaration proposal;
4. To consider and approve the re-appointment of auditors for 2016 and payment of the auditing service fee for 2015;
5. To consider and approve the 2016 Investment Plan;
6. To consider and approve the 2015 Work Report of the Board of Directors; and
7. To consider and approve the 2015 Work Report of the Board of Supervisors.

### SPECIAL RESOLUTION

8. To consider and approve the following proposal on granting the Board a general mandate to issue additional H shares:

**“THAT:**

- (1) Subject to the following conditions, an unconditional and general mandate is granted to the Board of the Company (or Director(s) authorised by the Board) to issue, allot and deal with additional shares

in the Company's share capital, being H Shares and to make or grant offers, agreements, or options in relation to such shares:

- (a) Except that the Board of the Company may make or grant offers, agreements, or options during the Relevant Period and such offers, agreements, or options might require further action or exercise after the end of the Relevant Period, the period of such mandate shall not exceed the Relevant Period;
- (b) The aggregate nominal value of H Shares allotted or conditionally or unconditionally agreed to be allotted (whether allotted pursuant to the options or otherwise) under the approval of the Board of the Company shall not exceed 20% of the aggregate nominal value of H Shares of the Company in issue on the date of passing the relevant resolution at the general meeting; and
- (c) The Board of the Company (or Director(s) authorised by the Board) will exercise the rights under the above mandate only under the circumstances where it is in compliance with the Company Law and the Hong Kong Listing Rules (both as amended from time to time) and obtains the approval from the China Securities Regulatory Commission and/or other related Chinese government authorities.

And for the purpose of this proposal:

**"Relevant Period"** means the period from the date of the passing of this proposal until whichever is the earliest of the followings:

- (a) the conclusion of the next annual general meeting of the Company;
  - (b) the expiration of 12-month period after the passing of this proposal; or
  - (c) the date on which the mandate granted under this proposal is revoked or varied by a special resolution at a general meeting.
- (2) Subject to the fact the Board resolved to exercise general mandate to issue H shares according to paragraph (1) of this resolution, the Board (or Director(s) authorised by the Board) is authorised:
- (a) to formulate and implement detailed issue proposals which includes, without limitation, the pricing mechanism and/or the issue price (including a price range), the number of shares to be issued, the target subscribers and the use of proceeds; to determine the issue timing and issue period, and to decide

whether to place to existing shareholders or not when exercising the above-mentioned general mandate;

- (b) to engage intermediaries in connection with the issue and to approve and execute all actions, deeds, documents and such other matters that are necessary, appropriate, expedient or relevant to the issue; to consider, approve and execute agreements relating to the issue on behalf of the Company, including but not limited to placing and underwriting agreements, engagement agreements with intermediaries;
- (c) to consider, approve and execute, on behalf of the Company, the applications and documents relating to the issue to be submitted to relevant regulatory authorities; to fulfill relevant approval procedures in accordance with the requirements of regulatory authorities and requirements at the places where the Company is listed, and to handle all necessary archiving, registration and filing procedures at related government authorities in China, Hong Kong and/or any other districts and jurisdictions (if applicable);
- (d) to make amendments to the relevant agreements and legal documents mentioned in (b) and (c) above in accordance with the requirements of domestic and foreign regulatory authorities; and
- (e) to approve the Company to increase its registered capital correspondingly after the issue pursuant to the H Shares in issue and to make relevant amendments as it thinks fit to the Articles of Association of the Company to reflect corresponding changes in the Company's registered capital, total capital and shareholding structure.

By order of the Board

**Beijing Urban Construction Design & Development Group Co., Limited**

**Wang Liping**

*Chairman*

Beijing, 15 April 2016

*As at the date of this notice, the executive directors of the Company are Wang Hanjun and Li Guoqing; the non-executive directors of the Company are Wang Liping, Chen Daihua, Guo Yanhong, Wang Hao, Guan Jifa, 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.*

*Notes:*

1. Details of the above resolutions are set out in the Circular.
2. The register of members of the Company will be closed from Tuesday, 3 May 2016 to Thursday, 2 June 2016, both days inclusive, during which period no transfer of Shares will be registered. Holders of H Shares and Domestic Shares whose names appeared on the register of members of the Company as at Thursday, 2 June 2016 shall be entitled to attend and vote at this AGM. In order for holders of H Shares of the Company to qualify for attending and voting at this AGM, all transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 2 May 2016 for registration.
3. The register of members of the Company will be closed from Wednesday, 15 June 2016 to Monday, 20 June 2016, both days inclusive, during which period no transfer of Shares will be registered. Holders of H Shares and Domestic Shares whose names appeared on the register of members of the Company as at Monday, 20 June 2016 shall be entitled to receive the 2015 final dividends (subject to the approval of the Shareholders at the AGM). In order for holders of H Shares of the Company to receive the 2015 final dividends, all transfer documents accompanied by the relevant H Share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 14 June 2016 for registration.
4. A Shareholder entitled to attend and vote at this AGM may appoint one or more proxies to attend and vote in his stead. A proxy need not be a Shareholder of the Company but must attend this AGM in person to represent the relevant shareholder.
5. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarised.
6. In order to be valid, the proxy form together with the notarised power of attorney or other documents of authorisation (if any) must be deposited at the Secretariat of the Board of Directors of the Company, at No. 5 Fuchengmen North Street, Xicheng District, Beijing, China for holders of Domestic Shares and at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for holders of H Shares not less than 24 hours before the time stipulated for convening this AGM (or any adjournment thereof) (as the case may be). Completion and return of a proxy form will not preclude a shareholder from attending and voting in person at this AGM (or any adjournment thereof) if he or she so wishes. If no direction is given, the proxy will be entitled to vote or abstain as he or she thinks fit.
7. Holders of Domestic Shares who intend to attend this AGM in person or by proxy should complete and deposit the reply slip for attending the meeting at the secretariat of the Board of Directors of the Company on or before Thursday, 12 May 2016 in hand, by post or by fax. Holders of H Shares who intend to attend this AGM in person or by proxy should complete and deposit the reply slip for attending the meeting at Computershare Hong Kong Investor Services Limited on or before Thursday, 12 May 2016 in hand, by post or by fax.
8. This AGM is estimated to last for about half a day. Shareholders or their proxies who attend this AGM (and any adjournment thereof) shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending this AGM (and any adjournment thereof).