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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 for the extraordinary general meeting 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)

**APPLICATION FOR THE INITIAL PUBLIC OFFERING OF A SHARES AND
LISTING AND RELEVANT MATTERS
AND
NOTICES OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING,
THE 2023 FIRST DOMESTIC SHARES CLASS MEETING AND
THE 2023 FIRST H SHARES CLASS MEETING**

The EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting of the Company are to be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC at 2:30 p.m. on Friday, 21 April 2023. A letter from the Board is set out on pages 4 to 22 of this circular. Notices convening the EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting are set out on pages 320 to 326 of this circular.

If you intend to appoint a proxy to attend the EGM, the Domestic Shares Class Meeting and the H Shares Class Meeting, 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 EGM and the Class Meetings or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM and the Class Meetings or any adjourned meeting thereof if you so wish.

30 March 2023

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DEFINITIONS

In this circular, 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), the controlling shareholder of the Company holding 42.34% interest in the Company and a wholly state-owned enterprise under the Beijing Municipal People’s Government
“Class Meetings”	Domestic Shares Class Meeting and H Shares Class Meeting
“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 People’s Republic of China (中華人民共和國公司法)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the 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
“Domestic Shareholder(s)”	holder(s) of Domestic Shares
“Domestic Shares Class Meeting”	the class meeting of Domestic Shareholders to be convened and held

DEFINITIONS

“EGM”	the 2023 Second Extraordinary General Meeting of the Company to be convened on Friday, 21 April 2023 to consider and, if thought fit, approve the resolution in relation to the application for the initial public offering of A Shares and listing and relevant matters
“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
“H Shareholder(s)”	holder(s) of H Shares
“H Shares Class Meeting”	the class meeting of H Shareholders to be convened and held
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing”	the initial public offering of A Shares and the public trading on the Shanghai Stock Exchange by an issuer
“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 which, for the purpose of this circular only, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the People’s Republic of China
“Share(s)”	H Share(s) and Domestic Share(s) of the Company
“Shareholder(s)”	holders of the Shares of the Company
“subsidiary(ies)”	shall have the meaning ascribed to it under the Hong Kong Listing Rules

DEFINITIONS

“substantial shareholder(s)” shall have the meaning ascribed to it under the Hong Kong Listing Rules

“Supervisor(s)” supervisor(s) of the Company

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)

Members of the Board:

Executive Directors:

Wang Hanjun
Li Guoqing

Non-executive Directors:

Pei Hongwei (*Chairman*)
Shi Huaxin
Peng Dongdong
Li Fei
Wang Tao
Tang Qimeng

Independent non-executive Directors:

Wang Guofeng
Qin Guisheng
Ma Xufei
Xia Peng

Registered office:

5 Fuchengmen North Street
Xicheng District
Beijing
PRC

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

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

30 March 2023

To the Shareholders:

Dear Sir or Madam,

**APPLICATION FOR THE INITIAL PUBLIC OFFERING OF A SHARES AND
LISTING AND RELEVANT MATTERS
AND**

**NOTICES OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING,
THE 2023 FIRST DOMESTIC SHARES CLASS MEETING AND
THE 2023 FIRST H SHARES CLASS MEETING**

I. INTRODUCTION

On behalf of the Board, I invite you to attend the EGM and the Class Meetings to be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC at 2:30 p.m. on Friday, 21 April 2023.

LETTER FROM THE BOARD

References are made to the announcements of the Company dated 2 November 2022, 3 March 2023 and 13 March 2023 in relation to the application for the initial public offering of A Shares and Listing.

The purpose of this circular is to provide you with, among other things:

- (a) details on the application for the initial public offering of A Shares and Listing and relevant matters;
- (b) a notice of the EGM;
- (c) a notice of the Domestic Shares Class Meeting;
- (d) a notice of the H Shares Class Meeting; and
- (e) other information as required under the Hong Kong Listing Rules,

to enable you to make an informed decision on whether to vote for or against each of the resolutions to be proposed at the EGM and the Class Meetings.

II. APPLICATION FOR THE INITIAL PUBLIC OFFERING OF A SHARES AND LISTING AND RELEVANT MATTERS

(1) Application for the Initial Public Offering of A Shares and Listing

In order to facilitate the sustainable and stable development of the Company, meet the capital demand for the future development of the Company, promote the Company to enter a new stage of development, and realize the sustainable growth in revenue and Shareholders' return of the Company, the Company proposes to apply for the initial public offering of A Shares and listing (the "Issuance"). The sixth meeting of the third session of the Board of the Company held on 2 November 2022 has considered and approved the Resolution on the Application for the Initial Public Offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited. Taking into account the actual circumstance and the latest laws and regulatory documents, the Company intends to make appropriate adjustments to the plan on the issuance of A Shares. The key contents of the adjusted listing plan are as follows:

1. *Class and nominal value of shares to be issued*

The shares to be issued under the Issuance are RMB ordinary shares (A Shares) and the nominal value of each share to be issued is RMB1.00.

2. *Number of shares to be issued*

The number of new shares proposed to be issued by the Company to the public will be no less than 10% and no more than 20% of the total share capital after the Issuance, being not less than 149,852,223 shares and not more than 337,167,500 shares (both inclusive). The number of shares actually issued will be determined by the Board and its authorized persons as authorized by the shareholders' general meeting, the H Shares Class Meeting and the Domestic Shares Class Meeting in accordance with the provisions of laws and regulations, the approval of the securities regulatory authorities and the market conditions with the sponsor or the lead underwriter through consultation according to the capital demand of the Company, the specific conditions of the securities market at the time of issuance, etc. The final number of shares to be issued will not be less than 149,852,223 shares and not more than 337,167,500 shares (both inclusive). The Company has appointed CITIC Securities Company Limited as the lead underwriter of the Issuance, and CITIC Securities Company Limited is an independent third party of the Company.

LETTER FROM THE BOARD

The Issuance involves new shares without share offering by original Shareholders.

3. *Target subscribers*

Target subscribers of the Issuance are qualified book building participants and natural persons, legal persons and other institutional investors that have maintained A Shares accounts with the Shanghai Stock Exchange (except those prohibited by the laws, administrative regulations, other applicable regulatory instruments of the PRC and other regulatory requirements to which the Company is subject). If the CSRC or the Shanghai Stock Exchange has other provisions, such provisions shall prevail.

If any of the above subscribers is a connected person of the Company, the Company will take all reasonable measures to comply with the relevant requirements under the listing rules of the stock exchange of the place where the Shares of the Company are listed.

4. *Issuance method*

The Issuance is a public offering of A Shares and will be conducted by way of a combination of targeted placement to strategic investors, placement to offline investors who have registered with the Securities Association of China through offline book building to offline investors and issuance to public investors online at a fixed price, or other issuance methods recognized by the CSRC and the Shanghai Stock Exchange.

In particular, targeted placement to strategic investors means that the Company will enter into placing agreements with investors participating in the strategic placement in advance. The Company and the lead underwriter(s) will disclose the selection criteria of investors to participate in the strategic placement, the total number of securities to be issued under the strategic placement, the proportion in the securities to be issued under the Issuance and the term of holding, etc., in the issuance announcement. Strategic investors will not participate in book building and subscribe for the number of shares they have committed to subscribe based on the result of book building. Offline placement to offline investors registered with the Securities Association of China means that the Company and the lead underwriter(s) will make book building to offline investors to exclude the highest quotations of total proposed subscription number. The Company prudently and reasonably determined the issuance price and the results of offline issuance based on the offline investors' quotations. Online issuance to public investors at fixed price means online investors will subscribe based on offline book building results, and the lead underwriter(s) will determine the winning rate based on the total number subscribed and the number of online issuance, and organize lottery drawing, finalizing the results of online issuance.

LETTER FROM THE BOARD

5. Pricing method

The Company and the lead underwriter shall organize book building for issuance of shares and determine the issuance price according to the book building results, or by other methods then recognized by the CSRC or the Shanghai Stock Exchange.

The Issuance will adopt a combination of placement to qualified investors through offline book building and online issuance to public investors who hold non-restricted A shares and non-restricted depositary receipts with certain market value in the Shanghai stock market at a fixed price. The Company and the sponsor (lead underwriter) will directly determine the issuance price through offline preliminary book building, while no cumulative tender book building will be conducted offline.

In accordance with the Company Law, shares may not be issued at a price lower than the par value. In accordance with Article 32 of the Measures for the Supervision and Administration of State-owned Equities of Listed Companies (《上市公司國有股權監督管理辦法》), the price at which the state-owned shareholders transfer the shares of a listed company through non-public agreement shall not be lower than the higher of: (I) the arithmetic mean value of the daily weighted average prices for the 30 trading days prior to the announcement date; and (II) the audited net assets per share of the listed company in the latest fiscal year. Article 32 of the Measures for the Supervision and Administration of State-owned Equities of Listed Companies shall apply to the A Share issuance of the Company. For information purposes only, the net assets per share of the Company as of 31 December 2022 is around RMB5.04 per share. Therefore, the price for the Issuance of the Company will not be lower than the audited net assets per share for the latest fiscal year in the public offering. Save for the above laws and regulations, there are no other requirements in relation to the issue price.

The Company will calculate the range of issue price based on the amount of proceeds to be used in the projects funded by the proceeds and the offering ratio. The Company will continue to monitor the issuance of new shares in the A Shares primary market, the overall trend in the secondary market and the fluctuation of the share prices of the comparable A Shares listed companies in the engineering and design industry in which the Company operates, and adjust the issue price range accordingly.

6. Place of share Listing

The proposed place of Listing for the public offering is the Main Board of the Shanghai Stock Exchange.

7. Underwriting method

The underwriting method of the Issuance is standby underwriting.

LETTER FROM THE BOARD

8. Use of proceeds

Based on the Company's needs for business development, the proceeds raised from the issuance (after deducting the issuance fees) will be used in the investment of the following projects. As of 3 March 2023, the Company's self-owned funds already invested in the projects funded by proceeds from the Issuance are as follows:

Unit: RMB'0,000

No.	Name of Project	Total Planned Investment in Projects	Amount of Proceeds Proposed to be Used	Amount of self-owned funds invested as of 21 March 2023
1	Production capacity improvement project	62,819.13	62,819.13	14,014.34
2	Smart design service ability upgrading project	34,060.20	30,968.20	768.68
2.1	Smart design cloud platform construction project of urban rail transit	15,188.79	14,688.79	654.57
2.2	Full-cycle digital service system research and development project of urban rail construction	18,871.41	16,279.41	114.11
3	Research and development project of digital inspection and intelligent assembly system for the rail transit	31,424.56	31,424.56	1,452.50
4	Research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system	18,021.83	18,021.83	–
5	Informatisation upgrade and construction project	15,441.06	15,441.06	6,455.54
6	Supplement to working capital	68,000.00	68,000.00	–
Total		<u>229,766.79</u>	<u>226,674.79</u>	<u>22,691.06</u>

If the actual proceeds raised cannot satisfy the needs of the above investment projects, the shortfall shall be settled by the Company through self-raised funds. Prior to receipt of the proceeds raised from the Issuance, the Company may contribute by self-raised funds in advance if all or part of the investment projects funded by proceeds are implemented in advance for business needs. Subsequent to receipt of the proceeds raised from the Issuance, the Company may replace self-raised funds in advance with proceeds.

LETTER FROM THE BOARD

The Company is principally engaged in design, survey and consultancy business (excluding landscaping) as well as rail transit related construction contracting business. The principal businesses of BUCG and its subsidiaries (other than the Company) do not overlap with those of the Company. All investment projects funded by the proceeds are conducted based on the principal businesses of the Company and are implemented by the Company and do not involve the cooperation with BUCG or other third parties. Therefore, there will be no horizontal competition after the implementation of the above projects and there will be no impact on the independence of the Company.

9. Principles for apportionment of issuance-related expenses

The fees related to the Issuance, including underwriting and sponsorship fees, audit and capital verification fees, valuation fees, legal fees, information disclosure fees used in the Issuance, issuance handling fees, etc., shall be borne by the Company.

10. Time of issuance and Listing

The Company shall, at its discretion, select the time of issuance of new shares within the effective period of the decision on the registration from the date on which the Company has obtained the decision on the registration of the public offering of shares from the CSRC; the time of Listing of the Company's Shares shall be determined through negotiation between the Board of the Company and the lead underwriter upon obtaining the consent on the listing from the Shanghai Stock Exchange.

11. Validity period of resolution

The offering plan shall be valid within 12 months from the date of the resolution being considered and approved at the shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting of the Company. If the A Share offering is not completed within 12 months, the Company will convene another shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting to consider and approve the offering plan.

To date, the Company has filed tutoring with the China Securities Regulatory Commission Beijing Bureau (the "CSRC Beijing Bureau") and is currently in the tutoring stage. It is expected that within the next 12 months, the Company will pass the tutoring examination conducted by the CSRC Beijing Bureau, submit the A-share IPO application to the main board of the Shanghai Stock Exchange, pass the examination by the Shanghai Stock Exchange, and complete the registration with the CSRC and finalise the issuance and Listing of A Shares in due course.

The Issuance is subject to review by the Shanghai Stock Exchange and registration with the CSRC.

LETTER FROM THE BOARD

(2) The Use of Proceeds from the Initial Public Offering of A Shares and Listing and the Feasibility Analysis

The sixth meeting of the third session of the Board of the Company held on 2 November 2022 has considered and approved the Resolution on the Use of Proceeds of and Feasibility Analysis on Initial Public Offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited. Taking into account to the actual conditions of the Company, the Company intends to adjust the original purposes of the proceeds. After the adjustment, a summary of the purposes of and the feasibility analysis report on the proceeds is as follows:

1. The adjusted plan on the use of the proceeds raised

According to the needs of the Company's operation and development, the Company will invest the proceeds from the issuance after deducting expenses in relation to the issuance in the following projects:

Unit: RMB0'000

No.	Name of Project	Total Planned Investment in Projects	Amount of Proceeds Proposed to be Used
1	Production capacity improvement project	62,819.13	62,819.13
2	Smart design service ability upgrading project	34,060.20	30,968.20
2.1	Smart design cloud platform construction project of urban rail transit	15,188.79	14,688.79
2.2	Full-cycle digital service system research and development project of urban rail construction	18,871.41	16,279.41
3	Research and development project of digital inspection and intelligent assembly system for the rail transit	31,424.56	31,424.56
4	Research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system	18,021.83	18,021.83
5	Informatisation upgrade and construction project	15,441.06	15,441.06
6	Supplement to working capital	68,000.00	68,000.00
	Total	<u>229,766.79</u>	<u>226,674.79</u>

LETTER FROM THE BOARD

Before receipt of the proceeds raised, the Company will make the investment with self-raised funds or funds otherwise raised in advance according to the actual progress of each project. Upon receipt of the proceeds raised, the proceeds will be used for the payment of the remaining investment amount of the projects and for the replacement of the amount paid in advance. If the actual net proceeds raised (after deducting the issuance expenses) cannot satisfy the capital needs of the above investment projects, the shortfall shall be settled by the Company through other means such as bank loans or internal funds; if the actual amount of proceeds raised exceeds the capital needs of the above projects, the Company will reasonably use such amount after performing corresponding legal procedures in accordance with PRC laws and regulations as well as relevant provisions of the CSRC and the Shanghai Stock Exchange.

It has been agreed that the Company will establish a system on the depositing of proceeds raised in special accounts. After the receipt of the proceeds raised, the proceeds will be deposited in a special account determined by the Board of the Company for centralized management, and the Company will sign a tripartite supervision agreement with the sponsor and the commercial bank with which the proceeds are placed. The Company will strictly manage the proceeds raised according to the “System for the Management of Proceeds Raised of Beijing Urban Construction Design & Development Group Co., Limited” to ensure the efficient use and safety of the proceeds raised.

2. Feasibility statement on the projects funded by the proceeds from the issuance after the adjustment

As the projects to be financed with the proceeds raised are within the scope of the Company’s principal business, the implementation of such projects will not result in horizontal competition and will not prejudice the independence of the Company.

The Company has engaged a professional firm to issue a feasibility study report on the projects to be financed with the proceeds raised. The amount of proceeds and projects are compatible with the Company’s existing operating scale, financial position, technical capabilities and management ability and the implementation is feasible. Please refer to Appendix I for details of the Feasibility Research Report on Investment Projects Funded by Proceeds from the Initial Public Offering of A Shares of Beijing Urban Construction Design & Development Group Co., Limited.

(3) Plan for Stabilizing Share Price within Three Years after the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and listing, according to relevant requirements of the Company Law of People’s Republic China (《中華人民共和國公司法》), the Securities Law, the Opinions on Further Promoting the IPO System Reform (《關於進一步推進新股發行體制改革的意見》) and the Applicable Guidelines under Regulatory Rules – Issuance Category No. 4, the Company has formulated the Price Stabilizing Plan within Three Years upon the Initial Public Offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited. Within three years after the listing of the Company, unless due to force majeure factors, if the closing prices of the A Shares

LETTER FROM THE BOARD

of the Company for consecutive 20 trading days are lower than the latest audited net assets per Share of the Company (if after the latest audit date, the net assets or total number of Shares of the Company change as a result of profit distribution, capitalization of capital reserve, issuance of new shares, rights issue or other factors, the net assets per Share will be adjusted accordingly), subject to the relevant requirements on increase of shareholding and repurchase under the laws, regulations and normative documents, the Company, its controlling Shareholder, the Directors (excluding independent Directors, here and below) and the senior management of the Company will take measures such as repurchase and increase of share capital to stabilize the price of A Shares. Please refer to Appendix II for details of the Price Stabilizing Plan within Three Years upon the Initial Public Offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited.

(4) Accumulated Profits Distribution Plan Prior to the Initial Public Offering of A Shares

As the Company intends to apply for the initial public offering of A Shares and Listing, the accumulated profits distribution plan prior to the issuance is as follows in accordance with the relevant provisions of the Measures on Registration and Administration on Initial Public Offering of Shares (《首次公開發行股票註冊管理辦法》):

After adequate consideration of the actual operating condition and the future development needs of the Company, prior to completion of the issuance and Listing, the Company will carry out profit distribution in accordance with relevant resolutions at the shareholders' general meeting; after deducting the profits to be distributed as resolved and approved at the shareholders' general meeting of the Company prior to the issuance and Listing, the Company decided that the accumulated undistributed profits prior to the issuance and Listing will be shared by new and old Shareholders upon the completion of issuance and Listing based on the respective shareholding ratio upon issuance.

(5) The Remedial Measures on Dilution of Current Returns by Initial Public Offering of A Shares and Listing and Undertakings of Relevant Undertaking Entities

As the Company intends to apply for the initial public offering of A Shares and Listing, in order to safeguard the interests of the small and medium investors, the Company performs analysis on the impact on dilution of current returns of the issuance and Listing, and proposes specific remedial measures for returns in accordance with the relevant requirements of the Company Law of the People's Republic of China, the Securities Law, the Measures on Registration and Administration on Initial Public Offering of Shares, the Opinions of the General Office of the State Council on Further Strengthening the Protection of Small and Medium Investors' Legitimate Interests in Capital Market (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》), the Guiding Opinions on Matters regarding the Dilution of Current Returns by Initial Offering, Refinancing and Material Asset Reorganization (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》) of the CSRC and relevant laws and regulations. In the meantime, the Directors, senior management personnel and the controlling Shareholder are required to carry out undertakings for effective performance of remedial measures for returns. Please refer to Appendix III for

LETTER FROM THE BOARD

details of the Remedial Measures on Dilution of Current Returns by Initial Public Offering of A Shares and Listing and Undertakings of Relevant Undertaking Entities of Beijing Urban Construction Design & Development Group Co., Limited (《北京城建設計發展集團股份有限公司首次公開發行A股股票並上市攤薄即期回報填補措施及相關承諾主體的承諾》)。

(6) The Shareholder Dividend Distribution Plan for the Three Years after Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, the Company may perform profit distribution by adopting cash, shares, combination of cash and shares or other methods as permitted by laws, administrative regulations, departmental rules and regulatory rules in the place where the shares are listed in accordance with the relevant requirement of the Company Law of the People's Republic of China, the Securities Law, the "Notice regarding Further Implementation of the Relevant Matters on Cash Dividend Distribution of Listed Companies" (《關於進一步落實上市公司現金分紅有關事項的通知》), the Guidelines No. 3 on the Supervision of Listed Companies – Distribution of Cash Dividends of Listed Companies (《上市公司監管指引第 3 號—上市公司現金分紅》) and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (《上海證券交易所股票上市規則》) as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) (《北京城建設計發展集團股份有限公司章程(草案)》). The Company formulates the Shareholder Dividend Distribution Plan for the Three Years after Initial Public Offering of A Shares and Listing by Beijing Urban Construction Design & Development Group Co., Limited (《北京城建設計發展集團股份有限公司首次公開發行 A 股股票並上市後三年股東分紅回報規劃》) (the "Dividend Distribution Plan"). Please refer to Appendix IV for details of the Dividend Distribution Plan.

Upon approval at the shareholders' general meeting, the Dividend Distribution Plan shall become effective and be implemented from the date on which the A Shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange.

(7) Issuance of Relevant Undertaking Matters in relation to the Initial Public Offering of A Shares and Listing

As that the Company intends to apply for the initial public offering of RMB ordinary shares (A Shares) and Listing, the Company proposes to make a series of undertakings and restraint measures such the Measures and Undertakings in relation to Share Repurchase and Share Buy-back (《關於股份回購及股份買回的措施和承諾》), the Measures and Undertakings in relation to Price Stabilization Plan (《關於穩定股價的措施和承諾》) and the Undertaking Letter in relation to the Non-performance of Restraint Measures under Relevant Public Undertakings (《關於未履行相關公開承諾約束措施的承諾函》) in the relevant documents of the Issuance pursuant to the Opinions on Further Promoting the IPO System Reform and the Applicable Guidelines under Regulatory Rules – Issuance Category No. 4 and other relevant regulations by the CSRC. Please refer to Appendix V for details of

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the Undertaking Letter on the Initial Public Offering of RMB Ordinary Shares (A Shares) and Listing of Beijing Urban Construction Design & Development Group Co., Limited (《北京城建設發展集團股份有限公司關於首次公開發行人民幣普通股(A股)並上市之承諾函》)。

(8) Formulation of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) Applicable upon the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, in accordance with the relevant requirements of the CSRC for listed companies, the Company proposes to formulate the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) (the “**Articles of Association (Draft)**”) applicable upon the Initial Public Offering of A Shares and Listing pursuant to the Company Law of the People’s Republic of China, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange and the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas and other relevant regulations. Please refer to Appendix VI for comparison chart of amendments to the Articles of Association (Draft).

Upon approval at the shareholders’ general meeting, the Articles of Association (Draft) shall become effective and be implemented from the date on which the A shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange.

(9) Formulation of the Rules of Procedure for the Shareholders’ General Meeting of Beijing Urban Construction Design & Development Group Co., Limited Applicable upon the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, the Company proposes to formulate the Rules of Procedure for the Shareholders’ General Meeting of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing in accordance with the relevant requirement of the Company Law of the People’s Republic of China, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Rules of Procedure for Shareholders’ General Meeting of Listed Companies and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft). Please refer to Appendix VII for comparison chart of amendments to the Rules of Procedure for the General Meeting of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing of the Company.

Upon approval at the shareholders’ general meeting, the Rules shall become effective and be implemented from the date on which the A Shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange.

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(10) Formulation of the Rules of Procedure for the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited Applicable upon the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, the Company proposes to formulate the Rules of Procedure for the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing in accordance with the relevant requirement of the Company Law of the People's Republic of China, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Rules of Procedure for Shareholders' General Meeting of Listed Companies and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft). Please refer to Appendix VIII for comparison chart of amendments to the Rules of Procedure for the Board of Directors of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing of the Company.

Upon approval at the shareholders' general meeting, the Rules shall become effective and be implemented from the date on which the A Shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange.

(11) Formulation of the Rules of Procedure for the Board of Supervisors of Beijing Urban Construction Design & Development Group Co., Limited Applicable upon the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, the Company proposes to formulate the Rules of Procedure for the Board of Supervisors of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing in accordance with the relevant requirement of the Company Law of the People's Republic of China, the Securities Law, the Guidance for the Articles of Association of Listed Companies, the Rules of Procedure for Shareholders' General Meeting of Listed Companies and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft). Please refer to Appendix IX for the Rules of Procedure for the Board of Supervisors of Beijing Urban Construction Design & Development Group Co., Limited applicable upon the Initial Public Offering of A Shares and Listing of the Company.

Upon approval at the shareholders' general meeting, the Rules shall become effective and be implemented from the date on which the A Shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange.

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(12) Formulation of the Working Rules of Independent Directors of Beijing Urban Construction Design & Development Group Co., Limited and Other Rules Applicable upon the Initial Public Offering of A Shares and Listing

As the Company intends to apply for the initial public offering of A Shares and Listing, the Company proposed to formulate a series of the Rules applicable upon the initial public offering of A Shares and Listing pursuant to relevant requirements of the Company Law of the People's Republic of China, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Rules of Procedure for Shareholders' General Meeting of Listed Companies and the Rules Governing the Listing of Securities on the Shanghai Stock Exchange as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft). In particular, upon approval at the shareholders' general meeting, the seven resolutions on the Working Rules of Independent Directors of Beijing Urban Construction Design & Development Group Co., Limited, the Administrative Measures for Related Party Transactions of Beijing Urban Construction Design & Development Group Co., Limited, the Administrative Measures for External Guarantees of Beijing Urban Construction Design & Development Group Co., Limited, the Administrative Measures for External Investment of Beijing Urban Construction Design & Development Group Co., Limited, the Management Rules for Governing the Transfer of Funds with Related Parties of Beijing Urban Construction Design & Development Group Co., Limited, the Management Rules for the Provision of External Financial Assistance of Beijing Urban Construction Design & Development Group Co., Limited and the Implementation Measures for Cumulative Voting of Beijing Urban Construction Design & Development Group Co., Limited shall become effective and be implemented from the date on which the A Shares under the initial public offering of the Company are listed on the Shanghai Stock Exchange. Please refer to Appendix X to XVI for details of such resolutions.

(13) Authorize the Board of the Company and Its Authorized Persons to Handle the Relevant Matters regarding the Application for Initial Public Offering of A Shares and Listing of the Company at Their Absolute Discretion

According to the work needs of the Issuance, the Board will propose at the shareholders' general meeting and the Class Meetings to authorize the Board (and agree the Board to authorize the chairman of the Company and its authorized persons) to handle all the matters relating to the Issuance at their absolute discretion within the scope of the relevant laws and regulations, including but not limited to:

1. signing or modifying documents relating to the Issuance, including but not limited to letter of intent, prospectus, sponsorship agreement, underwriting agreement, listing agreement, statements and undertakings, various announcements and other documents and deciding to undertake all necessary formalities with relevant government authorities and the CSRC with respect to application for the A Share offering;
2. making corresponding adjustments on the specific plan for the Issuance based on the plan for the Issuance considered and approved by the shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting of the Company and pursuant to the PRC laws, administrative regulations, departmental rules, normative

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documents and relevant requirements of securities regulatory authorities and actual situations, and being fully responsible for the implementation of the plan, including but not limited to determining the issuance date, number of shares to be issued, pricing method, issue price, target subscribers, strategic placement and other matters related to the Issuance;

3. handling equity registration and settlement and other related matters with China Securities Depository and Clearing Corporation Limited after completion of the Issuance, including but not limited to capital verification, equity custody registration, circulation lock-up, etc.;
4. within the framework determined by resolution of the shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting, according to the requirements of the State and regulatory authorities (including the review feedback on the application for the Issuance) and market conditions, deciding on the specific plan for the use of proceeds and making corresponding adjustments based on the actual progress and priorities of the proceeds-funded projects;
5. handling approvals, registration, filings, verification and consent on matters related to the Issuance from relevant government departments, regulatory authorities, the Shanghai Stock Exchange and the Shanghai Branch of China Securities Depository and Clearing Corporation Limited;
6. making any adjustments and amendments to the Articles of Association and other corporate governance documents which have been considered and approved at the Board, shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting, and as drafted or amended by the Company pursuant to laws, administrative regulations, departmental rules, normative documents and relevant requirements of securities regulatory authorities due to the needs of the Issuance and listing as a result of any changes in laws, administrative regulations, departmental rules, normative documents and relevant requirements of securities regulatory authorities and based on the requirements and suggestions of the relevant government agencies and regulatory authorities in, or out of, the PRC, and the actual situation of the Issuance and listing; making corresponding amendments to the terms of the Articles of Association with respect to the registered capital and shareholding structure of the Company and handling the change, filing and registration procedures with state-owned assets administration departments, company registration authorities and other relevant government departments upon completion of the Issuance;
7. engaging underwriter, sponsor, legal advisor, auditor and other intermediaries for the Issuance, and negotiating with the intermediaries to determine the service fees and signing the engagement agreements;

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8. in case of occurrence of force majeure events or other circumstances where implementation of the Issuance plan would become difficult, or although implementation would be possible, it would bring extremely adverse impact on the Company, then decisions to suspend or terminate the Issuance plan may be made at discretion;
9. handling other matters related to the Issuance;
10. the above authorizations shall be valid within 12 months from the date of the resolution being considered and approved at the shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting. If the A Share offering is not completed within 12 months, the Company will convene another shareholders' general meeting, H Shares Class Meeting and Domestic Shares Class Meeting to authorize the Board to handle the matters not covered by the Issuance at its absolute discretion in accordance with the relevant laws and regulations.

(14) Effect of the Initial Public Offering of A Shares on the Shareholding Structure of the Company

960,733,000 Domestic Shares currently in issue of the Company will be converted into A Shares on the date of completion of the Issuance. Assuming that the share capital of the Company remains unchanged prior to the completion of the Issuance, and based on the proportion of the number of new shares to be issued under the Issuance to the total share capital after the Issuance of 10% and 20%, respectively, the shareholding structure of the Company as at the date of this circular and immediately following the completion of the Issuance are illustrated as follows:

	<i>As at the date of this circular</i>		<i>Immediately following the completion of the Issuance</i>			
			<i>* 10% of number of new shares to be issued to the total share capital after the Issuance</i>		<i>* 20% of number of new shares to be issued to the total share capital after the Issuance</i>	
	<i>Approximate percentage of the issued Number of shares</i>	<i>share capital of the Company⁽⁶⁾</i>	<i>Approximate percentage of the issued Number of shares</i>	<i>share capital of the Company</i>	<i>Approximate percentage of the issued Number of shares</i>	<i>share capital of the Company</i>
Domestic Shares	960,733,000	71.24%	0	0.00%	0	0.00%
A Shares⁽¹⁾	0	0.00%	1,110,585,223	74.11%	1,297,900,500	76.99%
Number of A Shares to be held by the public	0	0.00%	149,852,223	10.00%	337,167,500	20.00%
Conversion of Domestic Shares into A Shares ⁽²⁾	0	0.00%	960,733,000	64.11%	960,733,000	56.99%

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	As at the date of this circular		Immediately following the completion of the Issuance			
			* 10% of number of new shares to be issued to the total share capital after the Issuance		* 20% of number of new shares to be issued to the total share capital after the Issuance	
	<i>Approximate percentage of the issued</i>		<i>Approximate percentage of the issued</i>		<i>Approximate percentage of the issued</i>	
	<i>Number of shares</i>	<i>share capital of the Company⁽⁶⁾</i>	<i>Number of shares</i>	<i>share capital of the Company</i>	<i>Number of shares</i>	<i>share capital of the Company</i>
- Number of A Shares held by connected persons ⁽³⁾	0	0.00%	677,152,060	45.19%	677,152,060	40.17%
- Number of A Shares held by the public	0	0.00%	283,580,940	18.92%	283,580,940	16.82%
H Shares	387,937,000	28.76%	387,937,000	25.89%	387,937,000	23.01%
Number of H Shares held by the public ⁽⁴⁾	319,619,000	23.70%	319,619,000	21.33%	319,619,000	18.96%
Number of H Shares held by connected persons ⁽⁵⁾	68,318,000	5.07%	68,318,000	4.56%	68,318,000	4.05%
Total	<u>1,348,670,000</u>	<u>100.00%</u>	<u>1,498,522,223</u>	<u>100.00%</u>	<u>1,685,837,500</u>	<u>100.00%</u>

- (1) Based on 10% of the number of new shares to be issued in this public offering to the total share capital after the Issuance, the Company will have a total of 1,110,585,223 A Shares upon completion of the A Share offering, of which 149,852,223 A Shares are the A Shares to be issued under the Issuance, and the remaining 960,733,000 A Shares are converted from Domestic Shares of the Company currently in issue; based on 20% of the number of new shares to be issued in this public offering to the total share capital after the Issuance, the Company will have a total of 1,297,900,500 A Shares upon completion of the A Share offering, of which 337,167,500 A Shares are A Shares to be issued under the Issuance, and the remaining 960,733,000 A Shares are converted from Domestic Shares of the Company currently in issue.
- (2) All of 960,733,000 Domestic Shares of the Company currently in issue will be converted into A Shares on the date of completion of the A Share offering.
- (3) The number of A Shares of the Company held by connected persons includes 571,031,118 A Shares held by Beijing Urban Construction Group Co., Ltd., 87,850,942 A Shares held by Beijing Infrastructure Investment Co., Ltd. and 18,270,000 A Shares held by employees of the Company through the key employee stock ownership scheme.

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- (4) Excluding 68,222,000 H Shares held by Beijing Infrastructure Investment Co., Ltd., a substantial Shareholder of the Company, through its wholly owned subsidiary, Beijing Infrastructure Investment (Hong Kong) Limited, 48,000 H Shares held by Wang Hanjun, a Director, and 48,000 H Shares held by Li Guoqing, a Director, all other H Shares were held by the public as at the date of this circular based on publicly available information and to the best knowledge of the Directors.

- (5) Number of H Shares held by connected persons refers to 68,222,000 H Shares held by Beijing Infrastructure Investment Co., Ltd., a substantial Shareholder of the Company, 48,000 H Shares held by Wang Hanjun, a Director, and 48,000 H Shares held by Li Guoqing, a Director. The current public float of the Company is 23.70%, which fails to satisfy the minimum public float requirement under Rule 8.08 of the Hong Kong Listing Rules.

- (6) The sum of equity percentages may not be consistent with the total number due to rounding.

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III. EGM AND CLASS MEETINGS

The EGM, Domestic Shares Class Meeting and H Shares Class Meeting will be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC at 2:30 p.m. on Friday, 21 April 2023 in sequence, to consider and approve: the resolutions in relation to (1) the appointment of Ernst & Young Hua Ming LLP as the special auditor for the initial public offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited; (2) the application for the initial public offering of A Shares and Listing; (3) the authorization to the Board of Directors of the Company and its authorized persons to handle the relevant matters regarding the application for initial public offering of A Shares and Listing of the Company at their absolute discretion; and (4) the use of proceeds from initial public offering of A Shares and Listing and the feasibility analysis. Notices convening the EGM and Class Meetings are set out on pages 320 to 326 in this circular.

If you intend to appoint a proxy to attend the EGM and/or Class Meetings, 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 EGM or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM and/or Class Meetings or any adjourned meeting thereof if you so wish.

In order to determine the list of Shareholders who will be entitled to attend and vote at the EGM and/or Class Meetings, the register of members of the Company will be closed from Tuesday, 18 April 2023 to Friday, 21 April 2023, both days inclusive, during which period no transfer of Shares will be registered.

For the identification of Shareholders who are qualified to attend and vote at the EGM and/or Class Meetings, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), or the registered address of the Company (for Domestic Shareholders), for registration not later than 4:30 p.m. on Monday, 17 April 2023. Shareholders whose names appear on the register of members of the Company on Friday, 21 April 2023 will be entitled to attend and vote at the EGM and/or Class Meetings.

IV. VOTES BY WAY OF POLL

According to the Hong Kong Listing Rules and the Articles of Association, the resolutions set out in the notices of the EGM and the Class Meetings will be voted on by way of poll. The poll results will be posted on the website of the Company at www.bju.cd.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the EGM and the Class Meetings.

No Shareholder was required to abstain from voting on the resolutions at the EGM and the Class Meetings.

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V. RECOMMENDATIONS

The Directors (including independent non-executive Directors) are of the view that the resolutions in relation to (1) the appointment of Ernst & Young Hua Ming LLP as the special auditor for the initial public offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited; (2) the application for the initial public offering of A Shares and Listing; (3) the authorization to the Board of Directors of the Company and its authorized persons to handle the relevant matters regarding the application for initial public offering of A Shares and Listing of the Company at their absolute discretion; and (4) the use of proceeds from initial public offering of A Shares and Listing and the feasibility analysis are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the above resolutions.

Yours faithfully,

By order of the Board

Beijing Urban Construction Design & Development Group Co., Limited

Pei Hongwei

Chairman

FEASIBILITY RESEARCH REPORT ON INVESTMENT PROJECTS FUNDED BY
PROCEEDS FROM INITIAL PUBLIC OFFERING OF A SHARES OF BEIJING URBAN
CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

I. PRODUCTION CAPACITY IMPROVEMENT PROJECT

(I) Project Introduction

As a leading integrated urban construction service provider, Beijing Urban Construction Design & Development Group Co., Limited (the “**Design & Development Group**”) urgently needs stable business premises in order to strengthen its coordination function, integrate the business units of all branches and subsidiaries, achieve integrated development, enhance business carrying capacity and actively cultivate and develop new businesses with the continuous expansion of its business scale. The Company intends to purchase the properties and ancillary parking spaces located at Building 13, No. 18 Zhangyicun Road, Fengtai District, Beijing.

Beijing Urban Rail Transit Construction Engineering Co., Ltd. (the “**Rail Transit Construction Company**”), a wholly-owned subsidiary of Beijing Urban Construction Design & Development Group Co., Limited, registered in Tongzhou District and leased office premises in Haidian District for a long term. In order to solve the inconsistency between the registered address and the office location, improve the existing office environment, reduce the operating cost of the Company and meet the future business development needs, Rail Transit Construction Company intends to purchase the properties and ancillary parking spaces located at Building 17, Yard 2, Yujing East Road, Tongzhou District, Beijing.

(II) Necessity of the Project

1. The construction of the project is conducive to bringing in technical talents and satisfying the needs of the Company’s future business development

With the new round of technological revolution represented by the Internet of Things, big data and artificial intelligence, more resources have been invested into the field of “intelligence” in the rail transit industry, the “intelligent transportation” that integrated with new generation technologies such as wireless communication, mobile Internet and 5G communication has become the key development orientation of rail transit in China. At present, the “intelligent” level of rail transit industry is getting higher and higher, and the technical methods and various norms of planning, design, construction, management and application, disaster prevention and relief, and equipment maintenance in the rail transit industry has been greatly improved.

As a comprehensive service provider for urban development, Design & Development Group adheres to the implementation of the relevant diversified business development strategies, and the segments of design, survey and consultancy will continue to focus on the field of the urban rail transit. It is urgently imperative to fully leverage on the Company's technological strengths and innovation capabilities to further expand our businesses in the design, survey and consultancy market of rail transit, construction and municipal engineering integration and provide high-end, high value-added professional services. As a general contractor in the field of rail transit construction, Rail Transit Construction Company urgently needs to adapt to the application of intelligent construction technology in the process of urban rail transit construction, and especially need to continuously improve in the technology of shield machine, actively explore new models of engineering construction to realize modern machinery and equipment construction and other technologies for engineering construction.

Therefore, Design & Development Group and Rail Transit Construction Company needs to keep pace with the times in the future to promote business transformation and upgrading and enhance the business capacity. Through the construction of the project, we are well-positioned to bring in talent team, establish talent advantages and provide support for business transformation and upgrading. In doing so, we actively respond to the development needs of related rail transit business in the market and follow the development trend of the industry.

2. The construction of the project is conducive to improving the office environment and enhancing personnel efficiency

Design & Development Group's many business divisions operate in the leased office premises. As the business continues to grow, the demand for office premises will increase, and in order to satisfy the business development needs of the Company, new office premises are urgently needed to address the issues regarding the insufficient space of existing premises.

Rail Transit Construction Company's existing office premises are located in leased properties, with relatively small office space per capita, and the public office space is narrow and small, and long-term rental costs increase the Company's operating costs. In order to respond to the development needs of future business, we will introduce project management, technology, operation and safety management talents who process rail-related professions, and therefore the contradiction between the increase in the number of labor force and the insufficient space of existing office premises for Rail Transit Construction Company in the future will become more apparent.

In conclusion, through the acquisition of office buildings, the construction of the project intends to improve and enhance the office environment, satisfy the needs of the Company's sustainable business expansion in the future, relieve the mismatch between the increase in the number of labor force and the insufficient space of existing office premises, in a bid to create a stable and good office environment, enhance the enthusiasm of employees, and contribute to the rapid business development in the future.

3. *The construction of the project is conducive to establishing the Company's image and enhancing business stability*

Stable office premises underpin the business development of the Company, and a good office environment is conducive to improving the vitality and enthusiasm of employees, which play an important role in maintaining the Company's image and the sound progress of future business. At present, some businesses of Rail Transit Construction Company and Design & Development Group are based on leased properties as their office premises. In the short term, leased properties can alleviate the pressure on operating cash flow of the enterprise. However, in the long run, uncertainties such as the stability of office lease, changes in office rents, changes in land policies and urban construction planning may affect the Company's daily operations. In order to avoid the adverse effects brought about by leased properties, ensure the normal operation of business and achieve the goal of rapid development of the Company in the future, the Company decides to acquire new properties as the office premises to ensure the long-term stable development of the Company's business, mitigate business risks, and provide employees with a long-term and stable working environment, thereby improving the stability of the enterprise operation.

(III) Feasibility of the Project Implementation

1. *Promising market prospect has provided strong market support for the implementation of the project*

During the "14th Five-Year Plan" period, China's economy will achieve sustained and healthy economic development in addition to significantly improved quality and efficiency, characterized by stronger domestic market, more optimized economic structure, significantly enhanced innovation capacity, more advanced industrial foundation and greatly improved industrial chain modernization, and major progress will be made in the construction of the modern economic system, urbanization development will continue to advance, and urban transportation construction will grow rapidly. In the next five years, China's rail transit construction will continue to gear up. The Outline of the 14th Five-Year Plan and Long-Range Objectives through the Year 2035 put forward that during the "14th Five-Year Plan" period, China will increase another 3,000 kilometers in operating length of new intercity railways and inner-city railways, and basically complete the construction of rail transit networks in the Beijing-Tianjin-Hebei, Yangtze River Delta and Guangdong-Hong Kong-Macao Greater Bay Area, and the rail transit still has great development potential. Meanwhile, in order to stabilize economic growth, China is likely to increase investment in the construction of infrastructure and other livelihood projects, bringing growth opportunities for the general contracting business, coupled with the gradual advancement of the construction of the Beijing-Tianjin-Hebei integration, the Yangtze River Delta integration and the Guangdong-Hong Kong-Macao Greater Bay Area, the continuous expansion of construction of the infrastructure such as urban rail transit and inner-city rail transit and the extensive application of new technologies such as building energy conservation, green building and BIM, all of which have brought new opportunities for the Company's business development and transformation and upgrading.

2. The continuous and stable business capacity has provided guarantee for the implementation of the project

Beijing Urban Construction Design & Development Group Co., Limited is a leading design, survey and consultancy company in China's urban rail transit industry. It possesses professional qualifications for design, survey and consultancy, especially construction design comprehensive grade A qualification and construction survey comprehensive grade A qualification. The Company is capable of offering comprehensive and high-quality services for the design and construction process of urban rail transit, including planning, design, survey, consultancy, construction contracting, project investment and financing, etc., which reduce the operational risk in the single stage of the urban rail transit industry chain and has strong synergy between the two major business segments of design, survey and consultancy and construction contracting. The strength of comprehensive service capabilities is pronounced. Therefore, the Company's professional qualifications provide a strong guarantee for the operation of the project.

Beijing Urban Rail Transit Construction Engineering Co., Ltd. is a wholly-owned subsidiary of Beijing Urban Construction Design & Development Group Co., Limited. Focused on urban rail transit engineering construction related sectors since its establishment, the Company has passed the certification of three systems, i.e. the quality, environment, occupational health and safety management, and passed the Beijing high-tech enterprise accreditation at the end of 2020. Also, the Company insists on keeping pace with the times, constantly looking into the needs of the market, making investment in the research of cutting-edge technology and actively exploring new models of engineering construction covering from traditional cut-and-cover construction to the modern machinery and equipment construction. The Company expanded from a single construction general contracting to multiple models of engineering construction including EPC, PPP, BOT and others, and leveraged its strong strengths in scientific and technological innovation, providing support for the Company's future business development.

The project is a strategic initiative to enhance the business capacity on the basis of the continuous development and growth of the Company's overall operating scale, and the Company's strong on-going business capacity provides sufficient guarantee for the implementation of the project, which can ensure that the development of the project is justifiable.

3. Good brand and stable customer resources provide guarantee for the implementation of the project

Beijing Urban Construction Design & Development Group Co., Limited has been leading and driving the development of urban rail transit industry, and is the main formulator of the national design specifications for urban rail transit industry in China. The Company has participated in rail transit construction in major cities in China, including Beijing, Guangzhou and Shenzhen. At present, the Company has won nearly 300 awards granted by the government

authorities and national industry institutions, which include the well-known awards such as the National Science and Technology Progress Award, National Technological Invention Award, National Outstanding Engineering Survey and Design Award, National Outstanding Engineering Consultancy Award, Lu Ban Award, National Quality Engineering Award, Zhan Tianyou Award and Huaxia Science and Technology Progress Award. Besides, the Company has compiled a number of national, industrial and local standards for rail transit, and has the first academician and expert studio for urban rail transit in China. In addition, the Company has set up branches in nearly 60 cities to track the market and establish production organizations according to the scale of the mission and market potential. The Company also has mature experience in localized management of project implementation. Therefore, the rich industry experience accumulated by the Company has laid a good foundation for the implementation of the project.

As a wind vane of national urban rail transit construction, Beijing Urban Rail Transit Construction Engineering Co., Ltd. has maintained its leading market share in Beijing Metro, and its projects are also spread across large and medium-sized cities such as Tianjin, Guangzhou, Shenzhen, Dalian and Zhengzhou. The Company has focused on market expansion, accumulated a stable customer base with the experience of numerous large-scale projects and good customer reputation, and the existing customer base has formed a certain scale, which can bring sustainable and stable income to the enterprise and provide guarantee for the implementation of the project.

(IV) Schedule of Project Implementation

The construction period of this project is proposed to be one year. The project schedule includes preliminary preparation, house purchase and decoration, purchase, installation and commissioning of equipment, staff recruitment and training, etc. The specific progress is shown in the table below:

Schedule of project implementation

No.	Item	Schedule (month)											
		1	2	3	4	5	6	7	8	9	10	11	12
1	Preliminary preparation	△	△										
2	House purchase and decoration	△	△	△	△	△	△	△					
3	Purchase of equipment							△	△	△	△	△	△
4	Installation and commissioning of equipment								△	△	△	△	△
5	Staff recruitment and training									△	△	△	△

(V) Environmental Protection of the Project

The construction of this project has a small impact on the surrounding environment and less sewage output. Effective pollution control measures have been taken for the major pollutants discharged by the project, and the pollutants are discharged after reaching the standards. It is predicted that the construction project will have a small impact on the water, gas and sound environment of the project area and have almost no impact on the ecological environment. By implementing the management measures of this project, the total discharge amount of pollutants can be effectively controlled within the scope of compliance.

(VI) Estimated Investment Budget of the Project

The construction investment of this project is RMB628.1913 million, the composition of which is shown in the table below.

No.	Item	Investment (RMB0'000)	Percentage
1	Construction cost	57,758.68	91.94%
2	Equipment and software purchase expenses	3,019.08	4.81%
3	Installation engineering fee	—	—
4	Other expenses of project construction	217.13	0.35%
5	Budget reserve	1,824.23	2.90%
6	Total construction investment	62,819.13	100.00%

II. SMART DESIGN CLOUD PLATFORM CONSTRUCTION PROJECT OF URBAN RAIL TRANSIT

(I) Project Introduction

The project plans to build a smart design cloud platform of urban rail transit, build “1 (data cloud) + 1 (processing middle office) + 1 (functional platform)” and formulate “a set of delivery standards”. We will focus on the collection, application and management of design data, form “a set of digital assets for urban rail transit design”, and implement “the whole process of formation of design and delivery digital assets, full information of resources and full scope of operation and maintenance business”, assisting the digital transformation of the Company’s business, embedding digital assets and operation and maintenance management processes into the information system to achieve traceability of results, comprehensively enhancing the Company’s rail transit design capability and supporting the construction of digital rail transit, so as to promote the comprehensive improvement of the technical model and management level of the projects and boost the digital industrialization development of the Company.

(II) Filing and Approval of the Project

On 14 February 2023, the project was awarded the Project Filing Certificate of Beijing Municipal Non-government Investment in Industrial and IT Fixed Assets (Jing Xi Cheng Ke Xin Ju Bei [2023] No.8).

(III) Necessity of the Project Implementation

1. To enable design business to reduce cost and increase efficiency and promote the digital transformation and upgrading of the urban rail transit design industry

Along with the continuous development of science and technology, the new generation of information technologies represented by cloud computing, big data, artificial intelligence, the Internet of Things and 5G mobile communication technology is bringing unprecedented changes. Under this trend, all sectors of the urban rail transit industry are exploring the digital transformation. Urban rail transit design is a systematic work involving many professional and design institutes, under which a general contractor is entrusted by the owner to manage the design work for each important part and system carried out by individual design institutes. At present, the collaboration among the parties and within one party needs to be improved, for example, poor retention of the platform files, poor standardization and the low design efficiency, which increases the cost of design collaboration.

Considering the future development trend of the industry in which it operates and in line with its own long-term planning, the Company plans to build the intelligent design cloud platform of urban rail transit, to create a digital integrated design environment organized around “end + cloud”, which provides the integrated digitized design solutions covering all professional, whole process and all participants of urban rail transit design, develops the digital design cloud platforms for rail transit construction enterprises and design enterprises, enables design business to reduce cost, increase efficiency and value, facilitates the development of a new ecosystem for the design market, and promotes the digital transformation and upgrading of urban rail transit design industry. Upon the completion of the project, it will effectively improve the Company’s design capability and improve customer service level, thereby enhancing the profitability of the enterprise and promoting the sustainability of the Company.

2. The increasing demand from the downstream application field promotes the product R&D and construction

The application scope of this project includes three major modules: design, management and delivery. Among them, the design application includes intelligent mapping, intelligent computing and collaborative design for rail transit. Management application includes digitized management on design based on cloud computing, big data, AI, edge computing, blockchain, AR/VR and network security. Delivery application includes drawing transfer, 3D model transfer and 3D digital asset transfer. They can meet the demands of digitized city construction.

On one hand, this project can establish data-driven intelligent design tools, improve design efficiency, and break down the barriers of data interaction to achieve multi-professional communication of rail transit; on the other hand, it adopts modular design, which continuously optimizes and accumulates the design data assets of the enterprises, and realizes the consistent delivery of digitized space design at the same time. Depending on the application scope of users, this project leverages on digital means and continues to penetrate into the management on the whole process of urban rail transit design, improving the design management and meeting the usage requirements. In the future, this product will focus on the fields of design tools, Internet and digitized city related services. It also has great potential in industrial and civil building and other industries, and the demand from the application markets will continue to grow, which will effectively promote project R&D and construction. The completion of the project will further promote the sustainability of the Company and establish the Company's competitive advantage in the field of rail transit design.

3. *To realize the digitized delivery of rail transit space to meet the diversified needs of its customers*

Customers of investment in urban rail construction have increasing requirements for design services, not only traditional technical services such as submission of design schemes and drawings, but also design services focusing on delivery of digital assets and aiming at fast, efficient, realistic and refined delivery. The construction of this project will form a set of integrated digitized solutions for urban rail transit design, including a design-led digital delivery system for rail transit space, and truly achieve digitized design delivery, which means consistent data standards, coding standards, structure and organization standards, and enable design to confront operation and maintenance problems, so that design leads the formation of digital assets in the whole life of urban rail transit and provides the long-term value of design.

(IV) Feasibility of the Project

1. *The R&D of the project products aligns with the technical development trend of the industry*

In March 2020, China Association of Metros released the Outline for the Smart Urban Rail Development (《智慧城軌發展綱要》), which put forward the key works on digitized urban rail transit. On one hand, data drives the transformation of the information technology industry, accelerates the cross-sector integration and innovative development of the new generation of information technologies, brings more new products, services and model innovation through software-defined hardware, software-defined storage, software-defined networks and software-defined systems, and generates new business forms and economic growth points, which promotes data to become a strategic asset. On the other hand, "software-defined" item accelerates the integrated innovation and transformation and upgrading of the engineering construction industry. Software-defined manufacturing has stimulated the innovation vitality of R&D, design, simulation and verification, driven construction, operation and management, and accelerated the development of new models such as personalized customization, network collaboration, service-oriented manufacturing and cloud manufacturing. This points out the direction for the intelligent design cloud platform of urban rail transit in terms of 3D design, data integration and digitized delivery.

2. *Strong technical systems established and R&D strength will lay the foundation for its product R&D*

The Company attaches great importance to independent R&D and the development of the technical systems. The Company insists on the investment into R&D of key technologies such as digitalization in the rail transit design application, and has accumulated the leading technical advantages in the industry. The main basic technical systems established are as follows:

① *Rich technical reserve of BIM design system*

The Company has carried out the reconstruction and intelligent upgrading of the BIM collaborative design system, upon which, linear engineering will achieve parameterized drive, which can standardize data exchange templates and form professional data modeling ability. Point engineering gives play to human-computer interaction function, which can achieve penetration into generative design function application in business scenarios, and connects with modular assembly systems, which can form an integrated intelligent design scheme.

② *Development basis for the CAD intelligent design modules*

The Company continues to carry out the R&D of intelligent design software, and independently develop a series of intelligent design plug-ins based on the CAD platforms and intelligent design platforms based on the B/S architectures, to improve the work efficiency of designers and optimize the design means of designers through informationized means. For example, starting from the design tools, they will fundamentally solve the practical problems in the design and production process, such as low drawing efficiency, repetitive work, lack of connection, inconvenient modification, error prone nature and low degree of digitized management. They will also realize a series of functional modules including intelligent drawing and automatic calculation with the design thinking of designers, which cover 21 main specialties such as architecture, structure and decoration. The continuous R&D will help to promote the digitized and intelligent transformation of the rail transit design business, and provide strong support for the new pattern of high-quality, cost-effective and innovative development of the Company.

3. *Improved informationized management system for product R&D*

After years of development, the Company has an improved informationized management system, and the Company has a complete informationized development planning and various informationized management systems and standards. The Company basically established and improved the informationized system, and met the business needs of all departments of the Company through the adoption of information technologies, which provides accurate and efficient management information for corporate decision-making and provides reliable basis for the Company's development strategy. The software development management system established by the Company can effectively guarantee the development of the project, and the informationized platform of the Company has complete project management information, laying a foundation for the digital management module of the project and being called directly by the interface later. Therefore, the Company's informationized management system has provided guarantee for the R&D of products.

4. *Phased progress achieved in the Company's products*

At present, it has developed a series of intelligent design plug-ins based on the CAD platforms and intelligent design modules based on the B/S architectures, to improve the work efficiency of designers and optimize the design means of designers through informationized means. For example, starting from the design tools, they will fundamentally solve the practical problems in the design and production process, such as low drawing efficiency, repetitive work, lack of connection, inconvenient modification, error prone nature and low degree of digitized management. They will also realize a series of functional modules including intelligent drawing and automatic calculation with the design thinking of designers.

(V) Schedule of Project Implementation Progress

The construction period of this project is proposed to be 4 years. The project schedule includes preliminary preparation, decoration and construction, procurement and installation of cloud center equipment and software, system R&D, system testing, staff recruitment and training and trial operation. The specific progress is shown in the table below:

No. Item	Month											
	4	8	12	16	20	24	28	32	36	40	44	48
1 Preliminary preparation of the project	△	△	△									
2 Decoration and construction		△	△	△	△							
3 Procurement and installation of cloud center equipment and software			△	△	△	△	△					
4 System R&D			△	△	△	△	△					
4.1 Design knowledge database system			△	△	△	△	△					
4.2 Smart design system			△	△	△	△	△					
4.3 Digital management system			△	△	△	△	△					
4.4 Space digital assets delivery system			△	△	△	△	△					
4.5 Big data cloud center			△	△	△	△	△					
5 System testing					△	△	△	△	△			
6 Staff recruitment and training			△	△	△	△	△	△	△	△		
7 Trial operation									△	△	△	△

(VI) Estimated Investment Budget of the Project

The construction investment of this project is RMB151.8879 million, the composition of which is shown in the table below.

No.	Item	Investment (RMB0'000)	Percentage
1	Construction engineering cost	140.00	0.92%
2	Equipment and software purchase expenses	3,622.00	23.85%
3	Installation engineering fee	–	–
4	Other expenses of engineering construction	11,236.80	73.98%
5	Budget reserve	189.99	1.25%
6	Total construction investment	<u>15,188.79</u>	<u>100.00%</u>

III. FULL-CYCLE DIGITAL SERVICE SYSTEM RESEARCH AND DEVELOPMENT PROJECT OF URBAN RAIL CONSTRUCTION

(I) Project Introduction

The project focuses on the development and research of a full-cycle digital service system of urban rail construction with multiple functions, such as “3D collaborative design”, “integrated design and construction management” and “operation and management platform based on BIM and big data technology”. It takes data planning, data generation and data application as the main tasks to cover the whole process, all objects and all participants of urban rail transit engineering. The system includes four subsystems: intelligent design platform of 3D system, integrated design and construction management platform based on BIM/GIS, operation and management platform based on BIM and big data technology, and BIM 3D platform engine, providing digital services covering the whole life cycle of urban rail transit engineering from design, construction to subsequent operation and management, thus forming an integrated, scalable and replicable standardized solution aimed at providing industry big data service.

(II) Filing and Approval of the Project

On 14 February 2023, the project was awarded the Project Filing Certificate of Beijing Municipal Non-government Investment in Industrial and IT Fixed Assets (Jing Xi Cheng Ke Xin Ju Bei [2023] No.7).

(III) Necessity of the Project

1. *Actively responding to national digital economy strategy provides vital support for the digital transformation and informatization development of urban rail transit enterprises*

Digital economy is a part of the national strategy to drive a new round of economic cycle. Relevant policies and technologies will boost the development of digital economy. The 14th Five-Year Plan for the Development of Digital Economy clarifies that core industries of digital economy will need to account for 10% of GDP by 2025. New infrastructure based on 5G, artificial intelligence and big data is an important cornerstone and barometer for the development of the digital economy. New ICT technologies are penetrating into and integrating with traditional industries, and related industries are laying foundations for national information development. As the implementation of various national favourable policies, “digital architecture” featuring the integrated application of BIM technology and cloud computing, big data, Internet of Things, mobile Internet, artificial intelligence and other digital technologies will redefine the construction industry, promote the construction of digital cities and digital China, build a comprehensive digital economy scenario, and ultimately create conditions for the realization of a smart society.

The whole life cycle digital service system of urban rail transit engineering based on big data aims at the application of digital technology in the full life cycle of rail transit engineering, enables a governance system integrating receipt, storage and use, and realizes the smooth flow and safe sharing of data. It is the key research direction and plays a fundamental supporting role for the digital transformation and informatization development of urban rail transit enterprises.

2. *The construction of urban rail transit continues to heat up, and the market demand for information and digital products is strong*

With the speeding up of urban construction in China, big cities are emerging, and the investment of urban rail transit is also mounting. Currently, the inner-city (suburban) railway is still in its initial stage, with only about 1,100 kilometers conforming to the functional and technical standards of inner-city (suburban) railways. According to the Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035 of the People’s Republic of China (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》) (the “**14th Five-Year Outline**”), the length of intercity and inner-city (suburban) railways in operation will be increased by 3,000 kilometers by 2035. Rail transit networks in the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area will be basically completed, with 3,000 kilometers of new urban rail transit in operation. From the perspective of planning, inner-city rapid rail transit and smart urban rail transit will be the main investment direction and development trend of urban rail transit during the 14th Five-Year Plan

period. Increasing operating mileage imposes higher requirements on the informationization degree of rail transit engineering system, and demand for informationization construction is constantly growing, which creates broader development space for the rail transit information system industry.

Through the integration of engineering technologies and emerging information technologies such as big data, cloud computing and artificial intelligence, this project adapts to the market demand and technological development trend and connects the data application in the whole cycle of urban rail transit engineering. At present, the digital transformation of urban rail transit in China is still in its infancy and has not yet reached the breakout period. It is the critical time for the Company to seize the opportunities. Driven by both policies and market demand, the market will be broader in the future.

3. Digital and industrial upgrading in urban rail transit engineering promotes the high-quality development of a smart city

This project is committed to offering diversified ride experience, making information access convenient through new information technologies such as big data and artificial intelligence and ensuring the promptness and accuracy of the guidance to passengers, improving urban rail transit operation service quality and passenger experience, enhancing the operation efficiency and operating benefits of metro, mitigating the risk of the owner operating the metro and improving the safety and reliability. Expected results after the completion of the project are as follows: it is estimated that error, omission, collision and deficiency in the results of the top-down design drawings will reduce by 85%; engineering calculation efficiency of calculation integration will increase by 60%; the efficiency of communication and decision-making in the early stage of the project will improve with less change of the proposal; analysis and decision time will shorten by 20%; construction schedule will accelerate by about 10%; budget control ability significantly improved with changes in signed documents will reduce by about 65%; construction errors will be reduced by 30%; problems will be identified in advance to reduce risk factors; project costs will reduce by about 30%; engineering quantity error will be controlled within 1%; operation management analysis and decision time will shorten by 40% through the integration of operation and management data; construction waste will reduce from 30% to 10%; rework will significantly reduce and project quality will improve; and energy will be saved more than 20% through the integration of operation and management data.

The research and development of full-cycle digital service system of urban rail transit is the cornerstone for the intelligent operation of metro and the construction of a smart city. It will improve the green, digital and intelligent service level and public benefit of urban infrastructure and establish a green and low-carbon digital service system of urban rail transit, which will play an active role in promoting higher quality development of smart cities in China.

(IV) Feasibility of the Project Implementation

1. Following relevant national policies and industry development trends

In July 2020, 13 authorities including the Ministry of Housing and Urban-Rural Development jointly issued the Guiding Opinions on Promoting the Coordinated Development of Intelligent Construction and Building Industrialization, which pointed out that building industrialization should be vigorously developed with digitalization and intelligent upgrading as the driving force, relevant core technologies should be innovated and broken through, and the wider application of intelligent construction in all aspects of engineering construction should be promoted, thus forming an intelligent construction industrial system that integrates the whole industrial chain of scientific research, design, production and processing, construction and assembly and operation.

In the Statistical Classification of Digital Economy and Its Core Industries (2021) released by the National Bureau of Statistics in June 2021, the industrial digitalization in the fifth section refers to the output increase and efficiency improvement brought by the application of digital technology and data resources to traditional industries.

This project researches on a whole cycle digital service system for urban rail transit based on big data. Based on the whole life cycle of rail transit construction, it fully applies engineering digital technology, which realizes unified management, energy conservation and emission reduction, meets the national requirements of digital and intelligent construction, and conforms to the national and industrial development trend.

2. Mature core application technology of the system provides technical support for project implementation

The core of the application of BIM technology is the application of information technology in the engineering construction industry, and the extent of application is still greatly subject to the development of information technology and software and hardware. Taking the visualization of BIM model as an example, unlike two-dimensional CAD drawings, BIM model has higher requirements on the performance of PC, Web and mobile terminals. Good user experience depends not only on the optimization of 3D graphics display algorithm, but more on the update and iteration of information technology and the innovation of software and hardware products. In recent years, information technology, software and hardware have experienced rapid development. In particular, the emergence of mobile Internet and Internet of things present sufficient opportunities for the remote, mobile and collaborative application of BIM technology. At the same time, a number of relatively mature BIM application software which can support users' BIM application requirements to varying degrees emerged in the domestic and foreign markets. On the other hand, BIM technology has been gradually introduced into the domestic engineering construction industry since around 2012. Through the joint efforts of various participants such as owners, design institutions and construction institutions in the industry, a large number of project practices and technical studies have been

carried out and some engineering technical problems and management problems have been solved, and the technical level of the engineering construction industry have been effectively improved. Taking rail transit as an example, the application and research of BIM technology have been conducted in more than ten cities in China, such as Shanghai, Beijing, Guangzhou, Nanning, Xiamen and Chongqing, and results achieved were remarkable. In conclusion, there is no major technical risk in project implementation.

3. *The Company has deep understanding of the industry and profound project experience*

Leveraging on its profound understanding of the domestic rail transit, the expansion of the traditional rail transit design business and the future industry, and the innovative integration of technology and business scenarios, the Company has successively participated in several important rail transit projects in Beijing, Shanghai, Guangzhou, Wuhan, Tianjin, Nanjing and Chongqing, and established a reputable brand and good reputation. The Company has accumulated a large number of underlying data resources and research and development experience through years of implementation of rail transit projects. With the continuous expansion of the investment scale of the rail transit industry and the increasing informationization level, Benefits from the rail transit industry will bring more market space for the Company, release more market vitality, and enable the Company to realize sustainable and rapid development in this business field. The Company’s powerful data resources and project experience provide important guarantee for project construction and greatly reduce the project related risk.

(V) Schedule of Project Implementation Progress

The construction period of this project is proposed to be 3 years. The project schedule includes the preliminary work of the project, purchase, installation and commissioning of equipment, staff recruitment and training, system R&D and testing, system certification and project settlement.

No.	Item	Monthly progress											
		3	6	9	12	15	18	21	24	27	30	33	36
1	Preliminary work	△											
2	Purchase, installation and commissioning of equipment	△											
3	Staff recruitment and training		△	△	△	△	△	△	△	△			
4	System R&D and testing	△	△	△	△	△	△	△	△	△	△		
5	System certification and project settlement												△

(VI) Estimated Investment Budget of the Project

The total investment of this project is RMB188.7141 million, including RMB172.8350 million for construction investment and RMB15.8791 million for initial working capital, with no interest during construction period. The composition of total investment of the project is shown in the table below.

No.	Composition of total investment	Investment (RMB0'000)	Percentage
1	Construction investment	17,283.50	92%
1.1	Of which: Input tax deductions	488.29	–
2	Interest during construction period	–	–
3	Initial working capital	1,587.91	8%
*	Total	<u>18,871.41</u>	<u>100%</u>

IV. RESEARCH AND DEVELOPMENT PROJECT OF DIGITAL INSPECTION AND INTELLIGENT ASSEMBLY SYSTEM FOR THE RAIL TRANSIT

(I) Project Introduction

The research center of structure safety operation and maintenance is based on the prototype of the Company's current rail transit structure safety operation and maintenance, research and development of urban rail transit tunnel structure full-section data collection and data mining SAAS service platform and urban underground infrastructure safety operation monitoring linkage technology service system. The project intends to develop new technologies and achieve new breakthroughs in business areas based on the existing inspection means, which will significantly improve the inspection efficiency, safety monitoring capability, information management capability and digitalization level of subway tunnels and surrounding structures. This project becomes customized products according to the needs of the owners of various rail transit construction companies, and provides services in the development of the platform for safety operation and maintenance and testing of metro tunnels and customized system. The testing results include regular testing of tunnel structural deformation, apparent disease and rail disease, and the system customization development provides a series of software products at each stage of metro planning and operation.

The engineering testing research center will expand the scope of testing capability of the Company, apply advanced and scientific information-based testing management system, and improve the informatization level of testing business through information-based management of testing data to realize effective data transmission, analysis and management, thus promoting the improvement of the Company's testing capability, consolidating and enhancing the Company's leading position in the testing business of rail transit industry, helping the Company expand the Beijing-Tianjin-Hebei market and actively expanding the markets in other cities, so as to become a leading technical unit in the testing industry of urban rail transit.

The rail transit technology research center mainly includes the prefabrication and assembly technology for subway station structures, the assembly technology for urban rail transit track structures, and the passenger flow forecast and prediction and early warning and regulation system for rail transit network. The pioneering research and application of technologies will strongly support the high-quality and efficient construction of urban rail transit, build a smart system with “intelligent + information-based + digital” fabricated structure, a design scheme and simulation software platform for fabricated track structures, and a passenger flow forecast and prediction and early warning and regulation system for the rail transportation network. The development of rail transit technology towards energy saving and environmental protection, safety, reliability and convenience for operation and maintenance will be realized, promoting and leading the innovation and development of green and safety technologies of urban rail transit.

(II) Filing and Approval of the Project

On 13 March 2023, the project was awarded the Project Filing Certificate of Beijing Municipal Non-government Investment in Industrial and IT Fixed Assets (Jing Xi Cheng Ke Xin Ju Bei [2023] No. 11).

(III) Necessity of the Project Implementation

1. Necessity of the construction of the research center of structure safety operation and maintenance

(1) The construction of the project is to meet demands for digital development of safety operation and maintenance in urban rail transit structure from new urbanization program and national strategies

As the new urbanization in China is undergoing rapid development, urban rail transit has become one of the most important ways to address urban traffic jam, and more cities will build urban rail transit systems in the future. Meanwhile, in the Outline of the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives Through the Year 2035 of the People’s Republic of China (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》), which specifies the construction of modern comprehensive transportation system by promoting the integration of transportation in city agglomerations and metropolitans, accelerating the construction of intercity railways and inner-city (suburban) railways, building highway ring road system, and orderly promoting the development of urban rail transit, therefore the development of urban rail transit is indispensable in city development and national strategies.

In the new backdrop of network construction and operation, the current levels of construction and safety operation and maintenance are encountered with great challenge from multiple aspects such as basic theory, technological system, and facilities and equipment. It is necessary for urban rail transit engineering to make breakthroughs on technological difficulties in safety, quality, energy saving and efficiency concerning the construction of urban rail transit, and comprehensive testing and informationization on infrastructure. Riding on the rapid development of urban transit system in China, the project focuses on problems of comparatively backward testing equipment for safety operation and maintenance of rail transit structures, construction technology and equipment, structure operation and maintenance

equipment and level of informationization. The project intends to build a research center of urban rail transit structure safety operation and maintenance through basic theory study, core technology research and development, as well as the development of structure safety operation and maintenance platform and the implementation of key projects, thereby promoting the sustained and sound development of China's urban rail transit.

(2) The construction of the project is conducive to improving the level and efficiency of safety operation and maintenance of urban rail transit structures

Urban rail transit construction involves high investment, high degree of difficulty, high level of risks, faces complicated construction conditions and characteristics, and has to construct with sophisticated construction technology. Therefore, it is a sector that draws attention from both the government and the society. Over years of development, the urban rail transit in China has made great progress in design and consultancy, construction management, project construction, and production and installation of mechanical and electrical equipment as well as operation and maintenance. The state also has formulated various supporting policies, standards and norms in recent years, which underpinned the development of urban rail transit in China. In China, there are still weak link in intelligent facilities and system safety guarantee in urban rail transit, and there is still plenty of room for improvement in the construction safety, quality, energy saving and efficiency, comprehensive testing technology for infrastructure facilities and information-based operation and maintenance of urban rail transit projects.

The implementation of this project is conducive to improving the technical level of the proprietary intellectual property technology and testing system, and improving the quality and efficiency of urban rail transit construction, thus not only realizing the collaborative development objectives of safe and intelligent design, construction, operation and maintenance of rail transit tunnel structures, but also increasing the Company's market share in the field of testing and operation and maintenance of urban rail transit tunnel structure at the same time, which will enhance the core competitiveness of the Company.

(3) The construction of the project can promote the enterprise to continuously carry out technological innovation and maintain core competitive advantages

In recent years, with the overall development of the safety operation and maintenance industry of rail transit structures, a number of small and medium-sized enterprises have emerged in the industry, resulting in more intense market competition. However, most enterprise in that industry still stay at the stage of simple software product imitation and conventional IT service, and do not fundamentally design and develop products according to customers' needs and business process characteristics, resulting in the inability to meet the increasingly diversified, personalized and customized needs of customers. In view of the potential structural safety risks in the operation phase of rail transit and underground pipeline network, the Company plans to utilize technologies such as Internet of Things, database, urban information model, geographic information system and mobile interconnection for the project to build products with the "three intelligence" structural risk comprehensive management and control system (intelligent full perception, intelligent big data and intelligent cloud services) as the core. The project construction will comprehensively enhance the refined management level and risk control capability of rail transit and urban public safety operation, enhance the technical service level of the Company, and enable the Company to maintain its competitive advantage in the fierce market competition.

2. *Necessity of Construction of Engineering Testing Research Center*

(1) Actively responding to the call of the national policy of “building a strong country with quality” and consolidating the quality foundation of the national economy

As a national key strategic emerging industry and high-tech service industry, the testing and certification industry serves the whole life cycle of national economy such as infrastructure construction and rail transit, and is an important part of China’s modern industrial system. The Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035 of the People’s Republic of China, released in 2021, mentioned that during the “14th Five-Year Plan,” the “national quality infrastructure will be improved, and production and application demonstration platform as well as a public service platform for industrial technology infrastructure such as standard measurement, certification and accreditation, inspection and testing, and test and validation will be built.” In recent years, China has issued a series of policy documents, including the Outline for the Development of National Standardization, the Guiding Opinions on Further Deepening Reform and Promoting the Quality and Strength of Inspection and Testing Industry and the Action Plan for Building a High-standard Market System to encourage and support the development of the inspection and testing industry, further highlighting the strategic core of “building a strong country with quality.”

(2) Improving the testing business infrastructure, expanding the Company’s testing business scope, establishing an information-based management system and enhancing the technical service capability

In recent years, the construction project quality issues occurred frequently, and as a result, the role of engineering testing in construction projects has gradually come to the fore. At the current stage, the construction projects in the PRC usually have the characteristics of large scale, wide range, long cycle, large investment and extensive areas involved, etc. If the construction quality can not be ensured, the workload of maintenance and repair in later stage will increase, and users will face great safety risks. The testing can not only ensure project construction quality, but also improve the efficiency of the construction. The construction of this project will help the Company further expand the development of urban rail transit testing businesses, increase the number of testing projects and parameters, expand the Company’s testing capability and scope, and accelerate the improvement of the Company’s technical service capability and technological innovation capability.

In addition, in the testing process, it is also necessary to use modern advanced technologies to conduct a series of testing on materials and accessories of the engineering construction and issue testing reports to provide data basis for different related parties involved in the engineering construction and evaluate the engineering quality level, so it is of great significance to collate and analyze the testing data. At present, the testing data is not only static data, but also should be analyzed and counted by means of information management in order to find and deal with the problems in engineering construction in time, ensure the quality of engineering and contribute to the high-quality development of construction industry.

3. *Necessity of the Construction of Rail Transit Technology Research Center*

(1) The application of station structure prefabrication and assembly technology has promising development prospect and will have a positive impact on the operation of urban traffic

With the continuous development of China's economy and social progress, such technology has greatly enhanced China's comprehensive national strength, and also promoted the construction of rail transit projects, and China has gradually taken the construction industrialization as an important support to break the current deadlock in the construction industry and achieve industrial optimization and upgrading. Prefabricated construction technology is the important foundation stone to realize the transformation of construction methods from on-site operation to factory manufacturing and labour intensive to mechanization. Metro stations are the core components of the urban public transportation system. In the future, there will necessarily be more metro stations to be constructed in the city. Prefabricated metro stations are characterized by reliable quality, high efficiency and fast progress, and can improve the construction efficiency for metro stations. The application of prefabricated construction technology is able to solve various inconveniences in the construction, with huge appreciation space and promising development prospect.

The station structure prefabrication construction technology developed in this project will provide a new industrialized construction method for underground stations of the urban rail transit, and will achieve a series of core achievements of industrialized construction covering engineering design, component production, construction process and equipment, etc. It has irreplaceable advantages for building intelligent assembly station technology chain, including intelligent construction equipment, information-based assembly process and smart overall construction to form the whole industry chain of intelligent production, transportation, assembly and construction in terms of high quality, high efficiency, safety, green and environmental protection and sustainable development. Upon completion, the project will be built a smart manufacturing platform with "intelligent + information-based + digital" fabricated structure, which will have a positive impact on urban traffic operation. The project construction will also lay a solid foundation for the Company's rapid market expansion, thereby enhancing the Company's profitability and competitiveness.

(2) Breaking through the conventional construction method of rail structures to realize the leapfrog development of the rail structure construction technology with the core of concept of assembly construction

Track structure is the foundation of urban rail transit, and is an important system and core facility for supporting trains and guiding trains to run safely and smoothly. The traditional track structure of urban rail transit mainly adopts the construction mode of cast-in-situ concrete integral ballast bed, which is faced with such major technical problems as poor track smoothness, prominent vibration noise, complicated working procedure and low construction efficiency. High-speed rail has prominent advantages in smoothness and comfort, but the

construction environment and construction standards of the two are quite different, and the application of technology has great limitations. After the introduction of high-speed rail slab track technology in some cities, there are still problems such as low construction efficiency, great difficulty in manual plate adjustment, complicated anti-floating measures and frequent occurrence of operational diseases, which cannot be solved completely and effectively. Among them, the track structure disease management, overhaul and replacement have become the key problems. The backwardness of traditional technology has seriously restricted the rapid and healthy development of urban rail transit, and the key to solving the problem of “jam” is upgrading.

This technology will build a new-generation track structure system based on the assembly-based construction concept, build an independently developed simulation software platform, break through the conventional method and, with the core of concept of assembly construction and the support of mechanized construction, propose a quality, efficient, green and environment-friendly fabricated construction technology thinking and solution covering the whole process of design, manufacturing, construction, operation and maintenance. The project will research and develop a series of core fabricated construction technologies, such as fabricated structure pattern, bearing and vibration damping performance, fabricated construction process, mechanization and trackless construction, automatic precision adjustment, exchange repair, operation and maintenance, obtain original major technological inventions in structure, construction and equipment systems, realize the intellectualization and mechanization of the track structure construction in all aspects and promote a leapfrog development of the rail structure construction technology.

(3) Promoting the intelligence of rail transit, enhancing the operation and management efficiency and providing safe and efficient travelling services for passengers

In order to provide safe and efficient travelling services for passengers, the operation and organization of the urban rail transit system has been changed from “being vehicle-centered” to “passenger-centered coupling of passenger and train flows”, and for operators, they need to timely capture the evolution trend of passenger flow in the road network in both temporal and spatial dimensions to dynamically assess the matching relationship between transport capacity and passenger capacity, and take measures to control passenger flow at stations and adjust train operation, which need the support of accurate passenger flow data and refined passenger flow forecast data in the road network. Therefore, the key to facilitate the coordinated management and control of passenger and train flows is to quickly and precisely predict and deduce the distribution trend of passenger flows in the road network in the future according to the road network operation environment and based on the real-time passenger flow data and train operation data in the road network.

With the application of various advanced technologies, such as big data, deep learning and digital twins, this project develops the rail transit network passenger flow forecast and prediction and early warning and regulation system to realize the digitalization and intelligence of the whole process of holographic passenger data monitoring, multi-scenario passenger flow

prediction and distribution, multi-layer passenger flow deduction and simulation, and early warning and control of burst passenger flows in the network. This project aims to complete the development of core algorithm and the establishment of software platform for the passenger flow prediction and early warning system of the rail transit network, complete the functional verification and the setup of basic environment for a minimal system, complete the functional alignment joint-test and application test of hardware and software of the platform, and improve the passenger flow control efficiency and travelling service quality for passengers of the urban rail transit system.

(IV) Feasibility of the Project Implementation

1. Feasibility of building the research center for structure safety operation and maintenance

(1) The construction of the project is in line with the direction of national supporting policy

In 2019, the State Council issued the “Program of Building National Strength in Transportation” (《交通強國建設綱要》), proposing to basically build a strong transportation country by 2035. In 2020, the “Outline for Intelligent Urban Rail Transit Development of China’s Urban Rail Transit Transportation” (《中國城市軌道交通智慧城軌發展綱要》) proposed the goal of 2025 as the basic establishment of the evaluation system of the key parameters of state life and maintenance of tracks, bridges and tunnels; the construction of an intelligent operation and maintenance guarantee system; the exploration of the track, bridge and tunnel state and vibration and noise control integrated intelligent management platform, the digitalization and intelligence of infrastructure operation and maintenance reaching the world advanced level. With the strong support from the national strategy and the policy support from the government departments at all levels, the scientific management level and operational efficiency of urban rail transit in China will be significantly improved.

(2) The Company has rich experience and achievements in project implementation

Through years of accumulation and development, the Company has developed and has a number of series of technical achievements and products. The Company participated in the survey and construction of over 300 urban rail transit lines with a mileage of over 6,000 kilometers. It undertook the structural safety operation and maintenance projects such as the 3D laser scanning and monitoring service for Wuhan Rail Transit Line 4 (2021-2023) and the construction of the 3D laser structure monitoring and operation monitoring platform for Suzhou Rail Transit Lines 1, 2 and 4. The results of rail structure safety operation and maintenance have been successfully applied to more than 100 metro tunnels in nearly 20 cities in China, including Beijing, Wuhan, Nanjing and Zhengzhou, accounting for more than 50% of the metro structure safety inspection market. At the same time, the Company edited or participated in the formulation of most standard specifications in the field, including 6 national standards such as the Measurement Standards for Urban Rail Transit Engineering and the Standards of Monitoring Technology on Urban Rail Transit Engineering and more than 20 national and local standards. Rich experience and achievements in project implementation are important guarantee for the smooth implementation of this project.

(3) The Company has talented scientific and technological R&D workforce

The Company has a research and development team comprising talents majored in different disciplines including structure, tunnel, rail, bridge, informationization and management, and has an industry-leading edge in design, scientific research, testing and application. The Company has a number of professors, professor-level senior engineers and senior engineers, a number of experts who are entitled to special allowance from the State Council, “Hundreds of Leading Talents for Technology Beijing” (科技北京百名領軍人才), “Hundreds, Thousands, and Ten Thousands of Talents for the New Century” (新世紀百千萬人才) and “Beijing Nova in Science” (北京市科技新星), all of whom have been long engaged in the research and development work related to urban rail transit. With a well-structured workforce, the Company will hold a safe lead in the urban rail transit business, lay a solid foundation for increasing market share in the rail transit sector, and provide strong support for the smooth implementation of the project.

2. Feasibility of Construction of Engineering Testing Research Center

(1) Construction of project in compliance with the national policies and development trend of the industry

According to the Opinions of the State Council on Enhancing the Building of the Quality Certification System to Promote Total Quality Management issued in January 2018, the state will accelerate the integration of entities engaged in inspection, testing and certification business, cultivate a number of groups in inspection, testing and certification fields with standardized operation, strong technical capabilities, high service standards, high economies of scale and international influence. The construction of the project will improve the size of fixed assets and testing service capability of the Company and enhance its competitiveness through the construction of the testing center, which in turn will increase the awareness of the Company’s testing brand and lay a solid foundation for the Company to become a leading testing institution in the industry.

(2) The existing proprietary technologies of the Company supporting the implementation of the project

The testing capability of a testing institution is evidenced by, on the one hand, whether the institution’s testing infrastructure is able to satisfy the testing needs and whether it has the appropriate testing qualifications, and on the other hand, whether it has certain testing service technologies and experience. Over the years, the Company has been pursuing development driven by technological innovation. In the process of the implementation of projects during the past few years, the Company continuously drew lessons from the past and made exploration and innovation, and obtained extensive technical achievements, such as establishment of defect information detection system in respect of structural testing of civil construction facilities in rail transit, detection technology using ultrasonic transverse wave and oblique probe with multi-wafer and multi-angle in steel structure welds, the combination of 3D laser scanner with

technology from YJK Building Software and application thereof, and testing technology for detecting the reflected signal in the pile bottom in low strain method integrity detection for ultra-long piles. Up to now, the Company has obtained a number of utility models, invention patents and software copyrights, participated in the preparation of more than 10 industry standards and specifications, won three Beijing Science and Technology Progress Awards (北京市科技進步獎), and was recognized as “Advanced Entity in Quality Testing Compliance (質量檢測履約先進單位)” in the rail transit industry in Beijing for three consecutive years. The Company’s existing technical achievements and project experience provide necessary technical support for the implementation of the project.

(3) The continuous improvement of the technical level and the continuous expansion of the talent team make the establishment of the testing information database system possible

With the gradual popularization of standards and regulations and the unification of national standards on testing data, the establishment of testing information database has been supported by technology, and the development of network and software technology provides software technical support for the establishment of database of the same specialty. The Company has a certain number of doctoral, professor-level senior engineers, senior engineers, which provides personnel guarantee for the establishment of the testing information management system, with the increase of software technical personnel of the Company.

3. Feasibility of the Construction of Rail Transit Technology Research Center

(1) The construction of the project is in line with the guidance of relevant policies of the state

With the development and construction of urban rail transit, industries in relation to rail transit also realize growth. Rail transit also continuously promotes the formation of related industrial chains, and the rail transit equipment industry, as a strategic emerging industry, has always been receiving strong national support. According to the Made in China 2025, the state will “vigorously promote breakthroughs in the development of advanced rail transit equipment, research and development of a new generation of green, intelligent, high-speed and heavy-duty rail transit equipment system to provide users with total solutions focusing on the whole life cycle of the system, aiming to establish the world’s leading modern rail transit industry system.” The Outline for Intelligent Urban Rail Transit Development of China’s Urban Rail Transit Transportation also mentions: “Urban rail transit acts as an important support for fully initiating the building of a great modern socialist country, the pioneering area for building a modern economic system, and also an important part of building a country with strong transportation network and smart cities. The urban rail transit industry should grasp the current major development opportunities by promoting the urban rail informatization, developing intelligent systems and constructing intelligent urban rail transit systems to create a new layout for the development of a country with strong transportation network.” In conclusion, the regulatory system, laws and regulations, industry standards and related policies in respect of the industry are conducive to the operation and development of the project.

(2) *The Company's strong R&D capabilities and know-hows lay a foundation for the project*

The Company has a national R&D platform, the Rail Transit Technology Research Center for the Green and Safe Construction Technology of Urban Rail Transit, and a number of provincial scientific research platforms, including the Urban Rail Transit Integrated Emergency Technology R&D Center of the Ministry of Transport, the Beijing Track Structure Engineering and Technology Research Center, the Beijing Rail Transit Engineering Technology Center and the Beijing Green Urban Construction Technology Innovation Center, respectively, which have complete software and hardware equipment. The Company has undertaken a number of national and industrial strategic plans, science and technology industry planning projects, including the “12th Five-Year Plan” science and technology support plan, the national key R&D programs under the “13th Five-Year Plan” and other national and provincial science and technology research and development projects. As a result, the Company has strong technology accumulation and R&D strength, which have laid a solid foundation for project implementation.

(V) Schedule of Project Implementation Progress

The project schedule includes preliminary preparation, house decoration and construction, procurement, installation and commissioning of software and hardware equipment, product R&D and testing, staff recruitment and training and trial operation. The specific progress is shown in the table below:

No.	Item	Schedule (month)											
		3	6	9	12	15	18	21	24	27	30	33	36
I	Big data research center of urban rail transit structure safety operation and maintenance												
1	Site leasing	△											
2	Site decoration	△	△	△									
2	Purchase of equipment		△	△	△	△	△	△	△				
3	Staff recruitment and training			△	△	△	△	△	△	△			
4	System R&D		△	△	△	△	△	△	△	△	△	△	△
II	Engineering Testing Research Center												
1	Preliminary work	△											
2	Decoration of the research center site	△											
3	Purchase, installation and commissioning of equipment and software			△	△								
4	Staff recruitment			△	△								

**APPENDIX I FEASIBILITY RESEARCH REPORT ON INVESTMENT PROJECTS FUNDED
BY PROCEEDS FROM INITIAL PUBLIC OFFERING OF A SHARES**

No.	Item	Schedule (month)											
		3	6	9	12	15	18	21	24	27	30	33	36
III	Rail Transit Technology Research Center												
1	Preliminary preparation of the project	△	△										
2	House decoration		△	△									
3	Procurement, installation and commissioning of software and hardware equipment				△	△	△						
4	Staff recruitment and training			△	△	△	△						
5	Product R&D		△	△	△	△	△	△	△				
6	Trial operation								△	△			

(VI) Estimated Investment Budget of the Project

The construction investment of this project is RMB300.8782 million.

No.	Item	Investment (RMB0'000)	Percentage
1	Construction engineering cost	1,936.00	6.43%
2	Equipment and software purchase expenses	11,717.05	38.94%
3	Installation engineering fee	298.41	0.99%
4	Other expenses of project construction	15,432.00	51.29%
5	Budget reserve	704.36	2.34%
6	Total construction investment	<u>30,087.82</u>	<u>100.00%</u>
6.1	Of which: Input Tax Deductions	1,600.82	

V. RESEARCH AND DEVELOPMENT PROJECT OF URBAN MULTISOURCE SPATIOTEMPORAL DIGITAL COMPREHENSIVE SUPPORT PLATFORM AND APPLICATION DECISION-MAKING SYSTEM

(I) Project Introduction

The construction of this project mainly includes the comprehensive support platform for urban multisource spatiotemporal digital comprehensive support platform and the decision-making analysis system for urban multi-scenario application under “1 + N” mode. The project product can effectively integrate cross-department and cross-region traffic big data resources, fully mine the value information contained in massive data, and break through the key technologies of integrated traffic big data application, providing strong support for the planning, operation and management of the future urban multi-modal transportation system and for the planning and design of urban rail transit.

(II) Filing and Approval of the Project

On 14 February 2023, the project was awarded the Project Filing Certificate of Beijing Municipal Non-government Investment in Industrial and IT Fixed Assets (Jing Xi Cheng Ke Xin Ju Bei [2023] No.6).

(III) Necessity of the Project Implementation

1. The construction of the project is conducive to promoting the digital transformation of urban transit and to building digital information infrastructure

With the continuous emergence of digital technologies such as 5G, cloud computing, big data, Internet of Things and AI, the transportation industry is accelerating its step into the digital era. At the same time, the determination of the overall goal of becoming a country with strong transportation network and the publication of new infrastructure policies have brought development opportunities for the digital transformation of the transportation industry. Under the wave of digital transformation, the transportation industry will focus on critical sections such as basic support, sharing and opening, and innovative applications, promote the deep integration of big data and transportation, implement the digital transformation and development of comprehensive transportation, build a modern high-quality national comprehensive three-dimensional transportation network that is convenient, smooth, cost-effective, green and centralised, intelligent, advanced, safe and reliable, and support the evolution of urban population, space and industry, and support urban economic and social transformation and high-quality development. The construction of this project focuses on the deep integration of big data in the field of urban rail transit, promotes the digital transformation of urban rail transit, and builds urban multisource spatiotemporal digital comprehensive support platform and a multi-scenario application decision-making analysis system under the “1+N” mode. The construction of the project is conducive to promoting the digital transformation of urban transport and setting up a digital information foundation for urban transit operation.

2. The construction of the project is conducive to the coordinated development of multi-mode urban transit

With the rapid development of cities, the development of transit in a single mode can no longer meet the growing transportation demand. The urban coordinated development of transit in a multiple mode becomes an inevitable trend, which requires the integration of existing transit resources to give full play to comprehensive efficiency of the network. The multiple modes of urban transit include roads, public transport and urban rail transit. Based on the characteristics of multiple modes of urban transit, the construction of the project relies on the urban multisource spatiotemporal digital comprehensive support platform to achieve dynamic monitoring of data such as posts of population, travelling, land development, public facilities and traffic access; according to the urban multi-scenario application decision-making system under the “1+N” mode, the application analysis systems working on different scenarios such

as service condition assessment system along the railway, rail transit and surrounding land integration assessment system, traffic impact appraisal system, comprehensive evaluation data platform for sustainable development of urban rail transit, comprehensive evaluation decision-making platform for sustainable development of rail transit will be developed accordingly. As a response to the coordinated development of multi-mode urban transit, the construction of the project will promote the improvement of the comprehensive efficiency of the transit network.

3. *The construction of the project is conducive to improving the operation efficiency and service level of multi-mode urban transit*

The stability of socio-economic development, flexibility, efficiency, attractiveness and people’s happiness in the urban area largely depend on the operation quality of comprehensive transit system, namely, safety, stability, flexibility, efficiency and service capacity. The project, by building urban multisource spatiotemporal digital comprehensive support platform and application decision-making system, is capable of effectively integrating trans-departmental and trans-regional transit big data resources, fully tapping the value information contained in massive data, breaking through the key technologies of comprehensive transportation big data application, providing strong support for the planning, operation and management of the future multi-mode urban transit system, promoting the integration of big data and intelligent transit system, reducing the operating pressure of the transit system, and providing passengers with safe and effective intelligent travel solutions, so as to enhance the experience and convenience of passengers’ travel and improve the operation efficiency of urban rail transit.

4. *The construction of the project is conducive to promoting the high-quality and sustainable development of urban rail transit*

With nearly 10,000 km of urban rail in operation in 45 cities, China’s urban rail transit development has shifted from a rapid development mode that competed for speed and scale to a high quality and sustainable development mode that competed for quality and efficiency. However, there are only a few fragmented “evaluation methods and systems” for individual indicators in the urban rail industry, but a sustainable evaluation system that is complete, systematic and scientific has not yet been formulated. In order to meet the demand of the rapid development of urban rail transit business in the future, the project researches and develops a comprehensive evaluation data platform for urban rail transit based on a 360-degree dynamic evaluation model of “economy-society-ecology”, and combines with new technologies such as big data, artificial intelligence and cloud model to realize sustainability evaluation and consultation for the whole life cycle and the whole industry chain from project establishment and planning, investment and construction, operation and maintenance to various topics, which can provide more scientific, reasonable and accurate decision-making support for planning and approval of project, and promote higher quality of rail transit construction and more efficient operation and maintenance, thus promoting the high-quality sustainable development of urban rail.

5. *Strengthening the Company’s differentiated value-added service capability and enhancing its core competitiveness*

Based on the urban multisource spatiotemporal digital comprehensive support platform, the project develops the functions of comprehensive benefit evaluation and special index assessment for the whole system, whole life cycle, whole elements and whole aspects of urban rail transit, and provide customized evaluation service according to different needs of users, and can provide with evaluation and assessment services at three levels including “urban rail industry level, city line network level and certain line level”, and provide customers with “design consultancy + sustainable evaluation” turnkey products, further extending the Company’s rail transit design consultancy industry chain, strengthening the ability of differentiated value-added services, enhancing the core competitiveness of design consultancy, promoting the in-depth integration of the Company’s segments of design consultancy, and improving the Company’s influence and contribution to the society.

(IV) Feasibility of the Project Implementation

1. *The stable technical team and the actual business application of some technologies have laid a foundation for the R&D of the project*

The Company has continued to invest in digital research and development over the years, internally it has established the Digital City Business Department with a stable technical team, which comprehensively covers the segments such as data mining, algorithm research and development, product development, marketing, operation and maintenance; externally, it has established in-depth and extensive cooperation channels with universities, data vendors and government departments, forming a mature integration mechanism of production, learning and research. The team has continued the research and development in the fields such as big data, digital twins, artificial intelligence and deep learning, and has achieved abundant results. A series of products developed by the team have been widely promoted and applied in the industry, winning a number of technology awards and receiving reports by industry media such as CCTV News, Beijing Daily and Xuexi.cn (學習強國). In addition, the team has been supported by a number of science and technology projects such as the National Key R&D Programme of China.

At present, some of the technologies have been put into practice, involving a series of data sensing technologies such as travel trajectory sensing with bracelets, shared bicycle operation monitoring, multisource data-driven traffic surveys; big data analysis technologies such as urban multi-mode traffic operation data mobile phone signaling data, internet location data, geographic information data, population census data; the technologies such as data asset management, data governance, and digital twin 3D modelling and so on. Through practical application, some technologies are being iterated, which can meet the current market requirements for technical advancement on the premise of stability and reliability. The stable technical team of the project and the actual business application of some technologies have laid a foundation for the research and development of the project.

2. *Abundant customer resources lay a solid market foundation for the project*

The business of the Company mainly focuses on transit planning and consultation, comprehensive solutions for urban and transit governance, undertaking major national strategies, policies and R&D topics and big data-driven intelligent transportation products. Relying on the business of various types of urban transit planning and design projects undertaken by the Design & Development Group, the Company has accumulated stable customer resources. In respect of the construction of the project, the Company will continue to focus on the R&D of the intelligent transit and traffic big data, upgrade traditional transport technology with intelligence and informatization, maintain business relationship with the original customer base and provide more digital services to government departments, rail/bus operation companies, design and consultancy companies, etc. The abundant customer resources lay a solid market foundation for the market development of the products of the project.

3. *Strong technical accumulation and extensive service objects provide supports for the research and development of the project*

The Company has independently developed the “urban simulation” database platform based on big data for cities and big data for transport industry, and has overcome a number of technology challenges in the industry. The platform is configured with PC terminal, mobile terminal, large screen, data lab and other terminals, and it serves various fields such as transport planning, urban planning, urban physical examination update, rail transit operation, natural resources, etc. It has realized the access to standardized data products and efficient data service capability from the entire urban population, employment, time-sharing passenger flow, crowd portrait, travel traceability, land attributes and building scale, public facilities, etc. to the refined granularity of buildings in the whole area of 60 major cities across the country.

The Company’s business is closely aligned with the development trend and needs of the national rail transit industry, focusing on theoretical research and product development in the fields of rail transit operation management, operation situation monitoring and decision-making support, and digital transformation of rail transit. The project is based on the construction of a big data platform, which connects different groups of objects with a variety of data fusion methods, and the participants of the platform may involve government policy-makers, enterprise operation managers and ordinary travel users, namely, all social objects can become the service objects of the platform. The platform uses a variety of advanced equipment to build models based on the actual needs of different users, and uses data analysis, mining technology and other advanced means to produce the value of data to users intuitively, to meet the actual needs such as operational result assessment and service evaluation.

(V) Schedule of Project Implementation Progress

The construction period of this project is proposed to be 3 years. The project schedule includes preliminary preparation, equipment procurement, installation and commissioning, recruitment and training of R&D personnel, R&D upgrading of the platform and trial operation. The specific progress is shown in the table below:

No.	Item	Schedule (month)											
		3	6	9	12	15	18	21	24	27	30	33	36
1	Preliminary preparation	△											
2	House leasing and decoration	△	△	△									
3	Purchase of equipment			△	△	△							
4	Installation and commissioning of equipment				△	△							
5	Recruitment and training of R&D personnel	△	△	△	△	△	△	△	△	△	△	△	△
6	Project R&D						△	△	△	△	△	△	△

(VI) Estimated Investment Budget of the Project

The total investment of this project is RMB180.2183 million, including RMB149.7316 million for construction investment, RMB30.4867 million for initial working capital, with no interest during construction period. The composition of total investment of the project is shown in the table below.

No.	Composition of total investment	Investment (RMB0'000)	Percentage
1	Construction investment	14,973.16	83%
1.1	Of which: Input Tax Deductions	233.27	—
2	Interest during construction period	—	—
3	Initial working capital	3,048.67	17%
*	Total	<u>18,021.83</u>	<u>100%</u>

VI. INFORMATISATION CONSTRUCTION PROJECT

(I) Project Introduction

The project is mainly composed of three parts: the first part is to upgrade the Company's existing information system by purchasing relevant servers, computers, data backup all-in-one machines and other hardware equipment, as well as software systems that meet the needs of project, with the purpose of meeting the needs of the Company's development in improving quality and efficiency in the production; the second part is to actively introduce a dynamic network defense system covering all the branches of the Company, realizing the network information security of the Company and its branches through active changes, deception trapping, timely detection, rapid blocking, real-time analysis, unified reporting, issuing policies and summary presentation, in order to create a dynamic defense security management system for the Company and its branches; the third part is, based on the headquarters ERP base platform Oracle EBS, to implement secondary development of the ERP system for the member companies through the purchase of additional client license nodes and the introduction of technical talents, so as to achieve a full range of information system services in terms of the management, business development and strategic control, and facilitate the sound development of the Company.

(II) Filing and Approval of the Project

On 14 February 2023, the project was awarded the Project Filing Certificate of Beijing Municipal Non-government Investment in Industrial and IT Fixed Assets (Jing Xi Cheng Ke Xin Ju Bei [2023] No. 9).

(III) Necessity of the Project Implementation

1. *Optimizing the information-based operation environment of the Company's business and management to improve work efficiency*

The Company is a comprehensive survey, design and consultancy enterprise that provides diversified services for projects such as urban rail transit, integrated transport hub, underground space development, industrial and civil buildings, municipal works, bridges and road construction. Its principal businesses mainly include design, survey and consultancy business segment and construction contracting business segment. In particular, the design, survey and consultancy segment covers engineering design and consultancy, survey and measurement (excluding landscaping business) in areas such as urban rail transit, municipal, industrial and civil buildings. The construction contracting business segment covers the construction general contracting business, engineering general contracting business, PPP business and related ancillary construction business in the urban rail transit segment. With the continuous development of information technology, the safety factors of the Company's existing information technology equipment and office facilities have been lowered, which fail to meet the Company's growing business needs and informatization construction requirements, and it is urgent to purchase a number of software and hardware facilities to implement the Company's informatization upgrading.

The Company proposes to purchase information technology software and hardware facilities, and to upgrade the informatization system for the project by introducing hardware facilities with excellent performance, safety and reliability in order to get a more accurate, concise and humanized information technology system. After the completion of the project, it will be conducive to improving the level of informatization of the Company, enhancing the efficiency and quality of work of the staff, increasing the economic benefits while effectively promoting the competitiveness of the enterprise, in line with the development trend of technicalization and digitalization of the industry.

2. Improving the overall network security dynamic protection level to facilitate the stable and sound development of the Company

As a leading enterprise in the urban rail transit industry, the Company has been helping the development of the rail transit industry and promoting the application of intelligence and wisdom in the field of rail transit through continuous innovation in information technology. While developing information technology, the Company focuses on network security as an important guarantee for infrastructure construction. While promoting the construction of ERP system of the Company and its subsidiaries, the information exchange between the Company and its subsidiaries will become more frequent, and the safety factor needs to be upgraded. In addition, the Company has established branches across the country, and the network threat information found in a network area is fed back slowly and the technology operation and maintenance time is long, posing the risk of losses to the Company's business. Therefore, owning a network security system that guarantees the stable and safe operation of the Company's internal network and information system is of great significance to the Company's development.

The Company intends to build a dynamic network security system covering the Company and its subsidiaries under this project, which will transform the originally opaque network into an intuitive, clear and controllable system to allow comprehensive understanding of the actions of each node of the information system, thus ensuring overall security through the mechanism of collecting and reporting security issues identified at each node, multi-level connection and unified control, providing basis for decision-making of officers responsible for security, lowering the difficulty of the work of the operation and maintenance staff and reducing the time and cost needed for operation and maintenance. The construction of this project will help to increase the Company's experience on information security, facilitate the Company to maintain its leading position in the industry of rail transit information network security, improve the Company's competitiveness and contribute to the stable and healthy development of the Company and is in line with the requirements and concept of the long-term operation and development of the Company.

3. *Improving the level of informatization of the overall management of the Company and strengthening the control of the Group*

Currently, the headquarters of the Company has an industry leading ERP and design and production integrated management system, which has significantly improved the efficiency of its production and operation. However, from the perspective of the Company, there still exist pain points such as fragmented distribution of resources and information and low level of integration, presenting an urgent need to integrate internal resources and rebuild business rules to improve the resource utilization rate of the Company and satisfy the needs to enhance control over its subsidiaries and the requirements for business operation and development across different business fields and regions. In addition, as a relatively large amount of information is involved in different stages of the production and operation of the subsidiaries of the Group, there is a trend of differentiated development in production planning and control, cost control, funding management, management model and other aspects among the subsidiaries, so it is imperative to break the internal information barriers in the Company and realize resource integration.

The Company intends to build an ERP information system covering all its subsidiaries and subject to the unified management and control of the Group to optimize and improve the operations of the Company, whereby various functions such as sale, finance, production, operation and decision-making will be put under unified management, forming a unified information flow, data flow and business integration covering all the companies under the Group and further standardizing management. After the completion of this project, the resource waste of various functions of the subsidiaries will be effectively reduced, and the utilization of information and data will be maximized through data analysis and improvement of digital management; the informatization capability will allow the Group to break the information silos among its subsidiaries to realize the collaboration and unification and resource sharing in the internal operational system; with informatization as the beginning point, the Company will fully integrate its resources and realize the transformation of resources to results, which in turn will comprehensively promote the Company's informatization progress, improve the standards of information management and indirectly promote the growth of the Company's profitability.

(IV) Feasibility of the Project Implementation

1. *In line with national policies and the development trend of the industry*

As China is currently at a crucial stage of promoting in-depth economic transformation, industrial upgrading and "integration of informatization and industrialization," there are increasing needs for informatization and the application of information technologies is continuously deepening and receives encouragement from favourable government policies and significant attention from the industry. The Notice of the General Office of the Ministry of Housing and Urban-rural Development on Issuing Guidelines for Green Construction Technologies (Trial) issued by the Ministry of Housing and Urban-rural Development in March 2022 states: "Green construction shall adopt organization and management methods such as

EPC and whole process engineering consulting to promote the extensive synergy among design, production and construction and improve the overall integration level of construction management.” Furthermore, information security is also a major strategic issue for national security and development and the state has issued a number of favourable policies to encourage enterprises to invest resources in network security. The Information and Communication Industry Development Plan for the “14th Five-Year Plan” Period issued by the Ministry of Industry and Information Technology in November 2021 states: “In respect of the development of security system and capabilities, focus needs to be put on six key missions, including improving network infrastructure protection and network data security system, continuously improving the security management standards of new digital infrastructure, developing a prosperous information security industry and reliable network ecosystem, comprehensively optimizing industrial information security emergency response and developing a new layout for national information security, to support the forming of a new national information security layout.” In view of the above, the construction of this project is in line with the development trend of the industry and the favourable policies of the state, and is feasible in the context of continuous driving of relevant policies and maturing information technology.

2. Abundant technological accumulation provides support for project construction

With the efforts devoted by the Company to the development of information technology and network security system in recent years, the Company has gradually built a technical team comprising a group of key professionals who focus on technologies and are also familiar with the business of Company. In the development process, the technical team became familiar with the Company’s business processes and profoundly understood the weak points and specific needs of the Company’s information technology development, which provides important technical support and guarantee for the development of information technology of the Company in the future and provides a strong talent base for the implementation of this project. At the same time, the Company’s employees, as co-developers and users of the information platform, can continuously identify the weaknesses and shortcomings of the information platform in the actual use, which can, to a certain extent, facilitate the timely correction and improvement of the information system and its continuous adaption to the business development trend of the Company, enhance the availability and stability of the information platform, profoundly combine the specific business scenarios with the information platform, and maximize the adaptation of the information platform to the Company’s specific operations. In addition, after years of operation and management, the Company has accumulated extensive experience in platform construction and operation, dynamic defense system construction and talent pool, which provides important support for the construction of the information system and the dynamic network defense system covering all the branches under the Group.

3. Sound operation and management model provides strong support for the construction of the project

A good business operation and management model can not only enhance the market competitiveness of an enterprise, but also enable the enterprise to form a virtuous development cycle and gradually realize growth. After years of healthy operation and management knowledge accumulation, the Company has already owned an efficient and feasible business management model, and has integrated core competitiveness factors indispensable for the Company's development such as advanced technologies and outstanding talents, which in combination with the excellent execution capability of the Company can rapidly realize the business management goal of optimizing the allocation and application of workforce, material and financial resources of the Company, and achieve greater input-output ratio. As such, the sound business management model also provides strong support for the project construction.

(V) Schedule of Project Implementation Progress

The construction period of this project is proposed to be 3 years. The project schedule includes procurement of equipment and software, equipment installation and commissioning, staff recruitment and training, R&D of ERP system, launch and trial operation.

No. Item	Schedule (month)											
	3	6	9	12	15	18	21	24	27	30	33	36
1 Procurement of equipment and software	△				△				△			
2 Installation and commissioning of equipment	△				△				△			
3 Staff recruitment and training	△	△	△	△	△	△	△	△	△	△	△	△
4 R&D of ERP System	△	△	△	△	△	△	△	△	△	△	△	△
5 Launch and trial operation											△	△

(VI) Estimated Investment Budget of the Project

The total investment of this project is RMB154.4106 million, including RMB154.4106 million for construction investment, without initial working capital and interest during construction period. The composition of total investment of the project is shown in the table below.

No.	Composition of total investment	Investment (RMB0'000)	Percentage
1	Construction investment	15,441.06	100%
2	Interest during construction period	—	—
3	Initial working capital	—	—
*	Total	<u>15,441.06</u>	<u>100%</u>

**PRICE STABILIZING PLAN WITHIN THREE YEARS UPON INITIAL PUBLIC
OFFERING OF A SHARES AND LISTING BY BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

In order to stabilize the price of its A Shares after listing and protect the rights and interests of the Shareholders (especially the minority Shareholders), Beijing Urban Construction Design & Development Group Co., Limited (the “Issuer”) has formulated this stabilization plan for its A Shares (the “Plan”). The Plan shall be effective for three years from the date of the initial public offering of the A Shares and listing by the Issuer. Any amendments to the Plan are subject to the approval of two thirds or more of the votes of Shareholders present at a general meeting. Details are as follows:

(I) CONDITIONS FOR ACTIVATING THE PLAN

Within three years after the listing of the Issuer, unless due to force majeure factors, if the closing prices of the A Shares of the Issuer for 20 consecutive trading days are lower than the latest audited net assets per share of the Issuer (if after the latest audit date, the net assets or total number of Shares of the Issuer change as a result of profit distribution, capitalization of capital reserve, issuance of new shares, rights issue or other factors, the net assets per Share will be adjusted accordingly (also applicable to the following)), subject to the relevant requirements on increase of shareholding and repurchase under relevant laws, regulations and normative documents, the Issuer and relevant entities will activate the Plan to stabilize the price of its A Shares.

(II) RESPONSIBLE PARTIES

The parties responsible for taking measures to stabilize the price of the A Shares of the Issuer as set out in the Plan include the Issuer, its controlling shareholder, the Directors (excluding independent Directors, here and below) and senior management personnel of the Issuer, which include both the Directors and senior management personnel who were serving at the time of listing of the Issuer and new Directors and senior management personnel who are serving during the validity period of the Plan.

(III) SPECIFIC MEASURES TO STABILIZE THE PRICE OF A SHARES

From the date when the price of the Issuer’s A Shares triggers the conditions for activating share price stabilization measures, the Issuer shall initiate the implementation of a specific plan to stabilize the price of its A Shares in the following order:

1. The Issuer repurchases A Shares from public Shareholders in transactions permitted by laws and regulations

The Issuer may repurchase its A Shares only after completing the necessary approval, filing and information disclosure procedures and the total number of shares repurchased shall not exceed 2% of the total number of shares of the Issuer prior to the repurchase.

The Issuer will repurchase its A Shares from public Shareholders through call auction at the stock exchange at a price not higher than the latest audited net assets per Share of the Issuer.

The amount of funds used by the Issuer to repurchase its Shares in a single instance shall not exceed 10% of the audited net profit attributable to the owners of the parent company for the previous fiscal year, and the total amount of funds used to repurchase Shares in a single fiscal year shall not exceed 20% of the audited net profit attributable to the owners of the parent company for the previous fiscal year, and the total amount of funds used by the Issuer to repurchase Shares shall not exceed the total amount of funds raised from the Issuer's initial public offering of A Shares. The shareholding structure of the Issuer after the repurchase shall comply with the listing conditions, and the repurchase, information disclosure and disposal of the repurchased shares shall comply with the provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws and administrative regulations.

All the Directors of the Issuer undertake to vote in favor of the relevant resolution in relation to the Issuer's committed repurchase plan of A Shares at the Board meeting held by the Issuer in connection with the repurchase of A Shares.

The controlling shareholder of the Issuer undertakes to vote in favor of the relevant resolution in relation to the Issuer's committed repurchase plan of A Shares at the shareholders' general meeting held by the Issuer in connection with the repurchase of A Shares (if required).

2. The controlling shareholder of the Issuer increases its shareholding of A Shares in the Issuer

After the completion of the Issuer's repurchase of A Shares, if the closing prices of the A Shares of the Issuer for 20 consecutive trading days remain below the latest audited net assets per share, or if the Board of the Issuer fails to announce the aforesaid share repurchase plan as scheduled, or if the aforesaid share repurchase plan fails to be passed at the shareholders' general meeting for any reason, provided that the controlling shareholder's increase of shareholding in the Issuer's A Shares will not cause the Issuer to fail to meet the statutory listing conditions or trigger the controlling shareholder's obligation to make an offer,

the controlling shareholder of the Issuer will increase its shareholding in the Issuer's A Shares by purchasing A Shares from the public through call auction at a price not higher than the latest audited net assets per Share of the Issuer.

The amount of funds used to increase shareholding in a single instance shall not exceed 10% of the total amount of cash dividend after tax received by the controlling shareholder from the Issuer since the Issuer's initial public offering of A Shares and listing, and the total amount of funds used to increase shareholding shall not exceed 20% of the total amount of cash dividend after tax received by the controlling shareholder from the Issuer since the Issuer's initial public offering of A Shares and listing. The shareholding structure of the Issuer after the increase of shareholding shall comply with the listing conditions, and the increase of shareholding and information disclosure shall comply with the provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws and administrative regulations.

3. Directors (excluding independent Directors) and senior management personnel of the Issuer increase their shareholdings of A Shares in the Issuer

If the closing prices of the A Shares of the Issuer for 20 consecutive trading days remain below the latest audited net assets per Share of the Issuer after the controlling shareholder of the Issuer increases its shareholding of A Shares, the Directors and senior management personnel of the Company will increase their shareholdings in the Issuer's A Shares by purchasing A Shares from the public through call auction at a price no higher than the latest audited net assets per Share of the Issuer.

The amount used to increase shareholdings in a single instance shall not exceed 10% of the amount of the after-tax remuneration received by the Directors and senior management personnel of the Issuer from the Issuer in the previous fiscal year, and the total amount used to increase shareholdings in a single fiscal year shall not exceed 20% of the amount of after-tax remuneration received from the Issuer in the previous fiscal year. The shareholding structure of the Issuer after the increase of shareholdings of the Directors and senior management personnel shall comply with the listing conditions, and the increase of shareholding and information disclosure shall comply with the provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws and administrative regulations.

For the new Directors and senior management personnel to be elected or appointed in the future, the Issuer shall only elect or appoint such Directors and senior management personnel after they commit to the fulfillment of the undertakings that the Directors and senior management personnel have made during issuance and listing of the Issuer.

(IV) PROCEDURES OF ANNOUNCEMENT**1. The Issuer repurchases its A Shares**

The Issuer shall initiate the procedures of the Board meeting to discuss the specific repurchase plan within 10 trading days after the date on which the conditions for implementing the measures to stabilize the price of A Shares are satisfied and submit the same to the general meeting for consideration, if required. The specific implementation plan will be announced after the resolutions in relation to repurchase of A Shares are passed at the Board meeting and the general meeting (if required) as duly convened by the Issuer. The Issuer will inform its creditors in accordance with law and file the relevant materials to the competent authorities such as the securities regulatory department and the stock exchange for approval or registration after the A Share repurchase plan is considered and approved by the competent bodies.

2. The controlling shareholder increases its shareholding of A Shares in the Issuer

The controlling shareholder will submit the shareholding increase plan to the Issuer and announce the same within 3 trading days after the date on which the relevant conditions are satisfied in accordance with the requirements of relevant laws, regulations and the Articles of Association. The controlling shareholder will commence the implementation of the plan of acquiring the Issuer's A Shares pursuant to the shareholding increase plan after 3 trading days of the announcement of the Issuer.

3. Directors and senior management personnel increase their shareholdings of A Shares in the Issuer

The Directors and senior management personnel will submit the shareholding increase plan to the Issuer and announce the same within 3 trading days after the date on which the relevant conditions are satisfied in accordance with the requirements of relevant laws, regulations and the Articles of Association. The Directors and senior management personnel will commence the implementation of the plan of acquiring the Issuer's A Shares pursuant to the shareholding increase plan after 3 trading days of the announcement of the Issuer.

(V) TERMINATION OF THE IMPLEMENTATION OF THE PLAN

In any of the following circumstances, the implementation of the stabilization measures for A Shares and the fulfillment of the relevant undertakings shall be deemed to be completed, and the implementation of the announced stabilization plan for A Shares shall be terminated:

1. The closing prices of the Issuer's A Shares for 5 consecutive trading days are all higher than the latest audited net assets per Share of the Issuer;

2. The amount of funds used by the Issuer, the controlling shareholder, the Directors and senior management personnel of the Issuer to repurchase or increase their shareholdings has reached the upper limit;
3. Continuing to repurchase or increase the shareholdings in the Issuer will result in the Issuer's shareholding structure failing to satisfy the listing conditions or in violation of relevant prohibitive provisions then in effect, or the increase of shareholding of the relevant Directors and senior management personnel in the Issuer will trigger the obligation of general offer.

The Issuer shall announce particulars on the implementation of the stabilization measures for A Shares within 2 trading days after the completion of the implementation of the stabilization measures for A Shares and the fulfilment of the relevant undertakings. After the completion of the implementation of the stabilization measures for A Shares and the fulfilment of the relevant undertakings, if the price of the Issuer's A Shares triggers the conditions for initiating share price stabilization measures again, the Issuer, the controlling shareholder, the Directors, the senior management personnel and other relevant responsible parties will continue to perform the obligations under the Plan and the relevant undertakings.

(VI) RESTRAINT MEASURES FOR FAILURE TO IMPLEMENT THE STABILIZATION MEASURES FOR A SHARES OF THE ISSUER

For the implementation of the relevant measures in respect of A Share stabilization, the Issuer is willing to be subject to the supervision of the competent authorities and assume the relevant legal liabilities. When the conditions precedent for initiating the stabilization measures for A Shares are met, if the Issuer, the controlling shareholder, the Directors and the senior management personnel fail to take the specific stabilization measures for A Shares mentioned above, the Issuer, the controlling shareholder, the Directors and the senior management personnel shall undertake to be subject to the following restraint measures:

1. If the Issuer violates its undertakings made under the A Shares price stabilization plan for the three years after listing, the Issuer shall: (1) make public explanation on specific reasons for failure to fulfill the undertakings at the general meeting of the Issuer and the media designated by the CSRC, apologize to the shareholders and public investors, and make supplementary or alternative undertakings to safeguard the rights and interests of investors with best efforts; and (2) compensate for the losses caused to investors due to failure to perform relevant undertakings according to relevant laws.
2. If the controlling shareholder of the Issuer fails to perform the obligations of increasing shareholding of A Shares of the Issuer other than as a result of force majeure factors, the controlling shareholder shall: (1) make public explanation on specific reasons for failure to fulfill the undertakings at the general meeting of the

Issuer and the media designated by the CSRC, apologize to the other Shareholders and public investors, and make supplementary or alternative undertakings to safeguard the rights and interests of investors with best efforts; and (2) the Issuer has the right to deduct the equivalent amounts used for increasing shareholdings of A Shares from the cash dividend payable to the controlling shareholder so as to perform its obligations of increasing shareholding on its behalf.

3. If the Directors and senior management personnel of the Issuer fail to perform the obligations of increasing shareholding of A Shares of the Issuer other than as a result of force majeure factors, the Directors and senior management personnel shall: (1) make public explanation on specific reasons for failure to fulfill the undertakings at the general meeting of the Issuer and the media designated by the CSRC, apologize to the Shareholders and public investors, and make supplementary or alternative undertakings to safeguard the rights and interests of investors with best efforts; and (2) the Issuer has the right to deduct the equivalent amounts used for increasing shareholdings of A Shares from the after-tax salaries and allowances payable to the Directors and senior management personnel so as to perform their obligations of increasing shareholdings on behalf of them;

Where the laws, regulations, normative documents and the CSRC or the stock exchanges impose different requirements on the specific conditions and specific measures adopted for initiating the stabilization measures for A Shares, or there are different requirements on the relevant liabilities and consequences that the Issuer shall assume as a result of breach of the above undertakings, the Issuer shall voluntarily and unconditionally abide by such requirements.

THE REMEDIAL MEASURES ON DILUTION OF CURRENT RETURNS BY INITIAL PUBLIC OFFERING OF A SHARES AND LISTING AND UNDERTAKINGS OF RELEVANT UNDERTAKING ENTITIES BY BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

Beijing Urban Construction Design & Development Group Co., Limited (the “Issuer” or the “Company”) proposes to apply for initial public offering of A Shares and listing (the “Issuance”). Pursuant to the relevant requirements of the Opinions of the General Office of the State Council on Further Strengthening the Protection of Small and Medium Investors’ Legitimate Interests in Capital Market (《國務院辦公廳關於進一步加強資本市場中小投資者合法權益保護工作的意見》) (Guo Ban Fa [2013] No. 110), the Several Opinions of the State Council on Further Promoting the Healthy Development of Capital Market (《國務院關於進一步促進資本市場健康發展的若干意見》) (Guo Fa [2014] No. 17), and the Guiding Opinions on Matters Relating to the Dilution of Current Returns as a Result of Initial Public Offering, Refinancing and Major Asset Restructuring (《關於首發及再融資、重大資產重組攤薄即期回報有關事項的指導意見》) (CSRC Announcement [2015] No. 31) and other relevant laws, regulations and regulatory documents, the Company has conducted an analysis on the impact of the Issuance on current returns and introduced detailed remedial measures for returns, and relevant undertaking entities have carried out undertakings for effective performance of remedial measures for returns.

I. IMPACT OF DILUTION OF CURRENT RETURNS AS A RESULT OF THE ISSUANCE ON THE KEY FINANCIAL INDICATORS

The total share capital of the Company immediately before the Issuance was 1,348,670,000 Shares. The number of Shares to be issued publicly shall be not more than 337,167,500 (the final number is subject to the number of shares to be issued approved by the CSRC), representing approximately 20% of the total share capital after the Issuance. Upon receipt of the proceeds raised from the Issuance, the total share capital and net assets of the Company will increase correspondingly as compared with those before the Issuance. However, it would take a certain time to generate return after investment by using proceeds, and the projects funded by proceeds would require a certain period before they realize investment return. Therefore, there exists the risk of dilution of the Company’s basic earnings per share and diluted earnings per share for the year after the Issuance.

However, in the medium and long term, the increase in share capital as a result of the proceeds raised will contribute to the Company’s business expansion, and further improve the Company’s scale of business and profitability. The Company will actively take various measures to raise the efficiency of the use of its capital, so as to generate a good profit.

APPENDIX III THE REMEDIAL MEASURES ON DILUTION OF CURRENT RETURNS BY INITIAL PUBLIC OFFERING OF A SHARES AND LISTING AND UNDERTAKINGS OF RELEVANT UNDERTAKING ENTITIES BY BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

II. THE NECESSITY AND REASONABLENESS OF THE FINANCING CHOSEN BY THE BOARD

Based on the Company's needs for business development, the proceeds raised from the Issuance (after deducting the issuance fees) will be used in the investment of the following projects:

		Unit: RMB0'000	
No.	Name of Project	Total Planned Investment in Projects	Amount of Proceeds Proposed to be Used
1	Production capacity improvement project	62,819.13	62,819.13
2	Smart design service ability upgrading project	34,060.20	30,968.20
2.1	Smart design cloud platform construction project of urban rail transit	15,188.79	14,688.79
2.2	Full-cycle digital service system research and development project of urban rail construction	18,871.41	16,279.41
3	Research and development center project of rail transit	31,424.56	31,424.56
4	Research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system	18,021.83	18,021.83
5	Informatisation upgrade and construction project	15,441.06	15,441.06
6	Supplement to working capital	68,000.00	68,000.00
Total		229,766.79	226,674.79

Prior to receipt of the proceeds raised, the Company may contribute by self-raised funds in accordance with the actual progress of the projects. Upon receipt of the proceeds raised, the proceeds will be used for replacement of funds contributed in advance and for the payment of the balance of the project construction. If the actual net proceeds raised from the Issuance do not satisfy the capital needs of the projects, the shortfall shall be settled by the Company through self-owned funds.

(I) The Necessity and Reasonableness of the Production Capacity Improvement Project

1. To be conducive to bringing in technical talents and satisfying the needs of the Company's future business development

As a comprehensive service provider for urban development, the Company adheres to the implementation of the relevant diversified business development strategies, and the segments of design, survey and consultancy will continue to focus on the field of the urban rail transit. The Company fully leverages on its technological strengths and innovation capabilities to further expand its businesses in the design, survey and consultancy market of rail transit, construction and municipal engineering integration and provide high value-added professional services. As a general contractor in the field of rail transit construction, Beijing Urban Rail Transit Construction Engineering Co., Ltd. ("Rail Transit Construction Company") urgently needs to adapt to the application of intelligent construction technology in the process of urban rail transit construction, and continuously improve its technologies, and actively explore new models of engineering construction.

Therefore, the Company and Rail Transit Construction Company need to keep pace with the times in the future to promote business transformation and upgrading, and enhance the business capacity. Through the development of the production capacity improvement project, we are well-positioned to bring in talent team, establish talent advantages and provide support for business transformation and upgrading. In doing so, we actively respond to the development needs of business related to rail transit in the market and follow the development trend of the industry.

2. To be conducive to improving the office environment and enhancing personnel efficiency

The Company's many business divisions operate in the leased office premises. As the business continues to grow, and the demand for office premises will increase, in order to satisfy the business development needs of the Company, new office premises are urgently needed to address the issues regarding the insufficient space of existing premises.

Rail Transit Construction Company's existing office premises are located in leased properties, with less than 5 square meters of office space per capita, and the office space is relatively narrow and small, and long-term rental costs increase the Company's operating costs. In order to respond to the needs of future business development, we will introduce project management, technology, operation and safety management talents who possess rail-related professions, therefore, the contradiction between the increase in the number of potential labor force of Rail Transit Construction Company and the insufficient space of existing office premises will become more apparent.

In conclusion, the Company intends to improve and enhance the office environment through the acquisition of office buildings in terms of the construction of the production capacity improvement project, satisfy the needs of the Company's sustainable business expansion in the future, relieve the contradiction between the increase in the number of labor force and the insufficient space of existing office premises, in a bid to create a stable and good office environment, enhance the enthusiasm of employees, and contribute to the rapid business development in the future.

3. To be conducive to establishing the Company's image and enhancing business stability

Stable office premises underpin the business development of the Company, and a good office environment is conducive to improving the vitality and enthusiasm of employees, and plays an important role in maintaining the Company's image and the sound progress of future business. At present, some operations of the Company and Rail Transit Construction Company use leased properties as their office premises. In the long run, uncertainties such as stability of leased office premises, changes in office rents, changes in land policies and urban construction planning may affect the Company's daily operations. In order to avoid the adverse effects brought about by leased properties, ensure the normal operation of business and achieve the goal of rapid development of the Company in the future, the Company decides to acquire new properties as its office premises to ensure the long-term stable development of the Company's business, mitigate business risks, and provide employees with a long-term and stable working environment, thereby improving the stability of its operations.

(II) The Necessity and Reasonableness of the Smart Design Cloud Platform Construction Project of Urban Rail Transit

1. To enable design business to reduce cost and increase efficiency and promote the digital transformation and upgrading of the urban rail transit design industry

Considering the future development trend of the industry in which it operates and in line with its own long-term planning, the Company plans to build the smart design cloud platform of urban rail transit, to create a digital integrated design environment organized around "end + cloud", which provides the integrated digitized design solutions covering all professional, whole process and all participants of urban rail transit design, develops the digital design cloud platforms for rail transit construction enterprises and design enterprises, enables design business to reduce cost, increase efficiency and value, facilitates the development of a new ecosystem for the design market, and promotes the digital transformation and upgrading of urban rail transit design industry. Upon the completion of the project, it will effectively improve the Company's design capability and customer experience, thereby enhancing the profitability of the Company and promoting the sustainability of the Company.

2. The large growth potential of demand from the downstream application field, which promotes the competitive advantage of the Company

The application scope of the smart design cloud platform construction project of urban rail transit includes three major modules: design, management and delivery. Among them, the design application includes intelligent mapping, intelligent computing and collaborative design for rail transit. Management application includes digitized management on design based on cloud computing, big data, AI, edge computing, blockchain, AR/VR and network security. Delivery application includes drawing transfer, 3D model transfer and 3D digital asset transfer. They can meet the demands of digitized city construction.

On one hand, the smart design cloud platform construction project of urban rail transit can establish data-driven intelligent design tools, improve design efficiency, and break down the barriers of data interaction to achieve multi-professional communication of rail transit. On the other hand, it adopts modular design, which continuously optimizes and accumulates the design data assets of the enterprises, and realizes the consistent delivery of digitized space design at the same time. Depending on the application scope of users, the smart design cloud platform construction project of urban rail transit leverages on digital means and continues to penetrate into the management on the whole process of urban rail transit design, improving the design management and meeting the usage requirements. In the future, this product will focus on the fields of design tools, Internet and digitized city related services. It also has great potential in industrial and civil building and other industries, and the demand from the application markets will continue to grow, which will effectively promote project R&D and construction. The completion of the project will further promote the sustainability of the Company and establish the Company's competitive advantage in the field of rail transit design.

3. To realize the digitized delivery of rail transit space to meet the diversified needs of its customers

Customers of investment in urban rail construction have increasing requirements for design services, not only traditional technical services such as submission of design schemes and drawings, but also design services focusing on delivery of digital assets and aiming at fast, efficient, realistic and refined delivery. The smart design cloud platform construction project of urban rail transit will form a set of integrated digitized solutions for urban rail transit design, including a design-led digital delivery system for rail transit space, and truly achieve digitized design delivery, which means consistent data standards, coding standards, structure and organization standards, and enable design to confront operation and maintenance problems, so that design leads the formation of digital assets in the whole life of urban rail transit and provides the long-term value.

(III) The Necessity and Reasonableness of the Full-cycle Digital Service System Research and Development Project of Urban Rail Construction

1. Actively responding to national digital economy strategy provides vital support for the digital transformation and informatization development of urban rail transit enterprises

Digital economy is a part of the national strategy to drive a new round of economic cycle. Relevant policies and technologies will boost the development of digital economy. The 14th Five-Year Plan for the Development of Digital Economy clarifies that core industries of digital economy will need to account for 10% of GDP by 2025. New infrastructure based on 5G, artificial intelligence and big data is an important cornerstone and barometer for the development of the digital economy. New ICT technologies are penetrating into and integrating with traditional industries, and related industries are laying foundations for national information development. As the implementation of various national favourable policies, “digital architecture” featuring the integrated application of BIM technology and cloud computing, big data, Internet of Things, mobile Internet, artificial intelligence and other digital technologies will redefine the construction industry, promote the construction of digital cities and digital China, build a comprehensive digital economy scenario, and ultimately create conditions for the realization of a smart society.

The full-cycle digital service system of urban rail construction based on big data aims at the application of digital technology in the full cycle of rail transit engineering, enables a governance system integrating receipt, storage and use, and realizes the smooth flow and safe sharing of data. It is the key research direction and plays a fundamental supporting role for the digital transformation and informatization development of urban rail transit enterprises.

2. The construction of urban rail transit continues to heat up, and the market demand for information and digital products is strong

With the speeding up of urban construction in China, big cities are emerging, and the investment of urban rail transit is also mounting. Currently, the inner-city (suburban) railway is still in its initial stage, with only about 1,100 kilometers conforming to the functional and technical standards of inner-city (suburban) railways. According to the Outline of the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives through the Year 2035 of the People’s Republic of China (《中華人民共和國國民經濟和社會發展第十四個五年規劃和2035年遠景目標綱要》) (the “14th Five-Year Outline”), the length of intercity and inner-city (suburban) railways in operation will be increased by 3,000 kilometers by 2035. Rail transit networks in the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area will be basically completed, with 3,000 kilometers of new

urban rail transit mileage in operation. From the perspective of planning, inner-city rapid rail transit and smart urban rail transit will be the main investment direction and development trend of urban rail transit during the 14th Five-Year Plan period. Increasing operating mileage imposes higher requirements on the informationization degree of rail transit engineering system, and demand for informationization construction is constantly growing, which creates broader development space for the rail transit information system industry.

Through the integration of engineering technologies and emerging information technologies such as big data, cloud computing and artificial intelligence, the full-cycle digital service system research and development project of urban rail construction adapts to the market development demand and technological development trend and connects the data application in the whole cycle of urban rail transit engineering. At present, the digital transformation of urban rail transit in China is still in its infancy and has not yet reached the breakout period. It is the critical time for the Company to seize the opportunities. Driven by both policies and market demand, the market will be broader in the future.

3. Digital and industrial upgrading in urban rail transit engineering to drive the quality development of a smart city

The full-cycle digital service system research and development project of urban rail construction is committed to offering diversified ride experience, making information access convenient through new information technologies such as big data and artificial intelligence and ensuring the promptness and accuracy of the guidance to passengers, improving urban rail transit operation service quality and passenger experience, and enhancing the operation efficiency and operating benefits of metro. It is expected that after the completion of the project, error, omission, collision and deficiency in the results of the top-down design drawings will be reduced significantly; engineering calculation efficiency and the efficiency of communication and decision-making in the early stage of the project will be improved significantly; construction schedule will accelerate; rework will be reduced significantly and project quality will be improved.

The research and development of full-cycle digital service system of urban rail construction is the cornerstone for the intelligent operation of metro and the construction of a smart city. It will improve the green, digital and intelligent service level and public benefit of urban infrastructure and establish a green and low-carbon digital service system of urban rail transit, which will play an active role in promoting higher quality development of smart cities in China.

(IV) The Necessity and Reasonableness of the research and development project of digital inspection and intelligent assembly system for the rail transit

1. The development of the big data laboratory of structure safety operation and maintenance is to meet demands for digital development of safety operation and maintenance in urban rail transit structure from new urbanization program and national strategies

As the new urbanization in China is undergoing rapid development, urban rail transit has become one of the most important ways to address urban traffic jam, and more cities will build urban rail transit systems in the future. Meanwhile, the 14th Five-Year Outline specifies the construction of modern comprehensive transportation system by promoting the integration of transportation in city agglomerations and metropolitans, accelerating the construction of intercity railways and inner-city (suburban) railways, building highway ring road system, and orderly promoting the development of urban rail transit, therefore the development of urban rail transit is indispensable in city development and national strategies.

In the new backdrop of network construction and operation, the current levels of construction and safety operation and maintenance are encountered with great challenge from multiple aspects such as basic theory, technological system, and facilities and equipment. It is necessary for urban rail transit engineering to make breakthroughs on technological difficulties in safety, quality, energy saving and efficiency concerning the construction of urban rail transit, and comprehensive testing and informationization on infrastructure. Riding on the rapid development of urban transit system in China, research and development project of digital inspection and intelligent assembly system for the rail transit focuses on problems of comparatively backward testing equipment for safety operation and maintenance of rail transit structures, construction technology and equipment, structure operation and maintenance equipment and level of informationization. The project intends to build a big data laboratory of urban rail transit structure safety operation and maintenance through basic theory study, core technology research and development, as well as the development of structure safety operation and maintenance of big data platform and the implementation of key projects, thereby promoting the sustained and sound development of China's urban rail transit.

2. The development of the engineering testing laboratory is conducive to improving the infrastructure for testing business to expand the Company's testing business and improve the technical service capabilities

In recent years, the construction project quality issues occurred frequently, and as a result, the role of engineering testing in construction projects has gradually come to the fore. At the current stage, the construction projects in the PRC have the characteristics of large scale, wide range, long cycle, large investment and extensive areas involved, etc. If the construction quality cannot be ensured, the workload of maintenance and repair in later stage will increase, and users will face great safety risks. The testing function can not only ensure project construction quality, but also improve the efficiency of the construction progress.

At present, the Company's engineering testing projects mainly involve urban rail transit, industrial and civil construction, municipal roads, bridges and other fields. With its long history of operation, the Company has accumulated extensive project experience, and in order to further expand to more business areas such as road, bridge and inner-city railways, it is necessary to build more modern and professional testing laboratories. The engineering testing laboratory will help the Company further promote the development of the business of testing of highways, roads and bridges, increase the number of testing projects and parameters, expand the testing capability and range of the Company, accelerate the improvement of the Company's technical service and technological innovation and other capabilities, and contribute to the high-quality development of the construction industry.

3. The national engineering research center laboratory will promote the intelligence of rail transit, enhance the operation and management efficiency and provide safe and efficient travelling services for passengers

In order to provide safe and efficient travelling services for passengers, the operation and organization of the urban rail transit system has been changed from "being vehicle-centered" to "passenger-centered coupling of passenger and train flows", and operators need to timely capture the evolution trend of passenger flow in the road network in both temporal and spatial dimensions to dynamically assess the matching relationship between transport capacity and passenger capacity, and take measures to control passenger flow at stations and adjust train operation, which needs the support of accurate passenger flow data and refined passenger flow forecast data in the road network. Therefore, the key to facilitate the coordinated management and control of passenger and train flows is to quickly and precisely predict and deduce the distribution trend of passenger flows in the road network in the future according to the road network operation environment and based on the real-time passenger flow data and train operation data in the road network.

With the application of various advanced technologies, such as big data, deep learning and digital twins, the national engineering research center laboratory studies the passenger flow prediction and early warning system of the rail transit network to realize the digitalization and intelligence of the whole process of holographic passenger data monitoring, multi-scenario passenger flow prediction and distribution, multi-layer passenger flow deduction and simulation, and early warning and control of burst passenger flows in the network. This project aims to complete the development of core algorithm and the establishment of software platform for the passenger flow prediction and early warning system of the rail transit network, complete the functional verification and the setup of basic environment for a minimal system, complete the functional alignment joint-test and application test of hardware and software of the platform, and improve the passenger flow control efficiency and travelling service for passengers of the urban rail transit system.

(V) The Necessity and Reasonableness of the Research and Development Project of Urban Multisource Spatiotemporal Digital Comprehensive Support Platform and Application Decision-making System

1. The construction of the project is conducive to promoting the digital transformation of urban transit and to building digital information infrastructure

With the continuous emergence of digital technologies such as 5G, cloud computing, big data, Internet of Things and AI, the transportation industry is accelerating its step into the digital era. At the same time, the determination of the overall goal of becoming a country with strong transportation network and the publication of new infrastructure policies have brought development opportunities for the digital transformation of the transportation industry. Under the wave of digital transformation, the transportation industry will focus on critical sections such as basic support, sharing and opening, and innovative applications, promote the deep integration of big data and transportation, implement the digital transformation and development of comprehensive transportation, build a modern high-quality national comprehensive three-dimensional transportation network that is convenient, smooth, cost-effective, green and centralised, intelligent, advanced, safe and reliable, and support the evolution of urban population, space and industry, and support urban economic and social transformation and high-quality development. The construction of the research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system focuses on the deep integration of big data with the field of urban rail transit, promotes the digital transformation of urban rail transit, and builds urban multisource spatiotemporal digital comprehensive support platform and a multi-scenario application decision-making analysis system under the “1+N” mode. The construction of the project is conducive to promoting the digital transformation of urban transit and setting up a digital information foundation for urban transit operation.

2. The construction of the project is conducive to the coordinated development of multi-mode urban transit

With the rapid development of cities, the development of transit in a single mode can no longer meet the growing transportation demand. The urban coordinated development of transit in a multiple mode becomes an inevitable trend, which requires the integration of existing transit resources to give full play to comprehensive efficiency of the network. The multiple modes of urban transit include roads, urban rail transit and public transport. Based on the characteristics of multiple modes of urban transit, the construction of the research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system relies on the urban multisource spatiotemporal digital comprehensive support platform to achieve dynamic monitoring of data such as posts of population, travelling, land development, public facilities and traffic access; according to the urban multi-scenario application

decision-making system under the “1+N” mode, the application analysis systems working on different scenarios such as service condition assessment system along the railway, rail transit and surrounding land integration assessment system, traffic impact appraisal system, comprehensive evaluation data platform for sustainable development of urban rail transit, comprehensive evaluation decision-making platform for sustainable development of rail transit will be developed accordingly. As a response to the coordinated development of multi-mode urban transit, the construction of the project will promote the improvement of the comprehensive efficiency of the transit network.

3. *The construction of the project is conducive to improving the operation efficiency and service level of multi-mode urban transit*

The stability of socio-economic development, flexibility, efficiency, attractiveness and people’s happiness in the urban area largely depend on the operation quality of comprehensive transit system. The research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system, by building urban multisource spatiotemporal digital comprehensive support platform and application decision-making system, is capable of effectively integrating trans-departmental and trans-regional transit big data resources, fully tapping the value information contained in massive data, breaking through the key technologies of comprehensive transportation big data application, providing strong support for the planning, operation and management of the future multi-mode urban transit system, promoting the integration of big data and intelligent transit system, reducing the operating pressure of the transit system, and providing passengers with safe and effective intelligent travel solutions, so as to enhance the experience and convenience of passengers’ travel and improve the operation efficiency of urban rail transit.

(VI) The Necessity and Reasonableness of the Informatisation Upgrade and Construction Project

1. *Optimizing the informatization operating environment for the business and management to improve work efficiency of the Company*

The Company proposes to purchase information technology software and hardware facilities, and to upgrade the informatization system for the project by introducing software and hardware facilities with excellent performance, safety and reliability in order to get a more accurate, concise and humanized information technology system in terms of the informatisation upgrade and construction project. After the completion of the informatisation upgrade and construction project, it will be conducive to improving the level of informatization of the Company, enhancing the efficiency and quality of work of the staff, increasing the economic benefits effectively while promoting the competitiveness of the enterprise, in line with the development trend of technicalization and digitalization of the industry.

2. *Improving the overall network security dynamic protection level to facilitate the stable and sound development of the Company*

As a leading enterprise in the urban rail transit industry, the Company has been helping the development of the rail transit industry through continuous innovation in information technology. While developing information technology, the Company focuses on network security as an important guarantee for infrastructure construction. On the one hand, the Company promotes the construction of ERP system for itself and its subsidiaries, and on the other hand, the Company will increase its information interaction with its subsidiaries. The existing network and information system of the Company encounters some security risks. In addition, the Company has established branches across the country, and it takes time for the network threat information found in one network area to be fed back and synchronized to neighboring network domains; there is still room for improvement in the threat warning capability to visualize the current network operation in real time, making it more difficult for technical operation and maintenance staff to take actions, and when threats appear, it is difficult to locate the source of the attack in time, and there is a risk of loss to the business of the Company. Therefore, owning a network security system that guarantees the stable and safe operation of the Company's internal network and information system is of great significance to the Company's development.

The Company intends to build a dynamic network security system covering the Company and its subsidiaries under the informatisation upgrade and construction project, which will transform the originally opaque network into an intuitive, clear and controllable system to allow comprehensive understanding of the actions of each node of the information system, thus ensuring security through the mechanism of collecting and reporting security issues identified at each node, multi-level connection and unified control, providing basis for decision-making of officers responsible for security, lowering the difficulty of the work of the operation and maintenance staff and reducing the time and cost needed for operation and maintenance. The informatisation upgrade and construction project will help to increase the Company's experience on information security, facilitate the Company to maintain its leading position in the industry of rail transit information network security, improve the Company's competitiveness and contribute to the stable and healthy development of the Company and is in line with the requirements and concept of the long-term operation and development of the Company.

3. *Improving the level of digitalization of the overall management of the Company and strengthening the control of the Group*

Currently, the headquarters of the Company has an industry leading ERP and design and production integrated management system, which has significantly improved the efficiency of its production and operation. However, from the perspective of the whole company, there still exist pain points such as fragmented distribution of some resources and information and lower level of integration, presenting an urgent need to integrate

internal resources and further refine business rules to improve the resource utilization rate of the Company and satisfy the needs to enhance control over its subsidiaries and the requirements for business operation and development across different business fields and regions. In addition, as a relatively large amount of information is involved in different stages of the production and operation of the subsidiaries, and there is a trend of differentiated development in production planning and control, cost control, funding management, management model and other aspects among the subsidiaries, it is imperative to break the internal information barriers in the Company and realize resource integration.

The Company intends to build an ERP information system covering all its subsidiaries and subject to the unified management and control of the headquarters in terms of the informatisation upgrade and construction project to optimize and improve the operations of the Company, whereby various functions such as sale, finance, production, operation and decision-making will be put under unified management, forming a unified information flow, data flow and business integration covering all the companies under the Group and further standardizing management. After the completion of the informatisation upgrade and construction project, the resource waste of various functions of the subsidiaries will be effectively reduced, and the utilization of information and data will be maximized through data analysis and improvement of digital management; the informatization capability will allow the Group to enhance the information connection among its subsidiaries to realize the collaboration and unification and resource sharing in the internal operational system; taking informatization as the beginning point, the Company will fully integrate its resources and realize the transformation of resources to results, which in turn will comprehensively promote the Company's informatization progress, improve the standards of information management and indirectly promote the growth of the Company's profitability.

III. THE RELATIONSHIP BETWEEN THE PROJECTS INVESTED WITH PROCEEDS AND THE EXISTING BUSINESS OF THE COMPANY, AND THE RESERVES OF THE COMPANY'S PROJECTS INVESTED WITH PROCEEDS IN ASPECTS SUCH AS PERSONNEL, TECHNOLOGY AND MARKETS

(I) The Relationship between the Projects Invested with Proceeds and the Existing Business of the Company

The projects invested with proceeds involve the expansion and deepening of the Company into the fields of design, survey and consultancy and construction contracting based on its existing business and with the help of its existing experience. The implementation of the projects invested with proceeds will enrich the business structure of the Company and enhance the business scale of the Company. The amount of and the projects invested with proceeds shall be compatible with the existing production and operation scale, financial status, technical level and management capability of the enterprise.

(II) The Reserves on the Company's Projects Invested with Proceeds in Aspects such as Personnel, Technology and Markets

1. Personnel reserve

The Company has a team of experts with extensive experience in the fields of design, survey and consultancy as well as construction contracting, as well as a business team comprising talents with extensive project management experience and good professional and technical skills. The Company has 1 scholar (who is an academician of the Chinese Academy of Engineering), over 60 professor-level senior engineers (including those who received special government subsidies based on their professional achievements) and over 400 senior engineers, with an average industry experience of approximately 22 years, who have expertise covering various professional areas of design, survey and consultancy as well as construction contracting, and are capable of supporting the smooth implementation and subsequent operation of the projects invested with proceeds by the Company.

2. Technology reserve

The Company always focuses on the businesses of design, survey and consultancy as well as construction contracting and continues to participate in the formulation of national and industrial standards. At present, the Company has edited or participated in the preparation of most standard specifications in the industry, including 6 national standards such as the Measurement Standards for Urban Rail Transit Engineering, the Standards of Monitoring Technology on Urban Rail Transit Engineering and the Design Standards for Survey of Building Foundation in Beijing, and more than 20 national and local standards, and has the first academician and expert studio for urban rail transit in China. The Company won nearly 300 awards granted by the government authorities and national industry institutions, and its abundant technology reserves provided strong guarantee for the smooth implementation of the projects invested with proceeds.

3. Market reserve

The Company leads and promotes the development of the urban rail transit industry. Based on the mission size and market potential, the Company has set up branches in nearly 60 cities to track the market and set up production organizations. In addition, the Company has provided a large number of design, survey and consultancy services for urban rail transit projects to the owners over the years, and fully communicated with the owners, on which basis, the Company has continuously optimized the project plans and enhanced the professional service level. By virtue of its quality services and good reputation, the Company has accumulated a stable customer base and has mature experience in implementing localized management of projects. The Company gained high influence in the industry, which laid a solid foundation for the implementation of the projects invested with proceeds.

IV. RISK OF DILUTION OF CURRENT RETURNS BY THE ISSUANCE

The proceeds of the Company will be invested in production capacity improvement project, smart design service ability upgrading project and research and development project of digital inspection and intelligent assembly system for the rail transit, research and development project of urban multisource spatiotemporal digital comprehensive support platform and application decision-making system and informatisation upgrade and construction project. Although the Company has conducted detailed and prudent argumentation on the future market capacity and product sales trend of the projects invested with proceeds and formulated specific countermeasures for each step of the implementation of the projects invested with proceeds, there may be many problems, for example, the proceeds may not be available in time, the technology may be replaced, and the project may be delayed during the implementation of the project, and there may also be many problems such as changes in policy environment, changes in user preferences and changes in market conditions after the completion of the project, all of which may have a significant impact on the expected return of the project invested with proceeds, thereby affecting the operating performance of the Company.

V. REMEDIAL MEASURES FOR RETURNS OF THE COMPANY

(I) To Enhance the Management of Proceeds

In order to regulate the management and use of proceeds and effectively protect the legitimate rights and interests of investors, the Company has formulated the Management System for Proceeds, which clearly defines the deposit, use, supervision and accountability of proceeds. The Company will strictly comply with the Management System for Proceeds and other relevant provisions, and the sponsor, supervising bank and the financial department of the Company will jointly supervise the use of proceeds in accordance with the committed purpose and amount, ensure the proceeds will be used in the committed investment projects, and cooperate with the regulatory banks and sponsors in the inspection and supervision of the use of proceeds. The Company will regularly check the use of proceeds to strengthen its supervision on the projects invested with proceeds and ensure that the proceeds can be used in a reasonable and lawful manner.

(II) To Improve Efficiency of the Use of Proceeds

After the proceeds from the public offering are in place, the Company will allocate various internal resources and accelerate the construction of the projects invested with proceeds to improve the efficiency of the use of proceeds, strive to realize the expected benefits of the projects invested with proceeds as soon as possible and improve the profitability of the Issuer. Before the proceeds are in place, in order to realize the expected benefits of the projects invested with proceeds as soon as possible, the Company intends to actively raise funds and allocate resources through various channels to carry out the preliminary preparation work for

the projects invested with proceeds, strengthen the personnel reserve relating to the projects, strive to realize the expected return of the project as soon as possible, improve the return to shareholders in the next few years and reduce the risk of dilution of current returns as a result of the public offering.

(III) Arrangement and Commitment of Profit Distribution Policy

Pursuant to the Notice on Relevant Matters Relating to Further Implementation of Distribution of Cash Dividends by Listed Companies (Zheng Jian Fa [2012] No. 37) and Regulatory Guidance for Listed Companies No. 3 – Distribution of Cash Dividends by Listed Companies (2022 Revision) issued by the CSRC and other requirements as well as the Guidelines for the Articles of Association of Listed Companies, the Company formulated the Shareholder Dividend Distribution Plan for the Three Years after the Initial Public Offering of A Shares and Listing of Beijing Urban Construction Design & Development Group Co., Limited, in which the Company further clarified matters such as the cash dividend policy and the proportion of cash dividend, and stipulated the minimum proportion of the Company's profit distribution in cash under normal circumstances, so as to facilitate investors to form stable expectation of return. The Company attaches great importance to the protection of shareholders' interests and reasonable investment returns for shareholders while taking into account the Company's sustainable development, and has formulated a sustainable, stable and scientific dividend policy to provide good returns for small and medium investors.

(IV) To Strengthen Operation Management and Internal Control and Constantly Improve Corporate Governance

At present, the Company has formulated a relatively complete and sound internal control system to ensure the normal and orderly conduct of the Company's business activities. The Company will further improve its operation and management level in the coming years to improve and strengthen investment decision-making procedures, strictly control various expenses of the Company, strengthen cost management, optimize budget management process and strengthen execution supervision, so as to enhance the overall and effective operation efficiency of the Company.

(V) Other Means

The Company undertakes that it will continue to improve the remedial measures for the dilution of current returns in accordance with the specific rules and requirements promulgated by the CSRC, the Shanghai Stock Exchange and other regulatory authorities in the future.

VI. UNDERTAKINGS REGARDING REMEDIAL MEASURES FOR THE DILUTION OF CURRENT RETURNS

(I) Undertakings of Controlling Shareholder

In order to assure that the remedial measures for the dilution of current returns by the Company can be effectively implemented, Beijing Urban Construction Group Co., Ltd., as the controlling shareholder of the Company, has made the following undertakings:

1. As a controlling shareholder, I shall not go beyond my power to interfere the operation and management activities of the Issuer and shall not encroach upon the interests of the Issuer.
2. To carry out all necessary and reasonable measures actively according to the relevant regulations promulgated by regulatory authorities such as the CSRC and the Shanghai Stock Exchange in the future so that the remedial measures for dilution of current returns by the Issuer can be effectively implemented.
3. To illustrate with specific reasons for the failure to perform the above undertakings publicly on the designated website required by the CSRC if the above undertakings are not fulfilled, to apologize to other shareholders of the Company and public investors, and to assume relevant responsibilities in accordance with the law.

(II) Undertakings of Directors and Senior Management of the Company

In order to assure that the remedial measures for the dilution of current returns by the Issuer can be effectively implemented, the directors and senior management of the Company shall give the following undertakings:

1. I hereby undertake not to harm the Issuer's interests by offering benefits to other firms or individuals unpaid or unfairly or in other manners.
2. I hereby undertake to restrict any consumption behaviors in relation to my duties.
3. I hereby undertake not to use the Issuer's assets for investment or consumption that are unrelated to the performance of my duties.
4. I hereby undertake to make every effort to link the remuneration system formulated by the board of directors or the remuneration committee of the Issuer with the implementation of the Issuer's remedial measures for returns within the scope of my duties and powers, and vote (if applicable) in favour of the relevant resolutions considered by the board of directors and the shareholders' general meeting of the Issuer.

5. I hereby undertake to make every effort to link the conditions for exercising equity incentive to be announced by the Issuer with the implementation of the Issuer's remedial measures for returns within the scope of my duties and powers if the Issuer plans to implement equity incentive, and vote (if applicable) in favour of the relevant resolutions considered by the board of directors and the shareholders' general meeting of the Issuer.

6. I hereby undertake to earnestly perform the relevant remedial measures for returns formulated by the Issuer and any undertakings made by me regarding remedial measures for returns, and if I violate such undertakings and cause losses to the Issuer or investors, I am willing to undertake the compensation liability to the Issuer or investors according to law.

If I, as one of the responsible parties related to the remedial measures for returns, violate the above undertakings or refuse to perform the above undertakings, I agree to punish me or take relevant management measures in accordance with relevant regulations and rules formulated or issued by the securities regulatory authorities.

THE SHAREHOLDER DIVIDEND DISTRIBUTION PLAN FOR THE THREE YEARS AFTER INITIAL PUBLIC OFFERING OF A SHARES AND LISTING BY BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

According to the Notice regarding Further Implementation of the Relevant Matters on Cash Dividend Distribution of Listed Companies, the Guidelines No. 3 on the Supervision of Listed Companies – Distribution of Cash Dividends of Listed Companies, the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) applicable upon listing of the Company in relation to the dividend distribution policy and other relevant requirements, and in order to strengthen the transparency and operability of decision making of dividend distribution for convenient supervision of production and operation as well as profit distribution of the Company by shareholders, the Company hereby establishes the Shareholder Dividend Distribution Plan for the Three Years after Initial Public Offering of A Shares and Listing by the Company.

I. FACTORS OF CONSIDERATION FOR ESTABLISHING THE DIVIDEND DISTRIBUTION PLAN

The Company focuses on the long-term sustainable development of the Company. On the basis of integrated analysis on the actual condition of the Company's operating development, shareholders' demand and will, social capital cost, external financing environment and other factors, the Company asks for and listens to the demand and will of shareholders, especially minority shareholders, adequately takes into consideration of the Company's current and future profit size, conditions of cash flow, development stage, capital needs of project investment, the financing, bank credits, debt financing environment and other factors, establishes the Dividend Distribution Plan on the basis of balancing the shareholders' short-term and long-term interests, develops the return plan and mechanism for investors in sustainable, stable and scientific manner, makes systematic arrangement for dividend distribution, and as such maintains the continuity and stability of the Company's profit distribution policy.

II. PRINCIPLES OF ESTABLISHING THE DIVIDEND DISTRIBUTION PLAN

The Company shall place emphasis on delivering reasonable return on investments to the investors but the profits of the Company to be distributed shall not go beyond the scope of cumulative distributable profits of the Company and shall not impair the Company's ability to continue as a going concern. The profits distribution policy of the Company shall be durative and stable, taking into account of the long-term interests of the Company, the overall interests of all shareholders and the Company's sustainable development.

**III. SPECIFIC PROCESS OF ESTABLISHMENT AND AMENDMENT OF THE
DIVIDEND DISTRIBUTION PLAN**

(I) When formulating cash dividends distribution plan of the Company, views from several parties should be considered, and the Board shall fully take into account and justify the reasonableness of the proposal for profit distribution and submit to general meeting for consideration after the Board have passed a resolution on the proposal for profit distribution. The independent (non-executive) Directors shall explicitly give their views. The independent (non-executive) Directors shall seek the opinions of the minority shareholders, prepare a dividend distribution proposal accordingly and present it directly to the Board for consideration. Prior to the consideration of cash dividends distribution plan at the general meeting, the Company shall proactively communicate with its Shareholders, in particular, minority Shareholders, through various channels (such as collecting public views and holding forums) to receive opinions and request of those minority Shareholders and respond to their concerns in a timely manner.

(II) The Company may adjust its profits distribution policy specified above in case of war, natural disasters and other force majeure, or where changes to the external environment of the Company result in material impact on the production and operation of the Company, or where there are significant changes in the Company's own operations or financial conditions, or where there are changes in or adjustments to the relevant laws, regulations or regulatory rules or where the Company's Board considers it necessary. The Board shall discuss the rationality of such adjustment in detail and form a resolution which shall be submitted to shareholders' meeting for approval by special resolution. The independent (non-executive) Directors shall explicitly give their views. The convening of shareholders' meeting shall comply with regulatory provisions in the place where the Company's shares are listed. Before raising adjustment scheme of profit distribution policy, the Board shall fully hear opinions from independent (non-executive) directors, take the initiative to communicate with minority shareholders through various channels (such as collecting public views and holding forums), and carefully respond to concerns of such shareholders. When convening a general meeting to consider adjustment scheme of profit distribution policy, in addition to organizing on-site meeting, the Company should also allow holders of A Shares to vote through Internet.

**IV. THE SPECIFIC SHAREHOLDER DIVIDEND DISTRIBUTION PLAN FOR THE
THREE YEARS AFTER THE ISSUANCE AND LISTING BY THE COMPANY**

(I) The Company may adopt to distribute profit in cash, in shares or in a combination of both cash and shares or as otherwise permitted by the laws, administrative regulations, the provisions of departmental regulations and regulatory rules in the place where the Company is listed. The Company shall give priority to dividend distribution in cash over in shares.

(II) Under the preconditions that Company has no major investment plan or no significant cash expenditure, as well as the net profits realized by the Company in current year, the accumulated undistributed profits at end of current year and the capital reserve are positive, the Company shall distribute dividends in cash as long as it does not affect the normal operation and sustainable development of the Company.

(III) The profit distribution by shares by the Company shall be on the premise of giving reasonable cash dividends return to Shareholders and maintaining proper share capital size, and give comprehensive consideration to the growth, dilution of net asset per share and other factors.

(IV) Subject to the compliance of the profit distribution principles, the maintenance of the normal operation and the long-term development of the Company, in principle, the Company makes the profit distribution (including by way of cash dividend) after the convening of the general meeting once a year. The Board of the Company may propose to make interim profit distribution (including by way of cash dividend) in accordance with its profit and fund demand situations.

(V) The cumulative profit distributed in cash (including annual distribution and interim distribution) by the Company shall not be less than 10% of its distributable profits of the year, and the cumulative profit distributed in cash in the most recent three years shall not be less than 30% of the average distributable profit for the most recent three years. The Board of the Company shall comprehensively take into account the features of the industry where the Company operates, its stage of development, its own business model, and profitability, whether there is significant capital expenditure arrangement and other factors in forming different cash dividend distribution policy in accordance with the procedures as stipulated in the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) applicable upon listing of the Company:

1. If the Company is in a mature development stage without significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 80%;

2. If the Company is in a mature development stage with significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 40%;

3. If the Company is in a growing development stage with significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 20%;

If the development stage of the Company with significant capital expenditure cannot be easily distinguished, cash dividends shall be distributed according to the requirement mentioned above, unless otherwise specified in the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) applicable upon listing of the Company.

(VI) If the Company decides not to make cash dividend or decides to make cash dividend at a ratio lower than the prescribed one in special circumstances, the Company shall implement the relevant decision-making procedures and make disclosure according to the applicable laws, administrative regulations, departmental rules and the provisions of the stock exchange at the listing place and the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (Draft) applicable upon listing of the Company.

(VII) Dividends and other distributions declared by the Company to holders of domestic shares shall be declared and denominated in Renminbi, and paid in Renminbi. Dividends and other distributions declared by the Company to holders of foreign shares shall be declared and denominated in Renminbi, and paid in foreign currency. The exchange rate shall be based on the average closing exchange rate of the relevant foreign currency against Renminbi announced by the People's Bank of China over the five working days preceding the date on which such dividends or other distribution are declared. Foreign currencies payable by the Company to holders of foreign shares shall be obtained pursuant to relevant State regulations on the administration of foreign exchange. The Board is authorised by way of ordinary resolution at general meetings to distribute dividends to Shareholders.

(VIII) After the profit distribution plan has been resolved at the general meeting, the Board of the Company shall complete the dividend (or share) distribution within two months after the general meeting.

**LETTER OF UNDERTAKING ON THE TRUTHFULNESS,
ACCURACY AND COMPLETENESS OF THE INFORMATION DISCLOSED
IN THE PROSPECTUS AND OTHER INFORMATION**

Beijing Urban Construction Design & Development Group Co., Limited (hereinafter the “Company”) proposes to apply for the initial public offering of A Shares and listing (hereinafter the “Issuance”). We hereby issue the following undertakings in respect of the truthfulness, accuracy and completeness of the information disclosed in the prospectus and other information in accordance with relevant regulations:

1. The prospectus and other information on the Issuance do not have false record, misleading statements or material omissions, and the Company bears individual and joint legal liabilities for the truthfulness, accuracy and completeness of the prospectus.

2. If there are false record, misleading statements or material omissions in the prospectus of the Company as presumed by the CSRC or the People’s Court and other competent departments, resulting that investors suffer from losses in securities trading, the Company will be strictly in compliance with the requirements of the Securities Laws of the People’s Republic of China (《中華人民共和國證券法》) and other laws and regulations, and compensate the losses of the investors in a lawful manner in accordance with the ultimate decisions or effective judgement of the CSRC or the People’s Court and other competent departments.

3. The aforementioned undertakings are the true statement of the Company. The Company voluntarily accepts the supervision of regulatory authorities, self-regulatory organization, the society and general public. The Company will undertake corresponding responsibilities in accordance with the law if breaching the aforementioned undertakings.

**UNDERTAKINGS OF STABILIZATION OF SHARE PRICE
BY BEIJING URBAN CONSTRUCTION DESIGN
& DEVELOPMENT GROUP CO., LIMITED**

Beijing Urban Construction Design & Development Group Co., Limited (hereinafter the “Company”) proposes to apply for the initial public offering of A Shares and listing, and the Company undertakes that:

1. The Company will fully and effectively perform all of its obligations and responsibilities in strict compliance with the provisions of the Price Stabilizing Plan within Three Years upon Initial Public Offering of A Shares and Listing by Beijing Urban Construction Design & Development Group Co., Limited considered and approved at the shareholders’ general meeting of the Company;

**APPENDIX V UNDERTAKING OF THE INITIAL PUBLIC OFFERING OF RMB ORDINARY SHARES
(A SHARES) AND LISTING BY BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

2. The Company will urge other relevant parties to fully and effectively perform their obligations and responsibilities under the Plan in strict accordance with the provisions of the Plan;

3. In the event that the Company fails to fully perform its obligations in relation to the implementation of measures for stabilizing the price of A Shares, the Company shall continue to assume the following obligations and responsibilities:

(1) timely and fully disclose the specific reasons for failure to fulfill, being unable to fulfill, or not being able to fulfill on schedule;

(2) the Company shall make supplementary or alternative undertakings to investors and submit them to the shareholders' general meeting for consideration, so as to protect the rights and interests of investors as much as possible;

(3) In case of any loss caused to the investor due to violation of the aforesaid undertakings, the Company shall compensate the investor according to law after the legal liability is recognized by the competent authority.

**MEASURES AND UNDERTAKINGS IN RELATION
TO SHARE REPURCHASE AND SHARE BUY-BACKS**

Beijing Urban Construction Design & Development Group Co., Limited (hereinafter the "Company") proposes to apply for the initial public offering of A Shares and listing (hereinafter the "Issuance"), in order to protect the interests of investor, the Company hereby makes the following undertakings in accordance with the relevant provisions of the relevant laws, regulations and regulatory documents including the Opinions on Further Promoting the Reform of New Share Offering System issued by the China Securities Regulatory Commission (hereinafter the "CSRC"):

**I. CONDITIONS FOR IMPLEMENTATION OF THE MEASURES OF THE SHARE
REPURCHASE AND SHARE BUY-BACKS**

After the completion of the Issuance, if there are false records, misleading statements or material omissions in the prospectus on the Issuance, which constitute material and substantive impact on the judgment on whether the Company is in compliance with the issuance conditions as stipulated by laws, then the Company will repurchase all of the new shares under the Issuance according to law upon the ultimate decisions or effective judgement in respect of the aforementioned illegal acts by the CSRC, judicial authorities and other competent departments.

II. PROCEDURES FOR INITIATION OF SHARE REPURCHASE MEASURES AND SHARE BUY-BACKS

(I) If the aforesaid situation occurs within the stage when the new shares issued by the Company under the Issuance have been issued but are not listed, the Company shall, within five working days from the date of occurrence of the aforesaid situation, return the proceeds from the Issuance to the investors who have paid the subscription monies at the issue price (which refers to the issue price of the Company's initial public offering, and the above price shall be adjusted accordingly upon the occurrence of the ex-dividend or ex-right activities such as distribution of dividends, issue of bonus shares, conversion of capital reserve, issue of new shares or rights issue after the Issuance, here and below) plus the bank deposit interest rate for the same period.

(II) If the aforesaid situation occurs after the listing and trading of the new shares issued by the Company under the Issuance have been completed, the Company shall commence the procedures in relation to share repurchase to repurchase all of the new shares issued by the Company under the Issuance within 5 trading days upon the ultimate decisions or effective judgement in respect of existence of the aforementioned facts of the Company by the CSRC or the People's Court and other competent department, the specific plan shall be subject to consideration and approval by the Board meeting or the shareholders' general meeting in accordance with the applicable laws, regulations, regulatory documents, the Articles of Association and other requirements and shall be subject to other internal and external approval procedures of the Company, and the price shall not be lower than the issue price plus interest rate on current deposits of the bank for the same period.

(III) Where the Company involves share repurchase in the future, it shall simultaneously comply with the relevant provisions of the CSRC, the Shanghai Stock Exchange and other securities regulatory authorities.

III. If there are false records, misleading statements or material omissions in the contents of the prospectus on the Issuance, which constitute material and substantive impact on the judgment on whether the Company is in compliance with the issuance conditions as stipulated by laws and cause losses to the investors in securities trading, then the Company will compensate the losses of the investors in a lawful manner upon the ultimate decisions or effective judgement in respect of the aforementioned illegal acts by the CSRC, judicial authorities and other competent departments.

**UNDERTAKING LETTER IN RELATION TO THE NON-PERFORMANCE
OF RESTRICTIVE MEASURES UNDER RELEVANT PUBLIC UNDERTAKINGS**

Beijing Urban Construction Design & Development Group Co., Limited (hereinafter the “Company”) proposes to apply for the initial public offering of A Shares and listing, pursuant to the relevant regulatory requirements and regulations including the Opinions on Further Promoting the Reform of New Share Offering System issued by the CSRC, the Company agrees to adopt the following restrictive measures if the Company fails to fulfill the public undertakings made in the prospectus:

I. If the relevant undertakings made by the Company publicly in the prospectus of the Company contain restrictive measures, such measures shall prevail. The Company agrees to take those restrictive measures as stipulated in the undertakings should the Company breach them.

II. If the relevant undertakings made by the Company publicly in the prospectus of the Company don’t contain restrictive measures, and fail to be fulfilled, cannot be fulfilled or cannot be fulfilled on schedule (except for objective reasons beyond its control such as changes in relevant laws, regulations and policies and natural disasters), the Company agrees to take the following restrictive measures:

(I) timely and fully disclose the specific reasons for failure to fulfill, being unable to fulfill, or not being able to fulfill on schedule, and apologize to the shareholders of the Company and the public investors;

(II) make corrections within the time limit required by the relevant regulatory authorities;

(III) If the violated undertaking can continue to be fulfilled, the Company will take timely and effective measures to eliminate the relevant breach of undertaking; if the violated undertaking cannot be fulfilled in fact, the Company will make legal, reasonable and effective supplementary undertakings or alternative undertakings to investors in a timely manner and will submit the abovementioned supplementary undertakings or alternative undertakings to the shareholders’ general meeting of the Company for consideration;

(IV) If the Company fails to fulfill, cannot fulfill or cannot fulfill such undertakings on schedule, resulting in losses to investors, it shall compensate investors for such losses according to law;

(V) Other restrictive measures that may be taken according to the provisions at that time.

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III. If the Company fails to fulfill its undertakings, confirms that it is unable to fulfill them or is unable to fulfill them as scheduled due to objective reasons beyond the control of the Company such as changes in relevant laws, regulations and policies, natural disasters and other force majeure, it will take the following measures:

(I) timely and fully disclose the specific reasons for failure to fulfill, being unable to fulfill, or not being able to fulfill on schedule, and apologize to the shareholders of the Company and the public investors;

(II) make supplemental or alternative undertakings to the Company's investors in a timely manner (such undertakings shall be subject to relevant approval procedures under the requirements in laws, regulations and the Articles of Association), so as to protect the rights and interests of investors as much as possible.

COMPARISON CHART OF AMENDMENTS TO THE ARTICLES OF ASSOCIATION
OF BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO.,
LIMITED (DRAFT)

No.	Existing Articles	Amended Articles
	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
1	<p>Article 1. To safeguard the legal interests of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”), its shareholders and creditors and to regulate the organization and behaviour of the Company, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “Company Law”), Securities Law of the People’s Republic of China (中華人民共和國證券法), the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定) (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款), the Circular regarding Opinions on Supplements and Amendments of Articles of Association of Companies to be Listed in Hong Kong (關於到香港上市公司對公司章程作補充修改的意見的函), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules of the Stock Exchange”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (the “Listing Rules of the SSE”), the Guidance for the Articles of Association of Listed Companies 《(上市公司章程指引)》 (the “Guidance for the Articles of Association”), the Constitution of the Communist Party of China (中國共產黨章程) (the “Constitution”) and other relevant regulations.</p>	<p>Article 1. To safeguard the legal interests of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”), its shareholders and creditors and to regulate the organization and behaviour of the Company, the Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (中華人民共和國公司法) (the “Company Law”), Securities Law of the People’s Republic of China (中華人民共和國證券法), the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (國務院關於股份有限公司境外募集股份及上市的特別規定) (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (到境外上市公司章程必備條款), the Circular regarding Opinions on Supplements and Amendments of Articles of Association of Companies to be Listed in Hong Kong (關於到香港上市公司對公司章程作補充修改的意見的函), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules of the Stock Exchange”), the Constitution of the Communist Party of China (中國共產黨章程) (the “Constitution”), the Guidance for the Articles of Association of Listed Companies 《(上市公司章程指引)》 (the “Guidance for the Articles of Association”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (the “Listing Rules of the SSE”) and other relevant regulations.</p>
2	None	<p>Article 3. The Company obtained approval from The Stock Exchange of Hong Kong Limited on 8 July 2014, to issue an initial of 306,670,000 overseas listed foreign shares to overseas investors which were subscribed in foreign currency. The 306,670,000 shares were listed on The Stock Exchange of Hong Kong Limited on 8 July 2014. On [●], the Company obtained approval from China Securities Regulatory Commission to issue [●] RMB ordinary shares to domestic investors and were listed on the Shanghai Stock Exchange on [●].</p>

No.	Existing Articles	Amended Articles
3	<p>Article 7 The Articles of Association are passed by way of special resolution at the general meeting of the Company with approval of the relevant authorities of the State, and come into effect from the date of listing of the Company's overseas-listed foreign shares on the Stock Exchange of Hong Kong Limited Stock Exchange (hereafter referred to as "Hong Kong Stock Exchange"). The Company's original articles of association registered with the relevant administration for industry and commerce shall be superseded by the Articles of Association.</p> <p>As of the date when the Articles of Association become effective, the Articles of Association constitute a legally binding document regulating the Company's organization and behaviour, and the rights and obligations between the Company and the shareholders and among the shareholders.</p>	<p>Article 8. The Articles of Association are passed by way of special resolution at the general meeting of the Company with approval of the relevant authorities of the State, and come into effect from the date of the Company's initial public offering of domestic-listed RMB ordinary shares and listing on the Shanghai Stock Exchange ("SSE"). The Company's original articles of association registered with the relevant administration for industry and commerce shall be superseded by the Articles of Association.</p> <p>As of the date when the Articles of Association become effective, the Articles of Association constitute a legally binding document regulating the Company's organization and behaviour, and the rights and obligations between the Company and the shareholders and among the shareholders.</p>
	CHAPTER III SHARES, SHARE TRANSFER AND REGISTERED CAPITAL	CHAPTER III SHARES, SHARE TRANSFER AND REGISTERED CAPITAL
4	<p>Article 18. Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currencies are referred to as foreign shares. Foreign shares which are listed overseas are referred to as overseas-listed foreign shares.</p> <p>The term "foreign currencies" referred to in the preceding paragraph means the legal currencies (other than RMB) of other countries or regions which are recognized by the competent authorities of the state administration of foreign exchange for the payment of share subscription to the Company.</p> <p>The overseas listed foreign shares of the Company listed in Hong Kong shall refer to as H shares. H shares are shares which are listed on The Hong Kong Stock Exchange upon approval with a par value denominated in Renminbi and are subscribed and traded in Hong Kong dollars.</p> <p>Upon obtaining an approval from the competent securities regulatory authority of the State Council, holders of domestic shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded overseas. Shares transferred and listed on an overseas stock exchange shall also be subject to the regulatory procedures, regulations and requirements of the overseas securities market. The listing and trading of the transferred shares in overseas stock exchanges do not require voting at any meeting of class shareholders.</p>	<p>Article 19. Shares issued by the Company to domestic investors for subscription in Renminbi are referred to as domestic shares. Shares issued by the Company to overseas investors for subscription in foreign currencies are referred to as foreign shares. Foreign shares which are listed overseas are referred to as overseas-listed foreign shares.</p> <p>The term "foreign currencies" referred to in the preceding paragraph means the legal currencies (other than RMB) of other countries or regions which are recognized by the competent authorities of the state administration of foreign exchange for the payment of share subscription to the Company.</p> <p>Domestic-listed shares issued by the Company are centrally deposited with a depository institution in accordance with relevant requirements; overseas-listed foreign shares issued by the Company may be deposited with a nominee company in accordance with the laws and requirements of securities registration and depository of the place where the shares are listed, or may also be held by shareholders in their own name.</p> <p>Upon obtaining an approval from the competent securities regulatory authority of the State Council, holders of domestic shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded overseas. Shares transferred and listed on an overseas stock exchange shall also be subject to the regulatory procedures, regulations and requirements of the overseas securities market. The listing and trading of the transferred shares in overseas stock exchanges do not require voting at any meeting of class shareholders.</p>

No.	Existing Articles	Amended Articles
5	<p>Article 20. The share capital structure of the Company shall be as follows: 1,348,670,000 ordinary shares, of which 960,733,000 shares are domestic shares, among which, 571,031,118 shares are held by Beijing Urban Construction Group Co., Ltd.; 87,850,942 shares are held by Beijing Infrastructure Investment Co., Ltd.; 76,000,000 shares are held by Beijing Chengtong Enterprise Management Center (general partnership) (北京城通企業管理中心(普通合夥)); 46,000,000 shares are held by Beijing Jinguofa Equity Investment Fund (Limited Partnership); 43,925,470 shares are held by Beijing Rail Transit Construction and Management Co., Ltd.; 43,925,470 shares are held by Beijing Gonglian Highway Connect Line Co., Ltd.; 46,000,000 shares are held by Beijing Jinguochuang Advantage Industry Fund (Limited Partnership) (北京京國創優勢產業基金(有限合夥)); 23,184,000 shares are held by Beijing Shengda Xingye Real Estate Development Co., Ltd. (北京盛達興業房地產開發有限公司); 22,816,000 shares are held by Beijing You Neng Shang Zhuo Venture Capital Fund (LLP). The remaining 387,937,000 shares are H shares.</p>	<p>Article 21. Before the Company's initial public offering of domestic-listed shares and its listing, the share capital structure of the Company shall be as follows: 1,348,670,000 ordinary shares, of which 960,733,000 shares are domestic shares, among which, 571,031,118 shares are held by Beijing Urban Construction Group Co., Ltd.; 87,850,942 shares are held by Beijing Infrastructure Investment Co., Ltd.; 76,000,000 shares are held by Beijing Chengtong Enterprise Management Center (general partnership) (北京城通企業管理中心(普通合夥)); 46,000,000 shares are held by Beijing Jinguofa Equity Investment Fund (Limited Partnership); 43,925,470 shares are held by Beijing Rail Transit Construction and Management Co., Ltd.; 43,925,470 shares are held by Beijing Gonglian Highway Connect Line Co., Ltd.; 46,000,000 shares are held by Beijing Jinguochuang Advantage Industry Fund (Limited Partnership) (北京京國創優勢產業基金(有限合夥)); 23,184,000 shares are held by Beijing Shengda Xingye Real Estate Development Co., Ltd. (北京盛達興業房地產開發有限公司); 22,816,000 shares are held by Beijing You Neng Shang Zhuo Venture Capital Fund (LLP). The remaining 387,937,000 shares are H shares.</p> <p>[●] domestic-listed shares will be issued upon initial public offering of the Company and listed on Shanghai Stock Exchange. After the initial public offering and listing of domestic-listed shares, the ordinary share capital of the Company comprises: [●] ordinary shares, including [●] domestic-listed shares, accounting for approximately [●]% of the total number of ordinary shares that may be issued by the Company; and [●] overseas-listed foreign shares, accounting for approximately [●]% of the total number of ordinary shares that may be issued by the Company.</p>

No.	Existing Articles	Amended Articles
6	<p>Article 21. Upon approval by the competent securities regulatory authority of the State Council of the Company's proposal for issue of overseas listed foreign shares and domestic shares, the board of directors of the Company may make implementation arrangements for separate share issues.</p> <p>The Company's arrangement for separate issue of overseas listed foreign shares and domestic shares pursuant to the preceding paragraph may be implemented within fifteen months from the date of approval by the competent securities regulatory authority of the State Council.</p>	<p>Article 22. Upon approval by the competent securities regulatory authority of the State Council of the Company's proposal for issue of overseas listed foreign shares and domestic shares, the board of directors of the Company may make implementation arrangements for separate share issues.</p> <p>The Company's arrangement for separate issue of overseas listed foreign shares and domestic shares pursuant to the preceding paragraph may be implemented within fifteen months from the date of approval by the competent securities regulatory authority of the State Council, except as otherwise provided by the securities regulatory authority of the State Council.</p>
7	<p>Article 23. The Company has a registered capital of RMB1,348,670,000.</p>	<p>Article 24. The Company has a registered capital of RMB[●].</p>
8	<p>Article 24. The Company may, subject to its business operation and development needs, approve an increase in its capital in accordance with the relevant provisions of the Articles of Association.</p> <p>The Company may increase its capital in the following ways:</p> <ol style="list-style-type: none"> (1) offering of new shares to non-specific investors; (2) placing of new shares to existing shareholders; (3) allotment of new shares to existing shareholders; (4) issuance of new shares to specific investors; (5) converting its public reserve funds into share capital; or (6) other methods permitted by laws and administrative regulations and approved by competent securities regulatory authority of the State Council. <p>Any increase in capital of the Company by way of issuing new shares shall be subject to approval under the Articles of Association and completion of the relevant procedures as prescribed by the relevant laws and administrative regulations of the State.</p>	<p>Article 25. The Company may, subject to its business operation and development needs, approve an increase in its capital in accordance with the relevant provisions of the Articles of Association.</p> <p>The Company may increase its capital in the following ways:</p> <ol style="list-style-type: none"> (1) public issue of shares; (2) non-public issue of shares; (3) allotment of new shares to existing shareholders; (4) converting its public reserve funds into share capital; (5) other methods permitted by laws and administrative regulations and approved by competent securities regulatory authority of the State Council. <p>Any increase in capital of the Company by way of issuing new shares shall be subject to approval under the Articles of Association and completion of the relevant procedures as prescribed by the relevant laws and administrative regulations of the State.</p>

No.	Existing Articles	Amended Articles
	CHAPTER IV CAPITAL REDUCTION AND REPURCHASE OF SHARES	CHAPTER IV CAPITAL REDUCTION AND REPURCHASE OF SHARES
9	<p>Article 28. The Company may, in accordance with the procedures set out in the Articles of Association and with the approval of the relevant competent authority of the State, repurchase its outstanding shares in issue under the following circumstances:</p> <p>(1) cancellation of shares for the purposes of reducing its capital;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) using the shares for the purpose of employee stock ownership plan or as equity incentives;</p> <p>(4) acquiring the shares of dissident shareholders (upon their request) who vote against any resolution adopted at any general meetings on the merger or division of the Company;</p> <p>(5) using the shares for conversion of corporate bonds which are convertible into shares issued by the Company;</p> <p>(6) such circumstances that are necessary for the Company to safeguard its value and the interests of its shareholders; and</p> <p>(7) such other circumstances as permitted by the laws and administrative regulations.</p> <p>Where the Company repurchases shares under the circumstances as required in items (1) and (2) of the preceding paragraph in the Articles of Association, it shall be subject to resolution at the shareholders' general meeting. Where the Company repurchases shares under the circumstances as required in items (3), (5) and (6) of the preceding paragraph, it shall be subject to resolution at the board meeting with over two-thirds of directors present.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the repurchase of shares, such provisions shall prevail.</p>	<p>Article 29. The Company shall not acquire its own shares, except in one of the following circumstances:</p> <p>(1) reducing the Company's capital;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) using the shares for the purpose of employee stock ownership plan or as equity incentives;</p> <p>(4) acquiring the shares of dissident shareholders (upon their request) who vote against any resolution adopted at any general meetings on the merger or division of the Company;</p> <p>(5) using the shares for conversion of corporate bonds which are convertible into shares issued by the Company;</p> <p>(6) such circumstances that are necessary for the Company to safeguard its value and the interests of its shareholders; and</p> <p>(7) such other circumstances as permitted by the laws and administrative regulations.</p> <p>Where the Company repurchases shares under the circumstances as required in items (1) and (2) of the preceding paragraph in the Articles of Association, it shall be subject to resolution at the shareholders' general meeting. Where the Company repurchases shares under the circumstances as required in items (3), (5) and (6) of the preceding paragraph, it may, in accordance with the provisions of the Articles of Association or as authorized by the general meeting, be resolved at the board meeting with over two-thirds of directors present.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the repurchase of shares, such provisions shall prevail.</p>

No.	Existing Articles	Amended Articles
10	<p>Article 29. Repurchase of shares by the Company upon the approval of the competent authority of the State may be conducted by one of the following means:</p> <p>(1) making a repurchase offer to all shareholders in proportion to their respective shareholdings;</p> <p>(2) repurchase through public dealings on stock exchanges;</p> <p>(3) to repurchase by agreements outside stock exchanges; or</p> <p>(4) such other circumstances as permitted by the laws and administrative regulations and approved by the regulatory authority.</p> <p>Where the Company repurchases shares under the circumstances as required in items (3), (5) and (6) of Article 28 of the Articles of Association, it shall be conducted through open and centralized trading.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the repurchase of shares, such provisions shall prevail.</p>	<p>Article 30. Repurchase of shares by the Company upon the approval of the competent authority of the State may be conducted by one of the following means:</p> <p>(1) making a repurchase offer to all shareholders in proportion to their respective shareholdings;</p> <p>(2) repurchase through public dealings on stock exchanges;</p> <p>(3) to repurchase by agreements outside stock exchanges; or</p> <p>(4) such other circumstances as permitted by the laws and administrative regulations and approved by the regulatory authority.</p> <p>Where the Company repurchases shares under the circumstances as required in items (3), (5) and (6) of Article 29 of the Articles of Association, it shall be conducted through open and centralized trading.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the repurchase of shares, such provisions shall prevail.</p>

No.	Existing Articles	Amended Articles
11	<p>Article 31. After the Company has repurchased its shares according to provision 1 of Article 28, the shares repurchased under the circumstances as required in paragraph (1) shall be cancelled within ten days from the date of repurchase; the shares repurchased under the circumstances as required in items (2) and (4) shall be transferred or cancelled within six months; where the shares have been repurchased under the circumstances as required in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the cancellation of repurchased shares, such provisions shall prevail.</p>	<p>Article 32. After the Company has repurchased its shares according to provision 1 of Article 29, the shares repurchased under the circumstances as required in paragraph (1) shall be cancelled within ten days from the date of repurchase; the shares repurchased under the circumstances as required in items (2) and (4) shall be transferred or cancelled within six months; where the shares have been repurchased under the circumstances as required in items (3), (5) and (6), the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company, and shall be transferred or cancelled within three years.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p> <p>Where the relevant provisions of the securities regulatory authority at the places where the Company's shares are listed have any other provisions in respect of the cancellation of repurchased shares, such provisions shall prevail.</p>
	CHAPTER V FINANCIAL ASSISTANCE FOR PURCHASE OF THE COMPANY'S SHARES	CHAPTER V FINANCIAL ASSISTANCE FOR PURCHASE OF THE COMPANY'S SHARES
12	<p>Article 33. The Company or its subsidiaries shall not, by any means and at any time, provide any kind of financial assistance to a person who is acquiring or intends to acquire shares of the Company. The person who purchases shares in the Company set forth above includes any person who directly or indirectly assumes any obligations as a result of the acquisition of shares in the Company.</p> <p>The Company or its subsidiaries shall not, by any means and at any time, provide financial assistance to the aforementioned obligor for the purpose of reducing or discharging the obligations assumed by him.</p> <p>This Article shall not apply to the circumstances referred to in Article 35 in this Chapter.</p>	<p>Article 34. The Company or its subsidiaries shall not, by any means and at any time, provide any kind of financial assistance to a person who is acquiring or intends to acquire shares of the Company. The person who purchases shares in the Company set forth above includes any person who directly or indirectly assumes any obligations as a result of the acquisition of shares in the Company.</p> <p>The Company or its subsidiaries shall not, by any means and at any time, provide financial assistance to the aforementioned obligor for the purpose of reducing or discharging the obligations assumed by him.</p> <p>This Article shall not apply to the circumstances referred to in Article 36 in this Chapter.</p>
13	<p>Article 35. The following behaviours shall not be deemed to be behaviours as prohibited by Article 33:</p> <p>.....</p>	<p>Article 36. The following behaviours shall not be deemed to be behaviours as prohibited by Article 34:</p> <p>.....</p>

No.	Existing Articles	Amended Articles
	CHAPTER VI SHARE CERTIFICATES AND REGISTER OF MEMBERS	CHAPTER VI SHARE CERTIFICATES AND REGISTER OF MEMBERS
14	<p>Article 38. The Company shall keep a register of members which shall register the following particulars:</p> <p>.....</p> <p>The transfer and transmission of shares shall be registered with the overseas share transfer register appointed by the Company. The Company must instruct and urge its share transfer register to deny requests to register share subscription, purchase or transfer under the name of any individual holder, unless and until the individual file the transfer form of such shares with proper signatures with the share transfer register.</p> <p>All behaviours or transfer of overseas listed foreign shares will be recorded in the register of members of overseas listed foreign shares which is kept in the place where such shares are listed pursuant to the provisions of Article 39 herein.</p> <p>When two or more persons are registered as joint holders of any shares, they shall be deemed to be joint owners of such shares and subject to the following terms:</p> <p>.....</p> <p>(3) in case one of the joint holders has deceased, only the surviving joint holders shall be deemed by the Company to be the persons having ownership of the relevant shares. But the board of directors shall have the right, for the purpose of making amendments to the register of members, to demand evidence of death of relevant shareholder where it deems appropriate; and</p> <p>.....</p>	<p>Article 39. The Company shall keep a register of members which shall register the following particulars:</p> <p>.....</p> <p>The transfer of overseas-listed foreign shares listed in Hong Kong shall be registered with the overseas share transfer register in Hong Kong appointed by the Company. The Company must instruct and urge its share transfer register to deny requests to register share subscription, purchase or transfer under the name of any individual holder, unless and until the individual file the transfer form of such shares with proper signatures with the share transfer register.</p> <p>All behaviours or transfer of overseas listed foreign shares will be recorded in the register of members of overseas listed foreign shares which is kept in the place where such shares are listed pursuant to the provisions of Article 40 herein.</p> <p>When two or more persons are registered as joint holders of any shares, they shall be deemed to be joint owners of such shares and subject to the following terms:</p> <p>.....</p> <p>(3) in case one of the joint holders has deceased, only the surviving joint holders shall be deemed by the Company to be the persons having ownership of the relevant shares. But the board of directors shall have the right, for the purpose of making amendments to the register of members, to demand evidence of death documents of relevant shareholder where it deems appropriate; and</p> <p>.....</p>

No.	Existing Articles	Amended Articles
15	<p>Article 42. All fully paid-up overseas-listed foreign shares listed in Hong Kong are freely transferable pursuant to the Articles of Association. The board may refuse to recognize any instrument of transfer without explanation unless such transfer meets the following conditions:</p> <p>(1) The relevant expenses have been paid to the Company according the fee schedule set out in the Listing Rules for registration of transfer and other documents relating to or which will affect the right of ownership of the shares;</p> <p>.....</p> <p>If the board of directors refuses to register the transfer of shares, it shall provide a notice of refusal to both the transferor and the transferee within two months from the date of the formal application of such transfer.</p> <p>The directors, supervisors and other senior management of the Company shall declare to the Company any shares held by them and the change of such shareholding; every year during the term of their office, they shall not transfer shares exceeding 25% of the total number of shares of the Company they held; the shares of the Company they held are not transferable within one year from the listing date of the H shares. They shall not transfer the shares of the Company within six months from the termination of office.</p> <p>The Company shall not accept any shares of the Company as the subject of pledge.</p>	<p>Article 43. All fully paid-up overseas-listed foreign shares listed in Hong Kong are freely transferable pursuant to the Articles of Association. The board may refuse to recognize any instrument of transfer without explanation unless such transfer meets the following conditions:</p> <p>(1) The relevant expenses have been paid to the Company according the fee schedule set out in the Listing Rules for registration of transfer and other documents relating to or which will affect the right of ownership of the shares;</p> <p>.....</p> <p>Shares of the Company held by promoters shall not be transferred within 1 year from the incorporation date of the Company. Shares that have been issued before public offering of domestic listed shares of the Company (apart from overseas-listed foreign shares listed in Hong Kong) shall not be transferred within 1 year from the date that the shares of the Company are listed and traded on a stock exchange.</p> <p>The directors, supervisors and other senior management of the Company shall declare to the Company any shares held by them and the change of such shareholding; every year during the term of their office, they shall not transfer shares exceeding 25% of the total number of shares of the Company they held; the shares of the Company they held are not transferable within one year from the date that the shares of the Company are listed and traded. They shall not transfer the shares of the Company within six months from the termination of office.</p>

No.	Existing Articles	Amended Articles
		<p>Shareholders holding more than 5% of the Company's shares, directors, supervisors or senior management of the Company who sell the Company's shares or other securities with an equity nature within 6 months after buying, or purchase it within 6 months after selling, the benefit from the exchange will accrue to the Company, and the Board of the Company will forfeit his gains. However, if the securities company which underwrites the stocks of the Company holds more than 5% of the Company shares due to their role as the underwriter purchasing all the unsold stock, and other cases as prescribed by the CSRC occur, the said provision shall not be applicable.</p> <p>The shares or other securities with an equity nature held by any director, supervisor, senior management and natural person shareholder referred to in the preceding paragraph include the shares or other securities with an equity nature held by their spouses, parents and children and under accounts of other persons.</p> <p>If the Board of the Company does not perform in accordance with the above paragraphs, the Shareholders have the right to request the Board of the Company to execute it within 30 days. If the Board does not execute it within that time limit, the Shareholders are entitled to directly file a suit in the People's Court for the benefit of the company in their own names. If the Board of the Company does not perform in accordance with the above paragraphs, the responsible Director shall bear joint liabilities according to laws.</p> <p>The Company shall not accept any shares of the Company as the subject of pledge.</p>

No.	Existing Articles	Amended Articles
16	<p data-bbox="300 321 427 342">Article 47</p> <p data-bbox="300 389 815 519">If a holder of domestic shares misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for reissue, it shall be dealt with in accordance with the relevant provisions of the Company Law.</p> <p data-bbox="300 566 815 761">If a holder of overseas listed foreign misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for reissuance, it may be dealt with in accordance with the relevant laws and the rules of the stock exchange or other relevant regulations of the place where the original register of members of overseas listed foreign shares is maintained.</p> <p data-bbox="300 808 815 938">If a holder of H shares misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for a replacement share certificate, such share certificate shall be issued in compliance with the following requirements:</p> <p data-bbox="300 985 815 1251">(1) the applicant shall submit an application to the Company in prescribed form accompanied by a notarial certificate or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the misplacement, stealth and loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the holder of the relevant shares.</p> <p data-bbox="300 1298 336 1319">.....</p>	<p data-bbox="837 321 965 342">Article 48</p> <p data-bbox="837 389 1353 519">If a holder of domestic-listed shares misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for reissue, it shall be dealt with in accordance with the relevant provisions of the Company Law.</p> <p data-bbox="837 566 1353 761">If a holder of overseas listed foreign misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for reissuance, it may be dealt with in accordance with the relevant laws and the rules of the stock exchange or other relevant regulations of the place where the original register of members of overseas listed foreign shares is maintained.</p> <p data-bbox="837 808 1353 974">If a holder of overseas-listed foreign shares listed in Hong Kong misplaces, loses his/her share certificate or has his/her share certificate stolen and applies for a replacement share certificate, such share certificate shall be issued in compliance with the following requirements:</p> <p data-bbox="837 1021 1353 1287">(1) the applicant shall submit an application to the Company in prescribed form accompanied by a notarial certificate or statutory declaration documents, containing the grounds upon which the application is made and the circumstances and evidence of the misplacement, stealth and loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the holder of the relevant shares.</p> <p data-bbox="837 1334 874 1355">.....</p>

No.	Existing Articles	Amended Articles
	CHAPTER VII SHAREHOLDERS' RIGHTS AND OBLIGATIONS	CHAPTER VII SHAREHOLDERS' RIGHTS AND OBLIGATIONS
17	<p>Article 51. Holders of ordinary shares of the Company shall be entitled to the following rights:</p> <p>(1) the right to dividends and other profit distributions in proportion to the number of shares held;</p> <p>(2) the right to attend or appoint a proxy to attend the shareholders' general meetings and to exercise the voting right there at;</p> <p>(3) the right to supervise and manage, present proposals or raise enquiries about the Company's business operations;</p> <p>(4) to transfer the shares held by them in accordance with the laws, administrative regulations and the listing rule of the stock exchange where the Company has its shares listed and the Articles of Association;</p> <p>.....</p> <p>(6) to participate in the distribution of the residual assets of the Company in proportion to the number of shares held in the event of termination or liquidation of the Company; and</p> <p>(7) other rights conferred by the laws, administrative regulations and the Articles of Association.</p>	<p>Article 52. Holders of ordinary shares of the Company shall be entitled to the following rights:</p> <p>(1) the right to dividends and other profit distributions in proportion to the number of shares held;</p> <p>(2) to law fully request, convene, preside over, attend or appoint a proxy to attend the shareholders' general meetings and to exercise the corresponding voting right there at;</p> <p>(3) the right to supervise and manage, present proposals or raise enquiries about the Company's business operations;</p> <p>(4) to transfer, give as a gift, or pledge its shares held by them in accordance with the laws, administrative regulations and the listing rule of the stock exchange where the Company has its shares listed and the Articles of Association;</p> <p>.....</p> <p>(6) to participate in the distribution of the residual assets of the Company in proportion to the number of shares held in the event of termination or liquidation of the Company;</p> <p>(7) to demand the Company to purchase its shares held by shareholders who disagree with the resolutions adopted at a shareholders' general meeting in relation to the merger or division of the Company;</p> <p>(8) other rights conferred by the laws, administrative regulations, departmental rules and the Articles of Association.</p> <p>Where a shareholder requests to inspect the relevant information as set forth in above paragraphs or obtains such materials, such shareholder shall provide the Company with written documents evidencing the class and number of shares held by them in the Company. The Company shall provide such information or materials at the request by such shareholder after verification of such shareholder's identity.</p>

No.	Existing Articles	Amended Articles
18	None	<p>Article 53. If the content of any resolution of the general meeting or the Board of the Company is in violation of laws and administrative regulations, the shareholders shall be entitled to apply to the People's Court for being deemed as invalid. If the convening procedure or voting method of the general meeting or the Board meeting is in violation of laws, administrative regulations or the Articles of Association, or if the content of any resolution is in violation of the Articles of Association, the shareholders shall be entitled to apply to the People's Court for revocation within 60 days after the resolution being adopted.</p>
19	None	<p>Article 54. If any Director or senior management violates the requirements of laws, administrative regulations or the Articles of Association in fulfilling their duties, thereby causing any loss to the Company, the shareholder(s) individually or jointly holding 1% or more of the shares of the Company for 180 or more consecutive days shall be entitled to request the Board of Supervisors in writing to institute legal proceedings to the People's Court. If the Board of Supervisors violates the requirements of laws, administrative regulations or the Articles of Association in fulfilling its duties, thereby causing any loss to the Company, the shareholders shall be entitled to request the Board in writing to institute legal proceedings to the People's Court.</p> <p>If the Board of Supervisors or the Board refuses to institute legal proceedings after receipt of the aforesaid written request from the shareholders or does not institute legal proceedings within 30 days after receipt of the said request, or if the circumstance is urgent and any delay of legal proceedings may cause irreparable damage to the interests of the Company, the shareholders as specified in the preceding paragraphs shall be entitled to directly institute legal proceedings to the People's Court in their own names for the interests of the Company.</p> <p>If any other person infringes upon the legitimate rights and interests of the Company, thereby causing any loss to the Company, the shareholder(s) as mentioned in the first paragraph of this Article may institute legal proceedings to the People's Court according to the provisions of the two preceding paragraphs.</p>
20	None	<p>Article 55. If any Director or senior management violates the requirements of laws, administrative regulations or the Articles of Association, thereby causing any loss to the shareholders, the shareholders may institute legal proceedings to the People's Court.</p>

No.	Existing Articles	Amended Articles
21	<p>Article 52. Holders of ordinary shares of the Company shall assume the following obligations:</p> <ol style="list-style-type: none"> (1) to comply with the Articles of Association; (2) to pay subscription money according to the number of shares subscribed and the method of subscription; (3) not to abuse the rights of shareholders to damage the interests of the Company or other shareholders; a shareholder who abuses shareholder's right shall be liable for indemnification to any loss so caused to the Company or other shareholders according to law; (4) substantial shareholders shall report to board of directors in a timely, truthful and complete manner the list of its contacts and the information on its connected transactions among others; (5) to assume other obligations as required by the laws, administrative regulations and the Articles of Association. <p>Shareholders shall not be liable to make any further contributions to the share capital other than according to the terms agreed by the subscribers at the time of share subscription.</p>	<p>Article 56. Holders of ordinary shares of the Company shall assume the following obligations:</p> <ol style="list-style-type: none"> (1) to comply with laws, administrative regulations and the Articles of Association; (2) to pay subscription money according to the number of shares subscribed and the method of subscription; (3) except as otherwise provided by laws and regulations, withdrawal of share capital shall not be permitted; (4) not to abuse the rights of shareholders to damage the interests of the Company or other shareholders; not to abuse the independent status of legal person of the Company or shareholder's limited liability to prejudice the interests of the creditors of the Company; a shareholder who abuses shareholder's right shall be liable for indemnification to any loss so caused to the Company or other shareholders according to law; where shareholders of the Company abuse the independent status of legal person of the Company or shareholder's limited liability for the purposes of evading repayment of debts, thereby materially impairing the interests of the creditors of the Company, such shareholders shall be jointly and severally liable for the debts owed by the Company; (5) substantial shareholders shall report to board of directors in a timely, truthful and complete manner the list of its contacts and the information on its connected transactions among others; (6) to assume other obligations as required by the laws, administrative regulations and the Articles of Association. <p>Shareholders shall not be liable to make any further contributions to the share capital other than according to the terms agreed by the subscribers at the time of share subscription.</p>
22	None	<p>Article 57. If any shareholder holding more than 5% voting shares of the Company pledges its shares, the said shareholder shall submit a written report to the Company on the date on which the said pledge is executed.</p>

No.	Existing Articles	Amended Articles
23	None	<p>Article 58. The controlling shareholders and actual controllers of the Company shall not use the connected relations to damage the interests of the Company; otherwise, they shall make compensation for the loss incurred to the Company.</p> <p>The controlling shareholders and actual controllers of the Company shall be honest to the Company and general public shareholders of the Company. The controlling shareholders shall duly exercise contributors' rights according to law, shall not damage the legitimate rights and interests of the Company and general public shareholders by such means as profit distribution, asset reorganization, external investment, fund appropriation and loan guarantee and shall not abuse its controlling status to damage the interests of the Company and general public shareholders.</p>
24	<p>Article 53. In addition to obligations imposed by the laws, administrative regulations or required by the listing rules of the stock exchange(s) where the Company has its shares listed, a controlling shareholder (as defined in Article 54) shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders of the Company:</p> <p>.....</p>	<p>Article 59. In addition to obligations imposed by the laws, administrative regulations or required by the listing rules of the stock exchange(s) where the Company has its shares listed, a controlling shareholder (as defined in Article 60) shall not exercise his voting rights in respect of the following matters in a manner prejudicial to the interests of all or some of the shareholders of the Company:</p> <p>.....</p>
	CHAPTER VIII SHAREHOLDERS' GENERAL MEETING	CHAPTER VIII SHAREHOLDERS' GENERAL MEETING
25	None	Section 1 General Provisions on Shareholders' General Meetings

No.	Existing Articles	Amended Articles
26	<p>Article 56. The general meeting shall exercise the following functions and powers:</p> <p>(1) to decide the Company's operational policies and investment plans;</p> <p>(2) to elect and replace directors and decide on the matters relating to the remuneration of the relevant directors;</p> <p>(3) to elect and replace supervisors who are appointed from the shareholders' representatives and decide on matters relating to their remuneration;</p> <p>.....</p> <p>(14) to resolve on other matters which are required to be resolved at general meetings under the laws, administrative regulations, and the Articles of Association;</p> <p>(15) to authorize and entrust the board of directors to handle any matters authorized and entrusted thereto.</p>	<p>Article 62. The general meeting shall exercise the following functions and powers:</p> <p>(1) to decide the Company's operational policies and investment plans;</p> <p>(2) to elect and replace directors who are non-employee's representatives and decide on the matters relating to the remuneration of the relevant directors;</p> <p>(3) to elect and replace supervisors who are appointed from the non-employee's representatives and decide on matters relating to their remuneration;</p> <p>.....</p> <p>(14) to resolve matters relating to external guarantees which require approval at the general meeting as required by the laws, administrative regulations, department rules and the Articles of Associations;</p> <p>(15) to consider matters relating to the purchases and disposals of the Company's material assets within one year, which exceed 30% of the Company's latest audited total assets;</p> <p>(16) to consider and approve matters relating to the change of use of proceeds;</p> <p>(17) to consider share-based incentive schemes and employee stock ownership plans;</p> <p>(18) to consider other matters which are required to be resolved at general meetings under the laws, administrative regulations, department rules, rules required by the stock exchange on which shares of the Company are listed and the Articles of Association;</p> <p>(19) to consider matters that the general meeting may authorize and entrust the board of directors to handle.</p>

No.	Existing Articles	Amended Articles
27	None	<p>Article 63. The following external guarantees provided by the Company shall be considered at the general meeting:</p> <ol style="list-style-type: none"> (1) any subsequent guarantee provided after the total amount of external guarantee by the Company and its subsidiaries has exceeded 50% of the latest audited net assets; (2) any subsequent guarantee provided after the total amount of external guarantee by the Company and its subsidiaries has exceeded 30% of the latest audited total assets; (3) the amount of guarantees provided by the Company within one year has exceeded 30% of the latest audited total assets; (4) any guarantee which is provided to the principal whose asset-liability ratio exceeds 70%; (5) the amount of any single guarantee exceeding 10% of the latest audited net assets; (6) guarantees provided to shareholders, actual controllers and its connected parties; (7) guarantees provided to connected persons; and (8) other external guarantees required by the laws, administrative regulations, department rules, regulations of the stock exchange where the Company's share is listed and the Articles of Association. <p>The guarantee within the authority of the board of directors requires not only the approval of more than half of all the Directors, but also the approval of more than two-thirds of the Directors attending the board meeting; the above guarantee in item (3) shall be approved by shareholders holding two-thirds of voting rights who present at the general meeting.</p> <p>When provision of any guarantee to shareholder, actual controller and its connected parties is considered at the general meeting, such shareholder or any shareholder controlled by the said actual controller shall not vote on such matters.</p>
28	Article 57. The Company shall not, without prior approval of shareholders' general meeting, enter into any contract with any person other than a director, supervisor, general manager and other senior management members whereby the administration of the whole or any substantial part of the business of the Company is to be handed over to such person.	Article 64. Without approval by way of special resolution is obtained in a general meeting, the Company shall not enter into any contract with any person other than a director, supervisor, general manager and other senior management members whereby the administration of the whole or any substantial part of the business of the Company is to be handed over to such person, save for special circumstances such as the Company is in a crisis.

No.	Existing Articles	Amended Articles
29	<p>Article 58. Shareholders' general meeting include annual general meetings and extraordinary general meetings. Shareholders' general meetings shall be convened by the board of directors. The annual general meeting is held once a year, and shall take place within six months after the end of the previous accounting year.</p> <p>Under any of the following circumstances, the board shall convene an extraordinary general meeting within 2 months:</p> <ol style="list-style-type: none"> (1) where the number of directors falls below the number as specified in the Company Law or is less than two-thirds of directors as provided in the Articles of Association; (2) where the amount of unrecovered losses of the Company represents one-third of the total share capital of the Company; (3) where shareholders who hold, alone or in aggregate, 10% or more of the shares outstanding of the Company with voting rights request in writing to convene an extraordinary general meeting; (4) whenever the board of directors deems necessary or when proposed by the supervisory board or more than two independent directors; (5) whenever required by the securities regulatory authorities; (6) other circumstances as specified by the Articles of Association. <p>The number of shares held by shareholders as stipulated in item (3) above shall be calculated based on the date on which the shareholders make a request in writing. Such shareholders shall also sign written requests in one or more counterparts and submit a clear agenda and proposals to the board of directors.</p>	<p>Article 65. Shareholders' general meeting include annual general meetings and extraordinary general meetings. The annual general meeting is held once a year, and shall take place within six months after the end of the previous accounting year.</p> <p>Under any of the following circumstances, the Company shall convene an extraordinary general meeting within two months from the date upon which the circumstance occurs:</p> <ol style="list-style-type: none"> (1) where the number of directors falls short of the quorum stipulated in the Company Law or is less than two thirds of the number specified in the Articles of Association; (2) where the amount of unrecovered losses of the Company represents one-third of the total paid-in share capital of the Company; (3) where shareholders who hold, alone or in aggregate, 10% or more of the shares outstanding of the Company with voting rights request in writing to convene an extraordinary general meeting; (4) whenever the board of directors deems necessary or when proposed by the supervisory board or more than half of independent (non – executive) directors; (5) whenever required by the securities regulatory authorities; (6) other circumstances stipulated by laws, administrative regulations, departmental rules or the Articles of Association occur. <p>The number of shares held by shareholders as stipulated in item (3) above shall be calculated based on the date on which the shareholders make a request in writing. Such shareholders shall also sign written requests in one or more counterparts and submit a clear agenda and proposals to the board of directors.</p>

No.	Existing Articles	Amended Articles
30	None	<p>Article 66. The location for convening the general meeting of the Company shall be the place where the Company's domicile is or other locations set out in the notice of the general meeting.</p> <p>A venue shall be set for the general meeting which shall be convened on-site. The Company may facilitate shareholders at the general meeting by offering safe, economic and convenient network or other means in accordance with laws, administrative regulations, regulations of the competent securities authorities of the State Council and the Articles of Association. Any shareholders who participate in the meeting in the aforesaid manner shall be deemed as present. The holders of overseas listed foreign invested shares will not be provided with online voting access.</p>
31	None	<p>Article 67. When convening the general meeting, the Company will engage legal counsels to issue legal opinion on the following matters and make public announcement:</p> <ol style="list-style-type: none"> (1) whether the convening and holding procedures of the meeting are in compliance with laws, administrative regulations and the Articles of Association; (2) whether the qualifications of persons attending the meeting and the convener are legitimate and valid; (3) whether the procedures and results of the voting are legitimate and valid; and (4) legal opinion provided on other relevant matters as required by the Company.
32	None	<p>Section 2 Convening, Proposals and Notice of General Meetings</p>
33	<p>Article 59. Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, when the Company convenes an annual general meeting, a written notice of the meeting shall be given 20 days before the date of the meeting and when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given 15 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>When calculating the number of days for the issuance of notices, neither the intended day of the meeting, nor the day the relevant notice is issued shall be included.</p> <p>.....</p>	<p>Article 68. Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, when the Company convenes an annual general meeting, a written notice of the meeting shall be given 20 days before the date of the meeting and when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given 15 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>When calculating the number of days for the issuance of notices, the day of the meeting shall not be included.</p> <p>.....</p>

No.	Existing Articles	Amended Articles
34	<p>Article 60. The shareholder(s) holding more than 3% of voting right of the shares of the Company may put forward new proposals in writing to the shareholders' general meeting 10 days prior to the shareholders' general meeting. The convener of the general meeting shall serve a supplementary notice of the shareholders' general meeting to the other shareholders within 2 days after receiving the proposal, and add the proposals which relates to the scope of duties of the shareholders' general meeting to agenda of the meeting. The Company shall also comply with other requirements of the listing rules of the stock exchange where the Company has its shares listed.</p> <p>The resolution proposed by shareholders shall be subject to the following conditions:</p> <ol style="list-style-type: none"> (1) the content of such resolution shall not violate any laws and regulations and shall fall within the scope of business of the Company and scope of duties of the shareholders' general meeting; (2) such resolution shall include a clear subject and specific matter to be resolved; and (3) such resolution shall be in writing and submitted or delivered to the board of directors. 	<p>Article 69. Where the Company convenes a general meeting, the Board, the Board of Supervisors, and shareholders severally or jointly holding more than 3% of total shares with voting rights of the Company may make proposals to the Company. Shareholders severally or jointly holding more than 3% of total shares with voting rights of the Company are entitled to propose a provisional proposal to the Company and submit it to the convener in writing to 10 days before a general meeting is convened. The convener of general meeting shall serve a supplementary notice of general meeting within two days after receipt of the proposal and inform other shareholders, announcing the content of the provisional proposal considered at the general meeting. The Company shall also comply with other requirements of the listing rules of the stock exchange where the Company has its shares listed.</p> <p>Other than the circumstances referred to in the preceding article proposed by the shareholders, after the convener has issued a notice for the general meeting, no changes shall be made to the stated proposals in the notice of meeting and no new proposal shall be added.</p> <p>Proposal on matters which are not specified in the notice of general meeting or doesn't satisfy the following conditions shall not be voted on or resolved at general meetings:</p> <ol style="list-style-type: none"> (1) the content of such resolution shall not violate any laws and regulations and shall fall within the scope of business of the Company and scope of duties of the shareholders' general meeting; (2) such resolution shall include a clear subject and specific matter to be resolved; and (3) such resolution shall be in writing and submitted or delivered to the convener.

No.	Existing Articles	Amended Articles
35	<p>Article 62. Notice of the shareholders' general meeting shall fulfil the following requirements:</p> <ol style="list-style-type: none"> (1) except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, being served in writing; (2) specifying the place, the date and time of the meeting; (3) stating the issues to be considered at the meeting; (4) providing such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be considered. Without limiting the generality of the foregoing, where a proposal is made (including but not limited to) upon a merger of the Company, share repurchases, share capital reorganisation or other reorganisation of the Company in any other way, the specific terms of the proposed transaction shall be provided in details together with copies of the proposed contracts (if any), and the cause and effect of such proposal shall be properly explained; (5) containing a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, general manager and other senior management members in the proposed transaction; and the explanation of effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class; (6) containing the full text of any special resolution to be proposed at the meeting; 	<p>Article 71. Notice of the shareholders' general meeting shall fulfil the following requirements:</p> <ol style="list-style-type: none"> (1) except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, being served in writing; (2) specifying the place, the date and time of the meeting and the duration of the meeting; (3) stating the issues and proposals submitted and to be considered at the meeting; (4) providing such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be considered. Without limiting the generality of the foregoing, where a proposal is made (including but not limited to) upon a merger of the Company, share repurchases, share capital reorganisation or other reorganisation of the Company in any other way, the specific terms of the proposed transaction shall be provided in details together with copies of the proposed contracts (if any), and the cause and effect of such proposal shall be properly explained; (5) containing a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, general manager and other senior management members in the proposed transaction; and the explanation of effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class; (6) containing the full text of any special resolution to be proposed at the meeting;

No.	Existing Articles	Amended Articles
	<p>(7) containing a conspicuous statement that a shareholder entitled to attend and vote may appoint one or more proxies to attend and vote and such proxy is not necessarily a shareholder;</p> <p>(8) stating the date of registration of shares for shareholders having the right to attend the general meeting;</p> <p>(9) specifying the time and place for service of voting proxy forms for the relevant meeting; and</p> <p>(10) stating the names and contact telephone numbers of the standing contact persons in connection with the meeting.</p>	<p>(7) containing a conspicuous statement that all ordinary shareholders are entitled to attend the general meeting and vote, and such shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf and such proxy needs not to be a shareholder of the Company;</p> <p>(8) stating the date of registration of shares for shareholders having the right to attend the general meeting;</p> <p>(9) specifying the time and place for service of voting proxy forms for the relevant meeting;</p> <p>(10) stating the names and contact telephone numbers of the standing contact persons in connection with the meeting; and</p> <p>(11) voting time and voting procedure through internet or otherwise</p> <p>The notice and the supplementary notice of the general meeting shall sufficiently and fully disclose specific content of all proposals and all materials and explanations necessary for shareholders to make a reasonable judgment about matters to be discussed. If independent (non-executive) directors are required to give opinions about matters to be discussed, such independent (non-executive) directors' opinions and reasons will be disclosed at the same time when giving the notice or the supplementary notice of the general meeting.</p> <p>In the event that a general meeting is held through internet or otherwise, the notice of general meeting shall explicitly state the voting time and voting procedures through internet or otherwise. Voting at the general meeting through internet or otherwise shall commence not earlier than 3:00 pm on the day prior to an on-site general meeting, and not later than 9:30 am on the day of the onsite general meeting, and shall conclude not earlier than 3:00 pm on the day of concluding the on-site general meeting.</p>

No.	Existing Articles	Amended Articles
36	None	<p data-bbox="834 317 1359 506">Article 72. In the event that the election of directors and supervisors is to be discussed at a general meeting, the notice of general meeting shall fully disclose details of candidates for the directors and supervisors, and shall at least include the following particulars:</p> <ol data-bbox="834 559 1359 1229" style="list-style-type: none"> <li data-bbox="834 559 1359 634">(1) their educational background, work experience, concurrent positions and other personal details; <li data-bbox="834 676 1359 789">(2) whether or not they have any related connections with the Company or the Company's controlling shareholders and de facto controllers; <li data-bbox="834 832 1359 906">(3) the disclosed number of shares of the Company they hold; <li data-bbox="834 949 1359 1108">(4) whether or not they have been penalized by the competent securities authority of the State Council and other relevant departments, or disciplined by the stock exchange; <li data-bbox="834 1151 1359 1229">(5) other information required by regulatory requirements of the place where the shares of the company are listed. <p data-bbox="834 1278 1359 1387">In addition to adopting the cumulative voting system to elect directors and supervisors, a single proposal on each of the candidates for director and supervisor shall be submitted.</p>

No.	Existing Articles	Amended Articles
37	<p>Article 63. Except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, notices, materials and written statements of shareholders' general meeting shall be served to the shareholders (whether or not they are entitled to vote at the meeting), by hand or by prepaid mail at their addresses as shown in the register of members, or by publication on the Company's website or by other means set out in this Articles of Association. For the holders of domestic shares, notice of shareholders' general meeting may be served by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council; upon the publication of the announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p>	<p>Article 73. Except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, notices, materials and written statements of shareholders' general meeting shall be served to the shareholders (whether or not they are entitled to vote at the meeting), by hand or by prepaid mail at their addresses as shown in the register of members, or by publication on the Company's website or by other means set out in this Articles of Association. For the holders of domestic-listed shares, notice of shareholders' general meeting may be served by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the securities regulatory authorities of the State Council; upon the publication of the announcement, the holders of domestic-listed shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p>
38	None	<p>Article 74. Subsequent to the dispatch of a notice of the general meeting, the general meeting shall not be postponed or cancelled without proper reasons, and the proposals set out in the notice of the general meeting shall not be withdrawn. Once the meeting is postponed or cancelled, the convener shall make an announcement and give reasons at least two working days prior to the original date of the meeting.</p>
39	None	<p>Section 3 Convening of a General Meeting</p>
40	None	<p>Article 76. The Board of the Company or other convener shall take necessary measures to ensure the proper order of the general meeting. The Board or other convener shall take measures to stop any act disturbing the general meeting, seeking trouble or infringing upon the legitimate rights and interests of shareholders, and shall report such act to the relevant authority for investigation and treatment.</p>

No.	Existing Articles	Amended Articles
41	<p>Article 65. Any shareholders entitled to attend and vote at the shareholders' general meeting shall be entitled to appoint one or more proxies (who may or may not be a shareholder of the Company) to attend and vote on his/her behalf. The proxy or proxies may exercise the following rights in accordance with the shareholder's authorization:</p> <p>.....</p>	<p>Article 77. All shareholders of ordinary shares or their proxies whose name appear on the register of members on the record date shall have the right to attend the general meeting, and exercise their voting rights in accordance with the laws, regulations and these Articles of Association. Shareholders may attend the general meeting in person or appoint one or more proxy/proxies (the person may not be a shareholder) to attend and exercise voting rights within his/her/their scope of authority conferred. The proxy or proxies may exercise the following rights in accordance with the shareholder's authorization:</p> <p>.....</p>
42	<p>Article 67. Proxy forms shall be lodged at the domicile of the Company or other addresses specified in the notice of meeting 24 hours before the time of the meeting related to the proxy form, or 24 hours before the designated time of voting. If an instrument appointing a proxy is signed by an attorney authorized by an appointer, the relevant power of attorney or any other authority shall be notarized. The power of attorney or other authority so notarized together with the proxy form shall be lodged at the domicile of the Company or any other addresses specified in the notice regarding convening of the meeting.</p>	<p>Article 79. Proxy forms shall be lodged at the domicile of the Company or other addresses specified in the notice of meeting 24 hours before the time of the meeting related to the proxy form, or 24 hours before the designated time of voting. If an instrument appointing a proxy is signed by an attorney authorized by an appointer, the relevant power of attorney or any other authority documents shall be notarized. The power of attorney or other authority documents so notarized together with the proxy form shall be lodged at the domicile of the Company or any other addresses specified in the notice regarding convening of the meeting.</p>

No.	Existing Articles	Amended Articles
43	<p>Article 68. Any instrument issued to a shareholder by the board of the directors of the Company for use in appointing a proxy shall be in such format as to enable the shareholders to instruct the proxy to vote in favour of or against the resolutions according to the shareholder's free will, and to enable the shareholders to give instructions in respect of each individual matter to be voted on at the meeting. The proxy form shall contain a statement that in the absence of instructions by the shareholder the proxy may vote at his/her will.</p> <p>The Company is entitled to ask the proxy who represents a shareholder to attend the shareholders' general meeting to provide his identification document.</p> <p>In the case a legal person shareholder appoints its representative to attend the meeting, the Company is entitled to ask the representative to provide his identification document and the copy of the resolution or the power of attorney which has been notarized (other than a recognized clearing house or its agent), indicating the appointment by the board of directors or other power authority of the said legal person shareholder.</p>	<p>Article 80. Any instrument issued to a shareholder by the board of the directors of the Company for use in appointing a proxy shall be in such format as to enable the shareholders to instruct the proxy to vote in favour of or against the resolutions according to the shareholder's free will, and to enable the shareholders to give instructions in respect of each individual matter to be voted on at the meeting. The proxy form shall contain a statement that in the absence of instructions by the shareholder the proxy may vote at his/her will.</p> <p>The letter of attorney issued by a shareholder to entrust a proxy to attend the general meeting shall be in writing and include the following contents:</p> <ol style="list-style-type: none"> (1) the name of the proxy; (2) whether the proxy has the voting right or not; (3) the instructions to vote for, against or abstain from voting on each item to be considered by the general meeting respectively; (4) the issuance date and expiry date of the letter of attorney; and (5) the signature (or seal) of the entrusting party. Where the entrusting party is a corporate shareholder, the letter of attorney shall be sealed by the seal of the legal entity.

No.	Existing Articles	Amended Articles
		<p>The Company is entitled to ask the proxy who represents a shareholder to attend the shareholders' general meeting to provide his identification document.</p> <p>If such shareholder attends the meeting in person, he/she shall produce his/her own identity card or other valid documents or evidence to prove his/her identity and shareholding evidence. If a shareholder appoints a proxy to attend the meeting, the proxy shall produce his/her own valid identification documents and the shareholder's power of attorney and shareholding evidence.</p> <p>Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. If a legal representative attends the meeting, he/she shall produce his/her own identity card or other valid documents evidencing his/her capacity as legal representative and shareholding evidence; if a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the written power of attorney issued by the legal representatives of corporate shareholders according to law, or the copy of the resolution or the power of attorney which has been notarized (other than a recognized clearing house or its agent), indicating the appointment by the board of directors or other power authority of the said legal person shareholder and the shareholding evidence.</p>
44	None	<p>Article 82. A registration record for attendees at the meeting shall be compiled by the Company. The registration record shall contain items including but not limited to the names of attendants (or names of organizations), identity card numbers, residential addresses, the number of voting shares held or represented and names of appointers (or name of organizations).</p>

No.	Existing Articles	Amended Articles
45	None	Article 83. The convener and the lawyers engaged by the Company shall jointly verify the validity of the shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing authority, and shall register the names of the shareholders as well as the number of their shares carrying voting rights. The registration for a meeting shall end before the chairman of the meeting announces the number of shareholders and proxies attending the on-site meeting and the total number of their shares carrying voting rights.
46	None	Article 84. When a general meeting is held, all directors, supervisors and the board secretary shall attend the meeting and the general manager and other senior management shall attend the meeting as non-voting attendees.
47	None	Article 85. The Company shall lay down the rules of procedures for general meeting, specifying in details the procedures for convening and voting at such general meeting, including notice, registration, proposal consideration, voting, vote counts, voting result announcement, meeting resolution formation, meeting minutes and execution thereof, public announcement as well as the principles to authorize the Board by the general meeting. The authorization shall be clear and specific. The rules of procedures for general meeting shall serve as an appendix to the Articles of Association, and shall be prepared by the Board and approved by the shareholders.
48	None	Article 86. During any annual shareholders' meeting, the Board of Directors and the Board of Supervisors shall submit reports to such shareholders' general meeting in respect of their work in the past year. Each independent (non-executive) director shall also submit his work report.
49	None	Article 87. Directors, supervisors and senior management shall explain with respect to inquiries and suggestions from shareholders at a general meeting.
50	None	Article 88. The chairman of the meeting shall declare the number of the shareholders and proxies present at the meeting and the total number of the voting rights held before voting. Such number of the shareholders and proxies present at the meeting and the total number of the voting rights held shall be subject to those registered for the meeting.

No.	Existing Articles	Amended Articles
51	None	Article 89. The convener shall ensure that a general shareholders' meeting shall proceed until final resolutions have been adopted. If a general shareholders' meeting suspends or no resolution is adopted due to force majeure events or other special circumstances, necessary measures shall be taken to resume the shareholders' general meeting or terminate such meeting directly, and make an announcement in a timely manner. In the same time, the convener shall report to relevant competent department in accordance with applicable provisions.
52	None	Section 4. Voting and Resolution at a General Meeting
53	<p>Article 70. Resolutions of a shareholders' general meeting include ordinary resolutions and special resolutions.</p> <p>Any ordinary resolutions proposed at general meetings shall be passed by a simple majority of the votes of the shareholders (including proxies thereof) attending the general meeting.</p> <p>Any special resolutions proposed at general meetings shall be passed by more than two-thirds of the votes of shareholders (including proxies thereof) attending the general meeting.</p>	<p>Article 90. Resolutions of a shareholders' general meeting include ordinary resolutions and special resolutions.</p> <p>Any ordinary resolutions proposed at general meetings shall be passed by more than half of the votes of the shareholders (including proxies thereof) attending the general meeting.</p> <p>Any special resolutions proposed at general meetings shall be passed by more than two-thirds of the votes of shareholders (including proxies thereof) attending the general meeting.</p>

No.	Existing Articles	Amended Articles
54	<p>Article 71. In the case of voting at shareholders' general meetings, shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares. Each share shall have one vote. The Company has no voting right for the shares of the Company it holds.</p> <p>Where any shareholder is, under applicable laws and regulations and the listing rules of the stock exchange(s) where the Company has its shares listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted in the resolution results.</p>	<p>Article 91. In the case of voting at shareholders' general meetings, shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares. Each share shall have one vote. The Company has no voting right for the shares of the Company it holds. When calculating the total number of the voting rights shares for the shareholders' general meeting, such portion of the shares shall not be included.</p> <p>When material matters affecting the interests of minority shareholders are considered at a shareholders' general meeting, the votes of minority shareholders of domestic-listed shares shall be counted separately. The voting results of such domestic-listed shares shall be disclosed publicly in a timely manner.</p> <p>The Board, independent (non-executive) directors and shareholders of the Company who meet the relevant requirements may publicly collect votes from shareholders. Information including the specific voting preference shall be fully provided to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. Except for the statutory requirements, the Company shall not impose any minimum shareholding limitation for soliciting voting rights.</p> <p>Where any shareholder is, under applicable laws and regulations and the listing rules of the stock exchange(s) where the Company has its shares listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted in the resolution results.</p>

No.	Existing Articles	Amended Articles
55	None	<p data-bbox="834 314 1359 629">Article 92. Connected shareholders shall not take part in voting when connected transactions are being considered at a shareholders' general meeting. The number of shares with voting rights represented by them shall not be included in the total number of valid votes; The announcement on the resolutions made at a shareholders' general meeting shall fully disclose details of voting by non-connected shareholders.</p> <p data-bbox="834 676 1359 789">When connected transactions are being considered at a shareholders' general meeting, the withdrawing and voting procedure for connected shareholders are as follows:</p> <ol data-bbox="834 836 1359 1872" style="list-style-type: none"> <li data-bbox="834 836 1359 1034">(1) If the transaction considered at the general meeting has connected relation with the shareholders, the relevant shareholders shall actively disclose or at the request of the Company disclose its connected relationship before such transaction is approved; <li data-bbox="834 1081 1359 1310">(2) When connected transactions are being considered at a shareholder's general meeting, the chairman of the meeting announces the shareholders who have connected relationship, and explains the connected relationship between the connected shareholders and connected transactions; <li data-bbox="834 1357 1359 1513">(3) The chairman of the meeting announces the withdrawal of connected shareholders and the connected transaction is considered and voted by non-connected shareholders; <li data-bbox="834 1559 1359 1872">(4) For a connected transaction to become a resolution, it shall be passed by more than half of voting shares by non-connected shareholders with voting rights attending the meeting; if such transaction is within the scope of special resolution, such resolution shall be passed by more than two-thirds of voting shares by non-connected shareholders with voting rights attending the meeting.

No.	Existing Articles	Amended Articles
56	<p>Article 72. At any shareholders' general meeting, a resolution shall be decided on a show of hands unless otherwise required by the relevant securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is demanded by the following persons before or after deciding on a show of hands:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least two shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding more than 10% (inclusive) of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise required by the securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is so demanded in accordance with the preceding paragraph, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour for or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>	<p>Article 93. At any shareholders' general meeting, a resolution shall be decided on a show of hands unless otherwise required by the relevant securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is demanded by the following persons before or after deciding on a show of hands:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least two shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding more than 10% (inclusive) of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise required by the securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is so demanded in accordance with the preceding paragraph, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour for or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand</p>
57	<p>Article 73. A poll demanded on such matters as the election of chairman or the adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.</p>	<p>Article 94. A poll demanded on such matters as the election of chairman of the meeting or the adjournment of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman of the meeting may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.</p>

No.	Existing Articles	Amended Articles
58	None	<p>Article 95. Shareholders attending the general meeting shall propose their opinions to the proposals submitted to the general meeting by one of the followings: voting in favor of, against or abstaining from voting, except that securities registration and settlement institutions, being the nominal holders of shares subject to the Interconnection Mechanism for Transactions in the Mainland and Hong Kong Stock Markets, may express opinions according to the intentions of actual holders.</p> <p>If the votes are incomplete, not completed correctly, or the writing in the votes cannot be recognized, the unvoted votes shall be deemed as waiver of their voting rights and the voting results of the number of shareholdings shall be recorded as “abstained”.</p>
59	Article 75. When the number of votes for and against a resolution is equal, whether the vote is taken by show of hands or by poll, the chairman of the meeting shall be entitled to one additional vote.	Article 97. When the number of votes for and against a resolution is equal, whether the vote is taken by show of hands or by poll, the chairman of the meeting shall be entitled to one additional vote.
60	None	<p>Article 98. The list of candidates for Director and Supervisor is submitted to a general meeting for voting in the form of a motion.</p> <p>When voting on the election of directors and supervisors, the general meeting may implement cumulative voting system according to the Articles of Association or the resolution of the general meeting. Where a single shareholder and the persons acting in concert have an ownership interest of shares exceeding 30%, cumulative voting shall be adopted for election of Directors.</p> <p>Cumulative voting system referred to in the preceding paragraph means a system whereby each share, at voting to elect directors or supervisors at a general meeting, carries the number of voting rights equivalent to the number of the directors or supervisors to be elected, and a shareholder may concentrate his voting rights. The Board shall make public to the shareholders the resume and general information of the candidates for director and supervisor.</p>

No.	Existing Articles	Amended Articles
61	None	Article 99. Except for the accumulative voting system, all resolutions of the general meeting shall be voted on an individual basis. If there are different resolutions on the same matter, such resolutions will be voted in chronological order of proposing such resolutions. Other than special reasons such as force majeure which results in the interruption of the meeting or makes it impossible to come to resolution, the general meeting will not suspend the proposal and will not abort the voting.
62	None	Article 100. No amendments shall be made to a proposal when it is considered at the shareholders' general meeting. Amended proposal shall be deemed as a new proposal and shall not be voted at the same general meeting.
63	None	Article 101. The same voting right shall only be exercised by way of one of the followings: on-site voting, voting via the Internet or one of the other voting methods. The first voting result shall prevail for repeated voting on the same voting right.
64	None	Article 102. All votes of the shareholders at the general meeting shall be taken by poll.
65	None	<p>Article 103. When proposals are voted on at the general meeting, two shareholders' representatives shall be appointed to count, and monitor counting of, the votes. Where any shareholder has interests in any issue considered, the said shareholder or proxy thereof shall not participate in counting and monitoring of ballots.</p> <p>When proposals are voted on at the general meeting, the lawyer, shareholders' representative and supervisors' representative shall be jointly responsible for the counting and monitoring of the ballots and shall announce the voting results on the spot, which voting results shall be recorded in the meeting minutes. If otherwise provided the listing rules of the stock exchanges where the Company's shares are listed, its requirements shall also be met.</p> <p>Shareholders of the Company or proxies thereof voting via internet or otherwise shall have the right to check their voting results via the corresponding voting system.</p>

No.	Existing Articles	Amended Articles
66	None	<p>Article 104. The on-site voting shall not conclude earlier than via internet voting or any other method of voting at the general meeting. The chairman of the meeting shall announce details of voting in connection with each proposal and the voting result. The chairman of the meeting shall be held responsible for announcing whether or not a resolution has been passed based on the voting result.</p> <p>Before the voting result is announced, the relevant parties including the company, counting officer, monitoring officer, major shareholders and network service provider involved at the venue, over the network or otherwise shall have the confidentiality obligation.</p>
67	<p>Article 76. The following matters shall be passed by way of ordinary resolution at shareholders' general meeting:</p> <p>(1) working reports of the board of directors and the supervisory board;</p> <p>(2) plans formulated by the board of directors for distribution of profits and for recovery of losses;</p> <p>(3) election or removal of members of the board of directors and supervisors and their remuneration and terms of payment;</p> <p>(4) annual budget and final account, balance sheet, profit statement and other financial statements of the Company; and</p> <p>(5) matters other than those to be passed by special resolution according to the laws, administrative regulations, rules of listing of the stock exchange(s) where the Company has its shares listed or the Articles of Association.</p>	<p>Article 105. The following matters shall be passed by way of ordinary resolution at shareholders' general meeting:</p> <p>(1) working reports of the board of directors and the supervisory board;</p> <p>(2) plans formulated by the board of directors for distribution of profits and for recovery of losses;</p> <p>(3) election or removal of members of the board of directors and supervisors and their remuneration and terms of payment;</p> <p>(4) annual budget and final financial budgets of the Company;</p> <p>(5) annual report of the Company;</p> <p>(6) matters other than those to be passed by special resolution according to the laws, administrative regulations, rules of listing of the stock exchange(s) where the Company has its shares listed or the Articles of Association.</p>

No.	Existing Articles	Amended Articles
68	<p>Article 77. The following matters shall be passed by way of special resolution at shareholders' general meetings:</p> <p>(1) increase or reduction in the Company's share capital and issuance of any class of shares, warrants and other similar securities;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, merger, dissolution or liquidation of the Company or change of the Company's form;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) other matters approved in a shareholders' general meeting by way of ordinary resolution that are of material significance to the Company and needed to be approved by way of special resolution; and</p> <p>(6) such other matters to be resolved by special resolutions as required by the Listing Rules or the Articles of Association.</p>	<p>Article 106. The following matters shall be passed by way of special resolution at shareholders' general meetings:</p> <p>(1) increase or reduction in the Company's share capital and issuance of any class of shares, warrants and other similar securities;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, separation, merger, dissolution or liquidation of the Company or change of the Company's form;</p> <p>(4) amendment of the Articles of Association;</p> <p>(5) purchases and disposals of the Company's material assets within one year or guarantees exceeding 30% of the Company's latest audited total assets;</p> <p>(6) share incentive scheme;</p> <p>(7) other matters approved in a shareholders' general meeting by way of ordinary resolution that are of material significance to the Company and needed to be approved by way of special resolution; and</p> <p>(8) such other matters to be resolved by special resolutions as required by the Listing Rules or the Articles of Association.</p>

No.	Existing Articles	Amended Articles
69	<p>Article 78. Shareholders or the supervisory board demanding an extraordinary general meeting of shareholders or class shareholders' meeting shall abide by the following procedures:</p> <p>(1) The supervisory board or two or more shareholders jointly or separately holding of 10% or more of the shares carrying the right to vote at the upcoming meeting may request the board of directors to convene an extraordinary general meeting or a class shareholders' meeting by signing one or several copies of written request(s) in the same format and content, and stating the subject of meeting and resolutions proposed. The board of directors shall convene the extraordinary general meeting or the class shareholders' meeting as specified in the request as soon as possible. The shareholdings referred to above shall be calculated as at the date of written request made.</p> <p>(2) If the board of directors fails to send a notice to convene such a meeting 30 days after receiving the written request referred to in the preceding paragraph, the shareholders or supervisory board bringing forward the request may by themselves convene such a meeting within four months after the board of directors receives this request with the procedures as similar as possible as that in which shareholders' general meetings are to be convened by the board of directors.</p>	<p>Article 107. Shareholders demanding an extraordinary general meeting of shareholders or class meeting shall abide by the following procedures:</p> <p>(1) Shareholders individually or jointly holding 10% or more of the Company's shares may sign one or more counterpart requests requiring the Board to convene an extraordinary general meeting or a class meeting and stating the objectives of the meeting. The Board shall give its feedback in writing stating whether it agrees or disagrees to convene the extraordinary general meeting or the class meeting within ten days after receipt of the proposal in accordance with the laws, administrative regulations and the Articles of Association. If the Board agrees to convene the extraordinary general meeting or the class meeting, a notice for convening the extraordinary general meeting or the class meeting shall be issued within five days upon adoption of the resolution by the Board. Any changes made to the original requests in the notice shall require the approval of relevant shareholders. The aforesaid number of shares held shall be calculated as per the one incurred on the date on which the shareholder submits a written request.</p>

No.	Existing Articles	Amended Articles
	<p>Any reasonable expenses incurred by shareholders or the supervisory board in convening and holding a meeting by reason of the failure of the board of directors to duly convene a meeting as requested above shall be borne by the Company and shall be set off against sums owed by the Company to the directors in default.</p>	<p>(2) If the Board does not agree to convene the extraordinary general meeting or the class meeting, or if it fails to give its feedback within ten days upon receipt of such request, shareholders individually or jointly holding more than 10% of the Company's shares are entitled to propose to the Board of Supervisors to convene the extraordinary general meeting or the class meeting, and shall propose such request in writing to the Board of Supervisors. If the Board of Supervisors agrees to convene the extraordinary general meeting or the class meeting, a notice for convening such meeting shall be issued within five days upon receipt of such request. Any changes made to the original request in the notice shall require the approval of relevant shareholders. If the Board of Supervisors fails to issue a notice for the general meeting or the class meeting in the prescribed period, it shall be regarded as not convening and presiding the general meeting by the Board of Supervisors. Shareholders individually or jointly holding more than 10% of the shares of our Company for more than 90 consecutive days may convene and preside at the meeting at their own discretion. (Before the resolution of general meeting is announced, the proportion of shares held by the convening shareholders should not be less than 10% of the total share capital of the Company). The procedure of convening shall be the same as the procedure for the Board to convene a general meeting as much as possible.</p>

No.	Existing Articles	Amended Articles
70	None	<p>Article 108. An extraordinary general meeting may be convened upon proposal by independent (non-executive) directors to the Board. Regarding the proposal of the independent (non-executive) directors to convene an extraordinary general meeting, the Board shall, pursuant to the laws, administrative regulations and the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the proposal. Where the Board agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within five days after the resolution is made by the Board. Where the Board does not agree to convene the extraordinary general meeting, it will give reasons and make an announcement in respect thereof.</p>
71	None	<p>Article 109. The Board of Supervisors shall be entitled to propose to the Board to convene an extraordinary general meeting, and shall put forward its proposal to the Board in writing. The Board shall, pursuant to the laws, administrative regulations and the Articles of Association, give a written reply on whether or not to convene the extraordinary general meeting within 10 days after receipt of the proposal.</p> <p>Where the Board agrees to convene the extraordinary general meeting, it will serve a notice of such meeting within five days after the resolution is made by the Board. Any change to the original proposal set forth in the notice shall be subject to approval by the Board of Supervisors.</p> <p>If the Board does not agree to convene the extraordinary general meeting or fails to give a written request within 10 days after receipt of the proposal, the Board shall be deemed as unable to or failing to perform the duty of convening the general meeting, and the Board of Supervisors may convene and preside over the meeting by itself.</p>
72	None	<p>Article 110. Where the Board of Supervisors or shareholders decide(s) to convene a general meeting by themselves, it/they shall notify the Board in writing, and shall at the same time report to the stock exchange.</p> <p>The Board of Supervisors and the convening shareholders shall submit the relevant documents to the stock exchange when issuing the notice for convening of the general meeting and the announcement on resolution proposed at the general meeting.</p>

No.	Existing Articles	Amended Articles
73	None	Article 111. With regard to the general meeting convened by the Board of Supervisors or shareholders on their own initiative, the Board and its secretary will offer cooperation. The Board shall provide a register of members as of the equity registration date. Where the Board fails to provide the register of members, the convener may apply to the securities registration and clearing authority to obtain it upon presentation of the announcement relating to the notice of the general meeting. The shareholders' register obtained by the convener shall not be used for other purposes except for convening the general meeting.
74	None	Article 112. Where the Board of Supervisors or shareholders convene the general meeting by themselves, the expenses necessarily accrued therefrom shall be borne by the Company and be deducted from the amounts due for payment to the directors as a result of their negligent manners.
75	Article 79. Shareholders' general meetings are organized and convened by the board of directors and presided over by the chairman of the board of directors; where the chairman of the board of directors is unable to or do not perform his duties, a director may be elected by more than one-half of the directors to preside over the meeting. Where the board of directors is unable to or do not perform its duty of convening shareholders' general meetings, the supervisory board shall convene and preside over the meeting in a timely manner; where the supervisory board do not convene and preside over shareholders' general meetings, shareholders individually or collectively holding more than ten percent of the shares of the Company for more than ninety consecutive days may convene and preside over the meeting on their own.	Article 113. The general meeting shall be convened by the chairman of the Board. If the chairman is unable or fails to perform his duties, more than half of the directors may elect a director to convene and act as the presider of the meeting. The general meeting convened by the Board of Supervisors shall be presided over by the chairman of the Board of Supervisors. Where the chairman of the Board of Supervisors is unable or fails to perform his/her duties, a supervisor shall be elected by more than one-half of the supervisors to preside over the meeting. The general meeting convened by shareholders shall be presided over by a representative elected by the convener. Where any violation of the rules of procedure by the chairman of the general meeting renders the general meeting discontinued, a person may be elected by more than one-half of the shareholders with the voting rights who are present at the general meeting to replace the chairman of the meeting to continue the meeting.
76	Article 80. The chairman of the meeting shall determine whether or not a resolution of the shareholders' general meeting is passed. His/her decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.	Article 114. The chairman of the meeting shall determine, based on the voting results , whether or not a resolution of the shareholders' general meeting is passed. His/her decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.

No.	Existing Articles	Amended Articles
77	Article 81. In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to vote, he may have the votes counted. In the event that the chairman of the meeting does not have the votes counted, any shareholder or proxy present at the meeting who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, and the chairman of the meeting shall have the votes counted immediately.	Article 115. In the event that the chairman of the meeting has any doubt as to the result of a resolution put forward to vote, he may have the votes counted. In the event that the chairman of the meeting does not have the votes counted, any shareholder or proxy present at the meeting who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, and the chairman of the meeting shall have the votes counted immediately.
78	Article 82. If ballots are counted at a shareholders' general meeting, the counting result shall be recorded in the minutes of the meeting. The minutes of the meeting together with the attendance records and the proxy forms shall be kept at the premises of the Company for a period of at least ten years.	Article 116. If ballots are counted at a shareholders' general meeting, the counting result shall be recorded in the minutes of the meeting. The convener shall ensure the truthfulness, accuracy and completeness of the minutes of the meeting. Directors, supervisors, the secretary to the Board of Directors, the convener or his or her representative, and the chairman of the meeting attending the meeting shall sign the minutes of the meeting. The minutes of the meeting and the signed attendance record of the shareholders who attended in person, the proxy forms and the valid information relating to voting online and by other means shall be kept together at the premises of the Company for a term of not less than 10 years.
79	None	Article 117. Conveners shall ensure a general meeting is held continuously until final resolutions are made. Where a general meeting is terminated or unable to be resolved due to special reasons such as force majeure, necessary measures shall be taken to resume or terminate the general meeting as soon as possible, and an announcement shall be made in a timely manner. Meanwhile, conveners shall report to the dispatched office of the China Securities Regulatory Committee at the locality of the Company and the stock exchange.

No.	Existing Articles	Amended Articles
80	None	<p>Article 118. Minutes shall be kept for general meetings and are responsible by the secretary to the Board. The minutes of meeting shall have the following contents:</p> <ol style="list-style-type: none"> (1) time, venue, agenda of the meeting and name of the convenor; (2) name of the host as well as the directors, supervisors, managers and other senior management present at the meeting or attending the meeting; (3) the number of shareholders and proxies present at the meeting, the number of voting shares held by such shareholders and proxies, and their proportion to the Company's total number of shares; (4) details of consideration of, main points of discussion and voting results relating to each resolution; (5) shareholders' queries or suggestions as well as the corresponding replies or explanations; (6) Names of legal adviser, vote counting officers and scrutineer; (7) Other content required to be included in the minutes pursuant to the Articles of Association of the Company.
81	None	<p>Article 119. The Company is to, in compliance with the applicable laws, regulations and relevant provisions of the place of the stock exchange where the Company's shares are listed, to publish announcements on resolutions passed at general meeting. Such announcement is to indicate the number of shareholders and proxies present at the meeting, the total number of shares with voting rights they hold and its proportion to the total number of shares with voting rights of the Company, the means of voting, the voting results of each proposal, the details of each resolution adopted; and other content required by the place of the stock exchange where the Company's shares are listed.</p>

No.	Existing Articles	Amended Articles
82	None	Article 120. Where a proposal has not been passed or the resolutions of the preceding general meeting have been changed at the current general meeting, special mention shall be made in the announcement of the resolutions of the general meeting.
83	None	Article 121. Where relevant proposals on selection of directors and supervisors were passed at the general meeting, new directors and supervisors shall take their posts immediately after the conclusion of the general meeting or according to the time indicated in the resolution of the general meeting.
84	None	Article 122. If a resolution is adopted at a meeting with respect to the payment of cash dividend, stock dividend or the capitalization of the capital reserve, the Company shall implement the specific plan within 2 months after such general meeting concludes.
	CHAPTER IX SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS	CHAPTER IX SPECIAL PROCEDURES FOR VOTING BY CLASS SHAREHOLDERS
85	Article 85. Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the passing of a special resolution at a shareholders' general meeting and approval by the affected shareholders of that class at a separate meeting held in accordance with Articles 87 to 91 hereof.	Article 125. Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the passing of a special resolution at a shareholders' general meeting and approval by the affected shareholders of that class at a separate meeting held in accordance with Articles 128 to 132 hereof.
86	<p>Article 86. The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a particular class:</p> <p>(1) to increase or reduce the number of shares of a particular class, or increase or reduce the number of shares of another class having rights on voting, distribution or other privileges equal or superior to those of the shares of such class, except that after an approval is obtained from the competent securities regulatory authority of the State Council, holders of domestic shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded overseas;</p> <p>.....</p>	<p>Article 126. The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a particular class:</p> <p>(1) to increase or reduce the number of shares of a particular class, or increase or reduce the number of shares of another class having rights on voting, distribution or other privileges equal or superior to those of the shares of such class, except that after an approval is obtained from the competent securities regulatory authority of the State Council, holders of domestic-listed shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded overseas;</p> <p>.....</p>

No.	Existing Articles	Amended Articles
87	<p>Article 87. The affected class shareholders, regardless of whether they are entitled to vote at general meetings, shall be entitled to cast vote on the matters relating to items (2) to (8) and (11) to (12) of Article 86 at the class shareholders' meeting, provided that the interested shareholders shall have no right to vote at such class shareholders' general meeting.</p> <p>The interested shareholders referred to in the preceding paragraph shall mean:</p> <p>(1) in the event of a repurchase of shares by the Company by way of a repurchase offer to all shareholders of the Company in proportion to the irrespective shareholdings or through public trading on a stock exchange pursuant to Article 29 hereof, an "interested shareholder" shall be a controlling shareholder as defined in Article 54 hereof;</p> <p>(2) in the event of a repurchase of shares by the Company under an off-market agreement pursuant to Article 29 hereof, an "interested shareholder" shall be a shareholder relating to such agreement; or</p> <p>(3) in the event of restructuring of the Company, an interested shareholder shall be a shareholder who assumes a relatively lower portion of obligation than that of any other shareholders of the same class or who has an interest different from that of any other shareholders of the same class.</p>	<p>Article 127. The affected class shareholders, regardless of whether they are entitled to vote at general meetings, shall be entitled to cast vote on the matters relating to items (2) to (8) and (11) to (12) of Article 127 at the class shareholders' meeting, provided that the interested shareholders shall have no right to vote at such class shareholders' general meeting.</p> <p>The interested shareholders referred to in the preceding paragraph shall mean:</p> <p>(1) in the event of a repurchase of shares by the Company by way of a repurchase offer to all shareholders of the Company in proportion to the irrespective shareholdings or through public trading on a stock exchange pursuant to Article 30 hereof, an "interested shareholder" shall be a controlling shareholder as defined in Article 60 hereof;</p> <p>(2) in the event of a repurchase of shares by the Company under an off-market agreement pursuant to Article 30 hereof, an "interested shareholder" shall be a shareholder relating to such agreement; or</p> <p>(3) in the event of restructuring of the Company, an interested shareholder shall be a shareholder who assumes a relatively lower portion of obligation than that of any other shareholders of the same class or who has an interest different from that of any other shareholders of the same class.</p>
88	<p>Article 88. A resolution of the class meeting shall be passed in accordance with Article 87 hereof by shareholders present at the meeting representing not less than two-thirds of voting rights.</p>	<p>Article 128. A resolution of the class meeting shall be passed in accordance with Article 128 hereof by shareholders present at the meeting representing not less than two-thirds of voting rights.</p>

No.	Existing Articles	Amended Articles
89	<p data-bbox="300 321 815 427">Article 91. In addition to shareholders of other classes, holders of domestic shares and holders of overseas-listed foreign shares shall be deemed as holders of different classes of shares.</p> <p data-bbox="300 480 815 549">The special voting procedures for class meetings shall not apply in any of the following circumstances:</p> <ol data-bbox="300 602 815 1302" style="list-style-type: none"> <li data-bbox="300 602 815 789">(1) where the Company issues, upon approval by a special resolution of the shareholders' general meeting, not more than 20% of each of its existing outstanding issued domestic shares and overseas-listed foreign shares, either separately or concurrently once every 12 months; <li data-bbox="300 842 815 1029">(2) where the plan to issue domestic shares and overseas-listed foreign shares after the establishment of the Company is completed within 15 months from the date of approval by the competent securities regulatory authorities of the State Council; or <li data-bbox="300 1083 815 1302">(3) upon obtaining an approval from the competent securities regulatory authority of the State Council, holders of domestic shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded on one or more overseas stock exchanges. 	<p data-bbox="837 321 1353 427">Article 131. In addition to shareholders of other classes, holders of domestic-listed shares and holders of overseas-listed foreign shares shall be deemed as holders of different classes of shares.</p> <p data-bbox="837 480 1353 549">The special voting procedures for class meetings shall not apply in any of the following circumstances:</p> <ol data-bbox="837 602 1353 1302" style="list-style-type: none"> <li data-bbox="837 602 1353 789">(1) where the Company issues, upon approval by a special resolution of the shareholders' general meeting, not more than 20% of each of its existing outstanding issued domestic-listed shares and overseas-listed foreign shares, either separately or concurrently once every 12 months; <li data-bbox="837 842 1353 1029">(2) where the plan to issue domestic-listed shares and overseas-listed foreign shares after the establishment of the Company is completed within 15 months from the date of approval by the competent securities regulatory authorities of the State Council; or <li data-bbox="837 1083 1353 1302">(3) upon obtaining an approval from the competent securities regulatory authority of the State Council, holders of domestic-listed shares of the Company may transfer the Company's shares held by them to foreign investors and have such shares listed and traded on one or more overseas stock exchanges.

No.	Existing Articles	Amended Articles
	CHAPTER XI BOARD OF DIRECTORS	CHAPTER XI BOARD OF DIRECTORS
90	<p>Article 96. Directors shall be elected at the shareholders' general meetings for a term of office of 3 years. Upon expiration of the term of office, a director is eligible for re-election and re-appointment.</p> <p>The Company has appointed independent (non-executive) directors. Unless otherwise required in this section, the provisions relating to the qualifications and obligations of directors set out in Chapter XIV of the Articles of Association shall be applicable to independent (non-executive) directors. An independent non-executive director may serve his/her term of office continuously for a maximum of nine years. For any extension, the board of directors shall submit an independent resolution to the shareholders' general meeting for review and explain the reason for further extension.</p> <p>The election and removal of the chairman shall be approved by more than half of all directors. The term of office of the chairman shall be three years and eligible for re-election and re-appointment upon expiry.</p> <p>A director is not required to hold shares of the Company.</p> <p>Functions and duties of independent (non-executive) directors of the board of directors of the Company include but is not limited to:</p> <p>(1) to participate in the board of directors and provide independent opinions on matters concerning the Company's strategic decisions, appointment of senior management members and other decisions involving material interest of the Company;</p>	<p>Article 136. Directors shall be elected or replaced at the shareholders' general meetings for a term of office of 3 years. Upon expiration of the term of office, a director is eligible for re-election and re-appointment.</p> <p>The term of office of directors commences from the date of appointment up to the expiry of the current term of office of the Board. In the event that the term of a director falls upon expiry whereas the new member of the Board is not re-elected in time, the existing director shall continue to perform his duties in accordance with laws, administrative regulations, departmental rules and the provisions of the Articles of Association until the re-elected director assumes office.</p> <p>The Company has appointed independent (non-executive) directors. Unless otherwise required in this section, the provisions relating to the qualifications and obligations of directors set out in Chapter XV of the Articles of Association shall be applicable to independent (non-executive) directors. Independent (non-executive) directors shall be re-elected for a term of not more than 6 years.</p> <p>The election and removal of the chairman shall be approved by more than half of all directors. The term of office of the chairman shall be three years and eligible for re-election and re-appointment upon expiry.</p> <p>A director is not required to hold shares of the Company.</p> <p>Functions and duties of independent (non-executive) directors of the board of directors of the Company include but is not limited to:</p>

No.	Existing Articles	Amended Articles
	<p>(2) to demonstrate the leading and guiding role whenever there is potential conflict of interests such as where the Company is entering into connected transactions so as to fully protect the overall legitimate rights and interests of the Company and the shareholders;</p> <p>(3) to serve as a member of special committees such as the audit committee, remuneration committee and nomination committee of the board of directors when invited; and</p> <p>(4) to monitor whether or not the business performance of the Company has achieved its pre-set objectives and express opinions at relevant meetings.</p>	<p>(1) to participate in the board of directors and provide independent opinions on matters concerning the Company's strategic decisions, appointment of senior management members and other decisions involving material interest of the Company;</p> <p>(2) to demonstrate the leading and guiding role whenever there is potential conflict of interests such as where the Company is entering into connected (related) transactions so as to fully protect the overall legitimate rights and interests of the Company and the shareholders;</p> <p>(3) to serve as a member of special committees such as strategy and investment committee, audit committee, remuneration committee and nomination committee of the board of directors when invited; and</p> <p>(4) to monitor whether or not the business performance of the Company has achieved its pre-set objectives and express opinions at relevant meetings.</p>
91	<p>Article 97. The nomination of candidates for directorship is generally put forward by the board of directors at the shareholders' general meeting of the Company in forms of resolution. Shareholders and the supervisory board may nominate candidates for directorship as provided in this Articles of Association.</p> <p>The intention to nominate a candidate as a director and the written notice of such candidate regarding his willingness to accept the nomination shall be given to the Company on or after the date of issue of the notice of the relevant shareholders' general meeting but not later than seven days prior to the date of convening such shareholders' general meeting. The period that the Company allows nominators and nominees to submit the notice and documents referred to in the preceding sentence shall be no less than seven days and counted from the next day after the notice of the shareholders' general meeting is published.</p> <p>The Company will disclose the profiles, reasons for election and attitudes of candidates on nomination in the notice of general meeting.</p>	<p>Article 137. The nomination of candidates for directorship is put forward at the general meeting of the Company in forms of resolution. Candidates for independent (non-executive) directors of the Company are nominated by the Board of the Company, Board of Supervisors, shareholders who individually or collectively hold more than 1% of issued shares of the Company. Remaining candidates for director are nominated by the Board of the Company, Board of Supervisors and shareholders who individually or collectively hold more than 3% of issued shares of the Company.</p> <p>The intention to nominate a candidate as a director and the written notice of such candidate regarding his willingness to accept the nomination shall be given to the Company seven days before the date of convening such general meeting. The period that the Company allows nominators and nominees to submit the notice and documents referred to in the preceding sentence shall be no less than seven days and counted from the next day after the notice of the shareholders' general meeting is published. For regulatory rules where the shares of the Company are listed otherwise required shall be adopted accordingly.</p>

No.	Existing Articles	Amended Articles
92	<p>Article 98. Directors may tender resignation prior to the expiry of the term of office. The resigning director shall submit to the Board a written resignation.</p> <p>If the number of directors fall below the statutory requirement on the quorum of directors of the Company when a director resigns, the notice of resignation of the resigning director will only become effective until a new director is appointed to fill the vacancy. The remaining directors of the board of directors shall convene an extraordinary general meeting to elect a new director to fill the vacancy as soon as possible. The term of appointment of the newly elected director or any director appointed so as to increase the number of directors will be effective from the date of appointment to the next annual general meeting of the Company and such director will then be eligible for re-election.</p> <p>Save for the foregoing, resignation report of directors shall become effective upon being delivered to the board of directors.</p>	<p>Article 138. Directors may tender resignation prior to the expiry of the term of office. The resigning director shall submit to the Board a written resignation. The Board shall disclose relevant information within 2 days.</p> <p>If the number of directors fall below the statutory requirement on the quorum of directors of the Company when a director resigns, the notice of resignation of the resigning director will only become effective until a new director is appointed to fill the vacancy. The remaining directors of the board of directors shall convene an extraordinary general meeting to elect a new director to fill the vacancy as soon as possible. The term of appointment of the newly elected director or any director appointed so as to increase the number of directors will be effective from the date of appointment to the expiry of the current term of office of the Board of the Company, and such director will then be eligible for re-election.</p> <p>Save for the foregoing, resignation report of directors shall become effective upon being delivered to the board of directors.</p>
93	<p>Article 99. Any director who leaves his/her office without authorization prior to the expiration of his/her term of office, thereby incurring a loss to the Company, shall be liable for compensation of such loss.</p> <p>The shareholders' general meeting may, by way of an ordinary resolution, release any director from his/her duties before expiration of his/her term of office, subject to provisions of the relevant laws and administrative regulations and without prejudice to any potential claim which may be made under any contract.</p>	<p>Article 139. Any director who leaves his/her office without authorization prior to the expiration of his/her term of office, thereby incurring a loss to the Company, shall be liable for compensation of such loss.</p> <p>The shareholders' general meeting may, by way of an ordinary resolution, release any director from his/her duties before expiration of his/her term of office, subject to provisions of the relevant laws and administrative regulations and without prejudice to any potential claim which may be made under any contract.</p>

No.	Existing Articles	Amended Articles
	If any director fails to attend in person or entrust other directors as his representative to attend meetings of the board of directors for two consecutive times, such director shall be deemed to have failed to perform his duties, and the board of directors may propose to replace such director at the general meeting.	<p>If any director fails to attend in person or entrust other directors as his representative to attend meetings of the board of directors for two consecutive times, such director shall be deemed to have failed to perform his duties, and the board of directors shall propose to replace such director at the general meeting.</p> <p>If an independent (non-executive) director abstains from attending meetings of the board of directors in person for three times in succession, the board of directors shall propose a replacement of the director at a general meeting. The Company may terminate the employment of such independent director in accordance with legal procedures before expiration of his/her term of office. If an independent director is dismissed before the term of his or her office expires, the Company shall disclose the dismissal as a special disclosure matter.</p>
94	None	Article 141. In cases where a director's resignation takes effect or his/her tenure expires, he/she shall complete the handing over procedures with the Board. His/her duty of loyalty owed to the Company and the shareholders shall not be relieved absolutely after the tenure expires and shall remain valid within the reasonable period specified by the Articles of Association.
95	None	Article 142. Without the authorization stipulated under the Articles of Association or of the Board, any director shall not act in his/her own name on behalf of the Company or the Board. In cases where a director is acting in his/her own name and the third party may reasonably believe that the director is acting on behalf of the Company or the Board, the director shall declare his/her position and capacity in advance.
96	None	Article 143. An Independent (Non-executive) Director shall carry out the requirements according to laws, administrative regulations and departmental rules, relevant provisions of the CSRC and the stock exchange, the Articles and relevant systems to the Company.

No.	Existing Articles	Amended Articles
97	Article 101. Under the premise of compliance with the applicable requirements of the relevant listing rules of the stock exchanges where the Company's shares are listed from time to time, the Company shall have a board of 7 to 15 directors with one chairman. The number of independent non-executive directors shall not be less than 3 and not less than one-third of all directors.	Article 144. Under the premise of compliance with the applicable requirements of the relevant listing rules of the stock exchanges where the Company's shares are listed from time to time, the Company shall have a board of 12 directors with one chairman. The number of independent (non-executive) directors shall not be less than 3 and not less than one-third of all directors.
98	<p>Article 102. The board of directors is accountable to the shareholders' general meeting and exercises the following powers and functions:</p> <p>.....</p> <p>(6) to formulate proposals for increase or reduction in the Company's registered capital and the issue of corporate bonds;</p> <p>(7) to formulate proposals for merger, division, dissolution or change of the Company's form;</p>	<p>Article 145. The board of directors is accountable to the shareholders' general meeting and exercises the following powers and functions:</p> <p>.....</p> <p>(6) to formulate proposals for increase or reduction in the Company's registered capital and the issue and listing of corporate bonds or other securities;</p> <p>(7) to formulate proposals for major acquisitions, repurchase of the Company's shares or merger, division, dissolution or change of the Company's form;</p>

No.	Existing Articles	Amended Articles
	<p>(8) to decide on the establishment of an internal management department of the Company;</p> <p>(9) to appoint or dismiss general manager and board secretary of the Company; to appoint or dismiss the deputy general manager, chief accountant and other senior management members of the Company based on the nomination by the general manager and decide on the matters relating to their remuneration;</p> <p>(10) to formulate the fundamental management system of the Company;</p> <p>(11) to draft amendments of the Articles of Association;</p> <p>(12) to manage the information disclosure matters of the Company;</p> <p>(13) to submit a resolution on appointment or replacement of the accounting firm responsible for the audit work of the Company at the shareholders' general meeting;</p> <p>(14) other powers and functions conferred by the laws, regulations and rules of listing of securities of the stock exchanges where the Company has its shares listed, at the general meeting or under the Articles of Association.</p> <p>Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in items (6), (7) and (11), which shall require the affirmative vote of more than two-thirds of the directors. The board of directors shall perform its duties in accordance with the State's laws, administrative regulations, the Articles of Association and resolutions of the shareholders' general meeting.</p>	<p>(8) to resolve on (among others) external investment, purchase and sale of assets, assets mortgage, external guarantee, entrustment of financial services, connected transactions and external donations of the Company within the authorization of the general meeting;</p> <p>(9) to decide on the establishment of an internal management department of the Company;</p> <p>(10) to decide to appoint or dismiss the manager, board secretary and other senior management members of the Company and decide on the matters relating to their remuneration or reward and punishment matters; to appoint or dismiss the deputy general manager, chief financial officer and other senior management members of the Company based on the nomination by the manager and decide on the matters relating to their remuneration or reward and punishment matters;</p> <p>(11) to formulate the fundamental management system of the Company;</p> <p>(12) to formulate amendments of the Articles of Association;</p> <p>(13) to manage the information disclosure matters of the Company;</p> <p>(14) to submit a resolution on appointment or replacement of the accounting firm responsible for the audit work of the Company at the shareholders' general meeting;</p> <p>(15) to hear the work report and inspect the work of the general manager of the Company;</p> <p>(16) other powers and functions conferred by the laws, regulations, departmental regulations and rules of listing of securities of the stock exchanges where the Company has its shares listed, at the general meeting or under the Articles of Association.</p> <p>Matters beyond the scope of authorization of the shareholders' general meeting should be submitted to the shareholders' general meeting for discussion.</p>

No.	Existing Articles	Amended Articles
99	None	Article 146. The Board of Directors shall make explanation to the shareholders' general meeting in respect of auditors' report with a qualified opinion issued by the certified public accountants regarding the financial statements of the Company.
100	None	Article 147. The Board of Directors shall formulate the rules of procedures for Board meetings so as to ensure the implementation of resolutions passed at the shareholders' general meeting and the efficiency and scientific decision-making of the Board of Directors. The Rules of Procedures shall be the Appendix to the Articles of Association. The Rules of Procedures for the Board shall be formulated by the Board and shall be approved at a general meeting.
101	Article 103. The board of directors shall establish special committees, such as audit committee, remuneration committee, nomination committee and overseas risk control committee and other special committees which the board of directors deem necessary. Special committees shall be responsible to the board of directors, and shall perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposal shall be submitted to the board of directors for consideration and decision. All members of the special committees shall be directors, of which independent directors shall account for the majority of members of the audit committee, nomination committee and remuneration committee, and shall serve as the convener. The convener of the audit committee shall be an accounting professional. The board of directors is responsible for the formulation of the rules of procedure of the special committees and the standardization of operation of the special committees.	Article 148. The board of directors shall establish special committees, such as strategy and investment committee , audit committee, remuneration committee, nomination committee and overseas risk control committee and other special committees which the board of directors deem necessary. Special committees shall be responsible to the board of directors, and shall perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposal shall be submitted to the board of directors for consideration and decision. All members of the special committees shall be directors, of which independent directors shall account for the majority of members of the audit committee, nomination committee and remuneration committee, and shall serve as the convener. The convener of the audit committee shall be an accounting professional. The board of directors is responsible for the formulation of the rules of procedure of the special committees and the standardization of operation of the special committees.

No.	Existing Articles	Amended Articles
102	<p>Article 104. Unless otherwise required by the laws and regulations or listing rules of the stock exchanges where the Company has its shares listed, the Company's investment in other corporate and the provision of guarantee(s) for third parties shall be resolved by the board of directors. The Company's provision of guarantee(s) for company shareholders or actual controllers shall be resolved and approved at general meetings.</p> <p>Any shareholder referred to in the preceding paragraph or any shareholder controlled by the actual controller referred to in the preceding paragraph shall not vote on the matters referred to in the preceding paragraph. Any such matters shall be decided by a majority of the voting rights held by other shareholders attending the meeting.</p> <p>The Company shall establish strict internal control system over external guarantees. All directors shall cautiously handle and strictly control the risk of debt generated by external guarantees.</p> <p>In respect of the Company's external guarantees, the Company shall take precautionary measures such as requiring counter-guarantee offered by the counterparty. The provider of the counter-guarantee shall have the actual capability in offering such counter-guarantee.</p> <p>Regarding the losses resulting from an external guarantee provided in violation of the relevant laws, regulations, rules and the Articles of Association, directors who shall be held liable shall assume joint and several liabilities.</p>	<p>Article 149. The board of directors shall establish the authority for external investment, acquisition and disposal of assets, pledge of assets, external guarantee, entrusted wealth management and connected transaction and put in place stringent examination and decision-making procedures; major investment projects shall be assessed and examined by an expert or professional panel and put to the shareholders' general meeting for approval.</p> <p>The Company shall establish strict internal control system over external guarantees. All directors shall cautiously handle and strictly control the risk of debt generated by external guarantees.</p> <p>In respect of the Company's external guarantees, the Company shall take precautionary measures such as requiring counter-guarantee offered by the counterparty. The provider of the counter-guarantee shall have the actual capability in offering such counter-guarantee.</p> <p>Regarding the losses resulting from an external guarantee provided in violation of the relevant laws, regulations, rules and the Articles of Association, directors who shall be held liable shall assume joint and several liabilities.</p>

No.	Existing Articles	Amended Articles
103	<p>Article 106. The chairman of the board of directors is entitled to the following powers and functions:</p> <ol style="list-style-type: none"> (1) to preside over the general meeting, and to convene and preside over the meetings of the board of directors; (2) to monitor and check on the implementation of resolutions of the board of directors; (3) to sign the securities certificates issued by the Company; (4) to sign important documents of the board of directors and other documents that require signing by the Company's legal representative; (5) to propose the nomination for the Company's general manager and board secretary; (6) to exercise the special power to handle corporate affairs in accordance with law and the Company's interests in cases of emergency caused by catastrophic natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; (7) to exercise other powers and functions conferred by the board of directors. <p>If the chairman of the Board is unable to exercise his/her duties, he/she may designate a director to exercise such functions and powers in his/her stead.</p>	<p>Article 151. The chairman of the board of directors is entitled to the following powers and functions:</p> <ol style="list-style-type: none"> (1) to preside over the general meeting, and to convene and preside over the meetings of the board of directors; (2) to monitor and check on the implementation of resolutions of the board of directors; (3) to sign the securities certificates issued by the Company; (4) to sign important documents of the board of directors and other documents that require signing by the Company's legal representative; (5) to propose the nomination for the Company's general manager and board secretary; (6) to exercise the special power to handle corporate affairs in accordance with law and the Company's interests in cases of emergency caused by catastrophic natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; (7) to exercise other powers and functions conferred by the board of directors. <p>If the chairman of the Board is unable to or does not exercise his/her duties, a director elected by more than half of the directors may exercise such functions and powers.</p>

No.	Existing Articles	Amended Articles
104	<p>Article 107. The board of directors shall hold at least four regular meetings each year. Board meeting shall be convened by the chairman of the board of directors. Notice of meeting will be served to all directors, supervisors and the general manager at least fourteen days before the meeting is held. The requirement on the notice period is not applicable to extraordinary board meetings, but a reasonable notice should be served to all directors, supervisors and the general manager.</p> <p>The Company shall hold an annual meeting of independent non-executive directors only that the chairman shall preside over to review the operational conditions of the Company independently.</p> <p>Extraordinary board meetings may be convened under one of the following circumstances:</p> <ol style="list-style-type: none"> (1) the chairman of the board of directors deems necessary; (2) jointly demanded by more than one-third of the directors; (3) demanded by the supervisory board; (4) demanded by the shareholders representing more than one-tenth of the voting rights; (5) demanded by more than one-half of the independent directors; (6) demanded by the general manager; (7) demanded by the Party Committee (Standing Committee). <p>The chairman of the board of directors shall convene and preside over a board meeting within ten days upon receipt of any demand.</p>	<p>Article 152. The board of directors shall hold at least four regular meetings each year. Board meeting shall be convened by the chairman of the board of directors. Notice of meeting will be served to all directors, supervisors and the general manager at least fourteen days before the meeting is held. The requirement on the notice period is not applicable to extraordinary board meetings, but a reasonable notice should be served to all directors, supervisors and the general manager.</p> <p>The Company shall hold an annual meeting of non-executive directors (including independent (non-executive) directors) only that the chairman shall preside over to review the operational conditions of the Company independently.</p> <p>Extraordinary board meetings may be convened under one of the following circumstances:</p> <ol style="list-style-type: none"> (1) the chairman of the board of directors deems necessary; (2) jointly demanded by more than one-third of the directors; (3) demanded by the supervisory board; (4) demanded by the shareholders representing more than one-tenth of the voting rights; (5) demanded by more than one-half of the independent (non-executive) directors; (6) demanded by the general manager; (7) demanded by securities regulatory authority; (8) other circumstances as stipulated in the Articles of Association. <p>The chairman of the board of directors shall convene and preside over a board meeting within ten days upon receipt of any demand.</p>

No.	Existing Articles	Amended Articles
105	<p>Article 108. Notice for convening the board meeting and extraordinary board meeting shall be served as follows: written notices of meetings stamped with the seal of the board of directors shall be delivered to all directors, supervisors and general manager by way of direct delivery in person or by e-mail or facsimile. Delivery by e-mail or facsimile shall also be confirmed by telephone and being recorded. Notice for regular board meetings shall be served fourteen days prior to the convening of the meeting while the requirement of notice period is not applicable to extraordinary board meetings, but reasonable notice should also be given to all directors, supervisors and the general manager.</p> <p>.....</p>	<p>Article 153. Notice for convening the board meeting shall be served as follows: written notices of meetings stamped with the seal of the board of directors shall be delivered to all directors, supervisors and general manager by way of direct delivery in person or by e-mail or facsimile. Delivery by e-mail or facsimile shall also be confirmed by telephone and being recorded. When an Board meeting needs to be held as early as possible in case of an emergency, the meeting notice is allowed to be given by telephone or in other verbal forms at any time provided that the convener makes necessary explanations at the meeting and receives the approval of exempting from notice period of Board meeting by the directors who are attending the meeting.</p> <p>Notice of Board meeting shall contain:</p> <p>(1) date and place of the meeting;</p> <p>(2) duration of the meeting;</p> <p>(3) matters and topics;</p> <p>(4) date on which the notice is sent.</p> <p>.....</p>
106	<p>Article 109. The quorum of the board meeting shall be more than half of the directors (including those entrusted to attend the meeting under Article 110 of the Articles of Association).</p> <p>Each director shall have one vote. Resolutions of the board of directors shall be passed by more than half of all directors, unless otherwise required by the Articles of Association.</p> <p>Resolutions made by the board of directors in relation to connected transactions will only be valid upon signing by independent (non-executive) directors.</p> <p>In case a director is interested in the resolution of the board meeting, that director shall avoid attending the meeting and have no voting right. That director will also be excluded in the calculation of quorum for the board of directors.</p>	<p>Article 154. The quorum of the board meeting shall be more than half of the directors (including those entrusted to attend the meeting under Article 155 of the Articles of Association).</p> <p>Each director shall have one vote. Resolutions of the board of directors shall be passed by more than half of all directors, unless otherwise required by the Articles of Association.</p> <p>Resolutions made by the board of directors in relation to connected (related) transactions will only be valid upon signing by independent (non-executive) directors.</p>

No.	Existing Articles	Amended Articles
107	<p>Article 110. Directors shall attend board meetings in person. Where a director is unable to attend for some reasons, he/she may authorize in writing another director to attend the Board meeting in his/her stead. The power of attorney shall specify the scope of authorization.</p> <p>The director attending the meeting for another director shall exercise the rights of the latter director within the scope of authorization. Any director who is unable to attend a particular Board meeting and has not authorized a proxy to attend in his/her stead shall be deemed to have waived the right to vote at that meeting.</p>	<p>Article 155. Directors shall attend board meetings in person. Where a director is unable to attend for some reasons, he/she shall review the meeting materials and form a clear opinion and authorize another director in writing to attend on his/her behalf (independent directors shall authorize another independent director to attend on their behalf). When authorizing in writing another director to attend the Board meeting in his/her stead, the power of attorney shall specify names of the appointer and proxy, acting matters, the scope of authorization, validity period and appointer's voting intention on each proposal and shall be signed or sealed by the appointer. Where any director signs the regular reports by proxy, the said director shall specify such authorization in the power of attorney.</p> <p>The director attending the meeting for another director shall exercise the rights of the latter director within the scope of authorization. Any director who is unable to attend a particular Board meeting and has not authorized a proxy to attend in his/her stead shall be deemed to have waived the right to vote at that meeting.</p>
108	<p>Article 111. The board of directors shall keep minutes of resolutions passed at board meetings. The minutes shall be signed by the directors present at the meeting and the board secretary. The minutes of board meetings shall be kept for a period of ten years. Directors shall be responsible for the resolutions of the board of directors. Where a resolution of the board of directors violates the laws, administrative regulations or this Articles of Association and causes serious losses to the Company, the directors who took part in such a resolution shall be liable to compensate the Company; However, if a director can be proved to have expressed his/her objection to such resolution when it was put to the vote, and such objection has been recorded in the minutes, the director may be relieved of such liability.</p>	<p>Article 156. The board of directors shall keep minutes of resolutions passed at board meetings. The minutes shall be signed by the directors present at the meeting and the board secretary. The minutes of board meetings shall be kept for a period of no less than ten years. Directors shall be responsible for the resolutions of the board of directors. Where a resolution of the board of directors violates the laws, administrative regulations or this Articles of Association and causes serious losses to the Company, the directors who took part in such a resolution shall be liable to compensate the Company; However, if a director can be proved to have expressed his/her objection to such resolution when it was put to the vote, and such objection has been recorded in the minutes, the director may be relieved of such liability.</p>

No.	Existing Articles	Amended Articles
109	<p>Article 112. In respect of any matter which needs to be determined by the extraordinary board meeting and where the board of directors has already sent out written notice (including facsimile) of proposals to be resolved at such meeting to all directors and the number of directors who have signified their consent thereto reaches the required number as set out in the Articles of Association, a valid resolution shall be deemed to be passed and there is no need to convene a board meeting.</p>	<p>Article 157. The voting method of the resolutions of the board of directors are: vote by show of hands, vote by oral form or written vote (including facsimile vote).</p> <p>If the meeting of the board of directors is held in the form of telephone conference (including video conference) or by similar communications equipment and votes are taken by the attending directors in the oral form, resolutions shall be made on this basis at the meeting of the board of directors.</p> <p>Provided that the directors can fully express their opinions at the extraordinary board meetings, resolutions could be made by written form (including facsimile), and shall be signed by directors attending the meetings. Given that the draft resolution must be complete and comprehensive, and shall be delivered to each of the directors by hand, post or fax. The notice of the meeting shall have a clear time limit for voting. The directors attending the meetings shall sign on the votes and deliver their votes in the manner prescribed in the notice of the meeting before the time limit for voting as prescribed in the notice of the meeting. Immediately following the expiration of voting period, the resolutions of the board of directors shall take effect.</p> <p>If otherwise required by regulatory provisions of the place where the shares of the Company are listed, those provisions shall prevail.</p>
110	<p>Article 113. In principle, the board meeting shall be held at the legal address of the Company, however it can be held in other places inside and outside the PRC as resolved by the board of directors.</p>	<p>Article 158. The board meeting shall be held at the address of the Company or at any other place as specified in the notice of the board meeting.</p>

No.	Existing Articles	Amended Articles
	CHAPTER XII BOARD SECRETARY	CHAPTER XII BOARD SECRETARY
111	<p>Article 116. The board secretary of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be nominated by the chairman and appointed or dismissed by the board of directors. The primary duties of the board secretary are:</p> <p>(1) to make preparations for the shareholders' general meetings and board meetings, prepare meeting materials, handle relevant meeting affairs, ensure the accuracy of minutes, keep meeting documents and minutes and take initiative to keep track of the implementation of relevant resolutions. Any important issues occurring during the implementation shall be reported and relevant proposals shall be put forward to the board of directors;</p> <p>(2) to ensure the completeness of the constitutional documents and records of the Company; keep and manage the information of shareholders; assist directors in handling their daily work and continuously provide the directors with, remind them of and ensure that they understand the laws and regulations, policies and requirements of the domestic and foreign regulatory authorities concerning the operation of the Company; assist the directors and the general manager in exercising their powers in compliance with relevant domestic and foreign laws and regulations, the Articles of Association and other relevant requirements;</p>	<p>Article 161. The board secretary of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be nominated by the chairman and appointed or dismissed by the board of directors. The primary duties of the board secretary are:</p> <p>(1) to make preparations for the shareholders' general meetings and board meetings, prepare meeting materials, handle relevant meeting affairs, attend meetings of the general meetings, meetings of the board of directors, meetings of the the supervisory board and relevant meetings of senior management, record minutes of the meetings of the board of directors, ensure the accuracy of minutes, keep meeting documents and minutes and take initiative to keep track of the implementation of relevant resolutions. Any important issues occurring during the implementation shall be reported and relevant proposals shall be put forward to the board of directors;</p> <p>(2) to ensure the completeness of the constitutional documents and records of the Company; keep and manage the information of shareholders; assist directors in handling their daily work and continuously provide the directors, supervisors and senior management with, remind them of and ensure that they understand the laws and regulations, policies and requirements of the domestic and foreign regulatory authorities concerning the operation of the Company; assist the aforesaid persons in exercising their powers in compliance with relevant domestic and foreign laws and regulations, the Articles of Association and other relevant requirements, and assist the aforesaid persons to understand their respective responsibilities regarding to information disclosure;</p>

No.	Existing Articles	Amended Articles
	<p>(3) to ensure the decision on material matters made by the board of directors of the Company to be carried out strictly in accordance with the procedures as stipulated; at the request of the board of directors, participate in the organization of consultation on and analysis of the matters to be decided by the board of directors and offer relevant opinions and suggestions; handle the day-to-day affairs of the board of directors and its relevant committees as entrusted;</p> <p>(4) as the contact person of the Company with the securities regulatory authorities, to be responsible for organization of preparations for and prompt submission of documents as required by the regulatory authorities, and accept and organize the implementation of any assignment issued by the regulatory authorities;</p> <p>(5) to be responsible for coordinating and organizing the Company's disclosure of information, establish and improve the information disclosure system, participate in all of the Company's meetings involving the disclosure of information, and keep informed of the Company's material operation decisions and related information in a timely manner;</p> <p>(6) to be responsible for keeping the Company's price-sensitive information confidential and work out effective and practical confidentiality systems and measures; where there is any leakage of the Company's price-sensitive information due to any reason, necessary remedial measures shall be taken, timely explanation and clarification shall be made, and relevant reports shall be submitted to the stock exchange(s) where the Company's shares are listed and China Securities Regulatory Commission;</p>	<p>(3) to ensure the decision on material matters made by the board of directors of the Company to be carried out strictly in accordance with the procedures as stipulated; at the request of the board of directors, participate in the organization of consultation on and analysis of the matters to be decided by the board of directors and offer relevant opinions and suggestions; handle the day-to-day affairs of the board of directors and its relevant committees as entrusted;</p> <p>(4) as the contact person of the Company with the securities regulatory authorities, to be responsible for organization of preparations for and prompt submission of documents as required by the regulatory authorities, and accept and organize the implementation of any assignment issued by the regulatory authorities;</p> <p>(5) to be responsible for coordinating and organizing the Company's disclosure of information, establish and improve the information disclosure system, participate in all of the Company's meetings involving the disclosure of information, and keep informed of the Company's material operation decisions and related information in a timely manner, supervise the Company and the relevant information disclosure obligators to comply with the relevant regulations on information disclosure;</p> <p>(6) to be responsible for keeping the Company's price-sensitive information confidential and work out effective and practical confidentiality systems and measures; where there is any leakage of the Company's price-sensitive information due to any reason, necessary remedial measures shall be taken, timely explanation and clarification shall be made, and relevant reports shall be submitted to the stock exchange(s) where the Company's shares are listed and China Securities Regulatory Commission;</p>

No.	Existing Articles	Amended Articles
	<p>(7) to be responsible for coordinating reception of visitors and keeping in touch with news media; coordinating replies to inquiries from the public and handling the relationship with the intermediary institutions, regulatory authorities and the media and organizing the reporting of relevant matters to China Securities Regulatory Commission;</p> <p>(8) to ensure the proper maintenance of the register of shareholders and that the persons who have the rights of access to the relevant documents and records of the Company can obtain those records and documents in a timely manner;</p> <p>(9) to assist directors and the general manager in fully complying with the domestic and foreign laws, regulations, the Articles of Association and other relevant requirements when exercising their functions and powers; upon becoming aware that the Company has passed or may pass resolutions which may breach the relevant requirements, to be obliged to alert promptly and is entitled to report the fact to the China Securities Regulatory Commission and other regulatory authorities;</p> <p>(10) to coordinate in providing the necessary information to the Company's supervisory board and other supervising and audit authorities to facilitate the discharge of their supervision duties; assist in carrying out investigation into the performance of the fiduciary duties by chief financial officer, directors and the general manager of the Company;</p> <p>(11) to perform other duties as delegated by the board of directors and other duties as required by the stock exchange(s) where the Company's shares are listed.</p>	<p>(7) to be responsible for investor relations management, and coordinating the communication of information between the Company and securities regulatory authorities, investors and actual controllers, intermediaries, media, etc.; and paying attention to media reports and take the initiative to verify the real situation, and urge the Company and relevant entities to respond to all inquiries received from the SSE in a timely manner;</p> <p>(8) to ensure the proper maintenance of the register of shareholders and that the persons who have the rights of access to the relevant documents and records of the Company can obtain those records and documents in a timely manner. Be responsible for the management of changes in the Company's stocks and its derivatives;</p> <p>(9) to assist directors, supervisors and senior management and the general manager in fully complying with the domestic and foreign laws, regulations, the Articles of Association and other relevant requirements when exercising their functions and powers, and to fulfill their commitments earnestly; upon becoming aware that the Company, directors, supervisors and senior management have passed or may pass resolutions which may breach the relevant requirements, to be obliged to alert promptly and is entitled to report the fact to the stock exchange on which shares of the Company are listed;</p> <p>(10) to coordinate in providing the necessary information to the Company's supervisory board and other supervising and audit authorities to facilitate the discharge of their supervision duties; assist in carrying out investigation into the performance of the fiduciary duties by chief financial officer, directors and the general manager of the Company;</p> <p>(11) to perform other duties as delegated by the board of directors and other duties as required by the stock exchange(s) where the Company's shares are listed.</p>

No.	Existing Articles	Amended Articles
	CHAPTER XIII GENERAL MANAGER	CHAPTER XIII GENERAL MANAGER
112	<p>Article 119. The general manager of the Company shall be accountable to the board of directors and exercise the following powers and functions:</p> <p>(1) to be in charge of the Company's production, operation and management and to organize the implementation of the resolutions of the board of directors;</p> <p>.....</p> <p>(12) to exercise other powers and functions conferred by the Articles of Association and the board of directors.</p> <p>The deputy general managers, the chief accountant, and other members of the senior management shall assist the general manager.</p>	<p>Article 164. The general manager of the Company shall be accountable to the board of directors and exercise the following powers and functions:</p> <p>(1) to be in charge of the Company's production, operation and management, to organize the implementation of the resolutions of the board of directors and to report to the board of directors;</p> <p>.....</p> <p>(12) to exercise other powers and functions conferred by the Articles of Association and the board of directors.</p> <p>The deputy general managers, the chief accountant, and other members of the senior management shall assist the general manager.</p>
113	<p>Article 122. The rules of work for general manager shall be formulated by the general manager of the Company and be implemented upon approval of the board of directors.</p>	<p>Article 167. The rules of work for general manager shall be formulated by the general manager of the Company and be implemented upon approval of the board of directors.</p> <p>The rules of work for general manager includes:</p> <p>(1) conditions and procedures for the convening and participants of general manager meetings;</p> <p>(2) specific duties and work allocation of the general manager and other senior management;</p> <p>(3) scope of authorization regarding the use of funds and assets of the Company and the entering of material contracts, and the system for reporting to the board of directors and the board of supervisors;</p> <p>(4) other matters which the board of directors considers necessary.</p>

No.	Existing Articles	Amended Articles
114	<p>Article 123. The general manager of the Company, in performing his functions and powers, shall act with integrity and diligence and in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>As authorized by the board of directors, the general manager may exercise part of the powers and functions of the board of directors provided that such authorization shall be in compliance with the laws and regulations of the State and the listing rules.</p>	<p>Article 168. The general manager of the Company, in performing his functions and powers, shall act with integrity and diligence and in accordance with the laws, administrative regulations and the Articles of Association.</p> <p>As authorized by the board of directors, the general manager may exercise part of the powers and functions of the board of directors provided that such authorization shall be in compliance with the laws and regulations of the State and requirements of the exchange on which the Company's shares are listed.</p>
115	None	<p>Article 169. The general manager may resign before his term of office expires. The procedures and rules for resignation of the general manager shall be specified in the labour contract between the general manager and the Company.</p>
	CHAPTER XIV SUPERVISORY BOARD	CHAPTER XIV SUPERVISORY BOARD
116	<p>Article 125. The supervisory board shall consist of 7 to 11 supervisors. Supervisors shall have a term of three years and be eligible for re-election upon expiry of the term.</p> <p>The supervisory board shall have one chairman. The appointment and removal of the chairman shall be approved by more than two-thirds of the members of the supervisory board.</p> <p>In the event that the term of office has expired before the election of the new supervisors, or the resignation of supervisors during the term of office causes the number of supervisors to stay below the quorum, the original supervisors shall continue their duties in accordance with the laws, the administrative regulations and the Articles of Association before the new supervisors take office.</p>	<p>Article 171. The supervisory board shall consist of 7 supervisors. Supervisors shall have a term of three years and be eligible for re-election upon expiry of the term.</p> <p>The external supervisors (refer to those who do not hold office within the Company, the same below) shall represent more than half of the members of the Board of Supervisors. The Company's external supervisors shall report to the shareholders' general meeting independently on the senior management officers' performance in respect of their duty of honesty and duty of care.</p> <p>The supervisory board shall have one chairman. The appointment and removal of the chairman shall be approved by more than two-thirds of the members of the supervisory board.</p> <p>In the event that the term of office has expired before the election of the new supervisors, or the resignation of supervisors during the term of office causes the number of supervisors to stay below the quorum, the original supervisors shall continue their duties in accordance with the laws, the administrative regulations and the Articles of Association before the new supervisors take office.</p>

No.	Existing Articles	Amended Articles
117	<p>Article 128. The supervisory board shall convene meeting at least twice a year. The meeting shall be convened by the chairman of the supervisory board for at least every six months. Any supervisor may propose for an extraordinary meeting of the supervisory board to be held. Where the chairman of the supervisory board is unable or does not to perform his duties, a supervisor may be appointed by him/her to perform his/her duties on his/her behalf.</p>	<p>Article 175. The supervisory board shall convene meeting at least twice a year. The meeting shall be convened by the chairman of the supervisory board for at least every six months. Any supervisor may propose for an extraordinary meeting of the supervisory board to be held. Where the chairman of the supervisory board is unable or does not to perform his duties, a supervisor elected by more than half of the supervisors shall convene and preside over the meeting of Board of Supervisors.</p>
118	<p>Article 129. The supervisory board is accountable to the shareholders' general meeting and exercises the following powers and functions in accordance with the laws:</p> <ol style="list-style-type: none"> (1) to inspect the Company's financial position; (2) to supervise the performance by directors and senior management in executing the duties of the Company and to propose the removal of any director or senior management who have violated any laws, administrative regulations, the Articles of Association or resolutions passed at the shareholder's general meeting; (3) to require correction of any acts of directors and senior management which are harmful to the Company's interests; (4) to inspect financial materials such as the financial reports, operation reports and profit distribution proposals prepared by the board of directors to be submitted to shareholders' general meetings. In the case of any doubts, the supervisory board may appoint certified public accountants or practicing auditors to help with the review in the name of the Company; (5) to propose the convening of an extraordinary general meeting, and to convene and preside over a general meeting in the event of the board of directors having failed to perform its duties; (6) to propose resolutions at shareholders' general meetings; 	<p>Article 176. The supervisory board is accountable to the shareholders' general meeting and exercises the following powers and functions in accordance with the laws:</p> <ol style="list-style-type: none"> (1) to inspect the Company's financial position; (2) to supervise the performance by directors and senior management in executing the duties of the Company and to propose the removal of any director or senior management who have violated any laws, administrative regulations, the Articles of Association or resolutions passed at the shareholder's general meeting; (3) to require correction of any acts of directors and senior management which are harmful to the Company's interests; (4) to review the periodic reports of the Company formulated by the board of directors and provide written review opinions; and inspect financial materials such as the financial reports, operation reports and profit distribution proposals prepared by the board of directors to be submitted to shareholders' general meetings. In the case of any doubts, the supervisory board may appoint certified public accountants or practicing auditors to help with the review in the name of the Company; (5) to propose the convening of an extraordinary general meeting, and to convene and preside over a general meeting in the event of the board of directors having failed to perform its duties as required by the Company Law;

No.	Existing Articles	Amended Articles
	<p>(7) to deal with or take legal actions against directors and senior management members on behalf of the Company; and</p> <p>(8) to exercise other powers and functions as stipulated in the Articles of Association.</p> <p>Supervisors shall attend meetings of the board of directors.</p>	<p>(6) to propose resolutions at shareholders' general meetings;</p> <p>(7) to propose the convening of extraordinary board meetings;</p> <p>(8) to deal with or take legal actions against directors and senior management members on behalf of the Company as required by Article 151 of the Company Law;</p> <p>(9) to make investigation when finding abnormal operation of the Company; if necessary, to employ professional institutions including accounting firms and law firms to assist the investigation, and the Company shall cover all costs;</p> <p>(10) other functions and powers stated in laws, administrative laws and regulations, departmental regulations, regulated documents, relevant regulations made by the securities exchange where the Company is listed and the Articles of Association.</p> <p>Supervisors must be present at the general meeting of shareholders, and can attend board meeting and put forward inquiries or opinions on resolution matters of the Board of Directors.</p>
119	<p>Article 130. Supervisors shall have the right to request the chairman of the supervisory board to convene an extraordinary meeting with reasonable cause. Notices of meetings of the supervisory board stamped with the seal of the supervisory board shall be given by the staff to all supervisors ten days prior to such meetings by way of direct delivery in person or by mail, facsimile, e-mail or telephone. Indirect delivery shall also be confirmed by telephone and be recorded. The notice shall include the date and venue of the meeting, the duration of the meeting, issues to be discussed at the meeting and the date of issue of the notice.</p> <p>.....</p>	<p>Article 177. Supervisors shall have the right to request the chairman of the supervisory board to convene an extraordinary meeting with reasonable cause. Notices of regular and extraordinary meetings of the supervisory board stamped with the seal of the supervisory board shall be given by the staff to all supervisors ten days and five days in advance, respectively, prior to such meetings by way of direct delivery in person or by mail, facsimile, e-mail or telephone. Indirect delivery shall also be confirmed by telephone and be recorded. The notice shall include the date and venue of the meeting, the duration of the meeting, issues to be discussed at the meeting and the date of issue of the notice.</p> <p>.....</p>

No.	Existing Articles	Amended Articles
120	Article 131. The supervisory board shall maintain records of its meetings. The supervisors shall be entitled to make particular illustrative statements regarding their opinions expressed at the meeting recorded in the minutes. The minutes of a meeting shall be signed by the attending supervisors and the recorder. Minutes of the meetings of the supervisory board shall be maintained by the board secretary and kept as records of the Company for a period of ten years.	Article 178. The supervisory board shall maintain records of its meetings. The supervisors shall be entitled to make particular illustrative statements regarding their opinions expressed at the meeting recorded in the minutes. The minutes of a meeting shall be signed by the attending supervisors and the recorder. Minutes of the meetings of the supervisory board shall be maintained by the board secretary and kept as records of the Company for a period of at least ten years.
121	Article 135. Supervisors shall discharge their supervising duties diligently in accordance with the laws, administrative regulations and the Articles of Association.	<p>Article 182. Supervisors shall discharge their supervising duties, duties of loyalty and duties of diligence diligently in accordance with the laws, administrative regulations and the Articles of Association. They shall not abuse their authority of office to obtain bribes or other illegal income and not misappropriate the property of the Company.</p> <p>The supervisors shall ensure that the information disclosed by the Company is true, accurate, complete.</p> <p>A supervisor may not make use of his/her connected relationship to harm the Company' s interests. For any losses suffered by the Company arising therefrom, he/she shall be liable to make indemnification.</p>
122	None	Article 183. The Board of Supervisors shall formulate the rules of procedure for the Board of Supervisors and express the discussion methods and voting procedures, to ensure the work efficiency and scientific decision-making of the Board of Supervisors. The rules of procedure for the Board of Supervisors shall be formulated by the Board of Supervisors and attached to this Articles of Association, which shall be approved at the shareholders' general meeting.

No.	Existing Articles	Amended Articles
	CHAPTER XV QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS, SUPERVISORS, GENERAL MANAGER, AND OTHER SENIOR MANAGEMENT MEMBERS OF THE COMPANY	CHAPTER XV QUALIFICATIONS AND OBLIGATIONS OF THE DIRECTORS, SUPERVISORS, GENERAL MANAGER, AND OTHER SENIOR MANAGEMENT MEMBERS OF THE COMPANY
123	<p>Article 136. A person may not serve as a director, supervisor, general manager, or any other senior management member of the Company if any of the following circumstances applies:</p> <p>(1) a person without civil capacity or with restricted civil capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights on committing an offence, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager or general manager (manager) of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked and ordered for closure due to a violation of law and he is personally liable for that, where less than three years has elapsed since the date of the revocation of the business licence;</p>	<p>Article 184. A person may not serve as a director, supervisor, general manager, or any other senior management member of the Company if any of the following circumstances applies:</p> <p>(1) a person without civil capacity or with restricted civil capacity;</p> <p>(2) a person who has committed an offence of corruption, bribery, infringement of property, misappropriation of property or sabotaging the social economic order and has been punished because of committing such offence; or who has been deprived of his political rights on committing an offence, in each case where less than five years have elapsed since the date of the completion of implementation of such punishment or deprivation;</p> <p>(3) a person who is a former director, factory manager or general manager (manager) of a company or enterprise which has entered into insolvent liquidation and he is personally liable for the insolvency of such company or enterprise, where less than three years have elapsed since the date of the completion of the insolvency and liquidation of the company or enterprise;</p> <p>(4) a person who is a former legal representative of a company or enterprise which had its business licence revoked and ordered for closure due to a violation of law and he is personally liable for that, where less than three years has elapsed since the date of the revocation of the business licence;</p>

No.	Existing Articles	Amended Articles
	<p>(5) the person is personally liable for a substantial loan which is due for payment but remains unpaid;</p> <p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where the said investigation or prosecution is not yet concluded;</p> <p>(7) the person is not eligible for acting in the leadership of a company or an enterprise according to the laws or administrative regulations;</p> <p>(8) the person is not a natural person;</p> <p>(9) a person convicted of contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five years have elapsed since the date of the conviction;</p> <p>(10) other circumstances as prescribed by the laws and regulations of the place of listing of the Company's shares. Persons who hold other executive positions, other than directors or supervisors, in any entity of the controlling shareholder of the Company shall not assume the office of senior management of the Company.</p>	<p>(5) the person is personally liable for a substantial loan which is due for payment but remains unpaid;</p> <p>(6) a person who is under criminal investigation or prosecution by a judicial organization for violation of the criminal law where the said investigation or prosecution is not yet concluded;</p> <p>(7) the person is not eligible for acting in the leadership of a company or an enterprise according to the laws or administrative regulations;</p> <p>(8) the person is not a natural person;</p> <p>(9) a person convicted of contravention of provisions of relevant securities regulations by a relevant competent authority, and such conviction involves a finding that he has acted fraudulently or dishonestly, where less than five years have elapsed since the date of the conviction;</p> <p>(10) if such person is barred from entry into the securities market by the competent securities regulatory authority of the State Council for a certain period and such period has not elapsed;</p> <p>(11) other circumstances as prescribed by the laws and regulations of the place of listing of the Company's shares. Persons who hold other executive positions, other than directors or supervisors, in any entity of the controlling shareholder of the Company shall not assume the office of senior management of the Company.</p> <p>Any election, designation of Directors and Supervisors, or appointment of the general manager or other senior management in violation of this provision shall be invalid. The Company shall dismiss the Director, Supervisor, the general manager or other senior management if they are involved in the said circumstances during their respective term of office.</p>

No.	Existing Articles	Amended Articles
124	None	<p data-bbox="834 314 1359 425">Article 188. Directors shall fulfill the following obligations of diligence in accordance with the laws, administrative regulations and the Articles of Association of the Company:</p> <ol data-bbox="834 474 1359 1549" style="list-style-type: none"> <li data-bbox="834 474 1359 740">(1) To exercise the rights conferred by the Company with due discretion, care and diligence to ensure the business operations of the Company comply with the requirements of PRC laws, administrative regulations and relevant PRC economic policies and are not beyond the business scope specified in the business license of the Company; <li data-bbox="834 783 1359 815">(2) To treat all shareholders impartially; <li data-bbox="834 857 1359 932">(3) To keep informed of the operation and management conditions of the Company; <li data-bbox="834 974 1359 1123">(4) To initial and approve periodic reports of the Company and to ensure the truthfulness, accuracy and completeness of the information disclosed by the Company; <li data-bbox="834 1166 1359 1315">(5) To honestly provide the Board of Supervisors with relevant information, not to prevent the Board of Supervisors or supervisors from exercising their functions and powers; <li data-bbox="834 1357 1359 1549">(6) To fulfill other obligations of diligence stipulated by laws, administrative regulations, departmental rules, the applicable requirements of the listing rules of the stock exchanges where the Company's shares are listed and Articles of Association. <p data-bbox="834 1598 1359 1708">The above Article 4 to Article 6 related to the diligent obligations are also applicable to the senior management members.</p>

No.	Existing Articles	Amended Articles
125	<p>Article 140. Each of the Company's directors, supervisors, general manager and other senior management members shall exercise his powers or carry out his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duties and his interests may be in conflict. Without limiting the generality of the foregoing, the following obligations (including but not limited to) shall be discharged:</p> <p>.....</p> <p>(8) without the informed consent of shareholders given at a general meeting, not to accept commissions in connection with the Company's transactions;</p> <p>(9) to abide by the Articles of Association, faithfully execute his duties and protect the Company's interests, and not to exploit his position and the functions and powers in the Company to advance his own private interests;</p> <p>.....</p>	<p>Article 189. Each of the Company's directors, supervisors, general manager and other senior management members shall exercise his powers or carry out his duties in accordance with the principle of fiduciary and shall not put himself in a position where his duties and his interests may be in conflict. Without limiting the generality of the foregoing, the following obligations (including but not limited to) shall be discharged:</p> <p>.....</p> <p>(8) not to accept commissions in connection with the Company' s transactions and be possessed of the commissions;</p> <p>(9) to abide by the Articles of Association, faithfully execute his duties and protect the Company's interests, not to exploit his position and the functions and powers in the Company to advance his own private interest, and not to, without the consent of the general meeting, abuse his position to appropriate the business opportunities for himself or other persons which should otherwise belong to the Company, or operate businesses similar to those of the Company for himself or other persons;</p> <p>.....</p>

No.	Existing Articles	Amended Articles
		<p>(12) not to use his connected relations to prejudice the interests of the Company;</p> <p>.....</p> <p>(14) to fulfill other obligations of integrity and diligence stipulated by laws, administrative regulations, departmental rules, the applicable requirements of the listing rules of the stock exchanges where the Company's shares are listed and Articles of Association.</p> <p>Any incomes obtained by Directors, Supervisors, general manager or other senior management in violation of any provisions of this Article shall belong to the Company. The Director, Supervisor, general manager or other senior management shall be accountable to indemnify the Company against any losses incurred.</p>
126	Article 142. The fiduciary duties of a director, supervisor, general manager and other senior management member of the Company do not necessarily cease with the termination of their tenure. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of his/her term of office. Other duties may continue for such period as fairness may require depending on the time lapses between the termination and the act concerned and the circumstances and conditions under which the relationships between him/her and the Company are terminated.	Article 191. The fiduciary duties and duties of loyalty of a director, supervisor, general manager and other senior management member of the Company do not necessarily cease with the termination of their tenure. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of his/her term of office. Other duties may continue for such period as fairness may require depending on the time lapses between the termination and the act concerned and the circumstances and conditions under which the relationships between him/her and the Company are terminated.
127	None	Article 192. Any director, supervisor, general manager or other senior management officer of the Company who violates any laws, administrative regulations, departmental rules or the Articles of Association during the course of performing his/her duties shall be held liable for indemnify against any loss caused to the Company.
128	Article 143. Except for circumstances prescribed in Article 53, a director, supervisor, general manager and other senior management member of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.	Article 193. Except for circumstances prescribed in Article 59 , a director, supervisor, general manager and other senior management member of the Company may be relieved of liability for specific breaches of his duty by the informed consent of shareholders given at a general meeting.

No.	Existing Articles	Amended Articles
129	<p>Article 144</p> <p>In the event that a director is connected to companies associated with matters to be resolved at the board meeting (by the word “connected”, it means that the director takes the post of director or senior manager with the counterpart, or the post of director or senior manager with a corporate entity that directly or indirectly controls the counterpart or is under the direct or indirect control of the counterpart), such director shall not exercise his voting rights on such resolution, nor shall he vote on behalf of other directors and shall abstain from voting. The board meeting may be convened with a majority of the non-connected directors. Resolutions shall be approved by a majority of non-connected directors at the board meeting. When there are less than three non-connected directors present at the board meeting, such matters shall be submitted to the shareholders’ general meeting for consideration.</p> <p>Except as otherwise stated in the Listing Rules or with exceptions allowed by the Hong Kong Stock Exchange, a director shall not vote nor shall he be counted in the quorum on any board resolution approving any contract, arrangement or any other proposal in which he or any of his associates (as defined in the applicable listing rules) has a material interest.</p>	<p>Article 194</p> <p>In the event that a director is connected (related) to companies associated with matters to be resolved at the board meeting (by the word “connected (related)”, it means that the director takes the post of director or senior manager with the counterpart, or the post of director or senior manager with a corporate entity that directly or indirectly controls the counterpart or is under the direct or indirect control of the counterpart), such director shall not exercise his voting rights on such resolution, nor shall he vote on behalf of other directors and shall abstain from voting. The board meeting may be convened with a majority of the non-connected (-related) directors. Resolutions shall be approved by a majority of non-connected (-related) directors at the board meeting. When there are less than three non-connected (-related) directors present at the board meeting, such matters shall be submitted to the shareholders’ general meeting for consideration.</p> <p>Except as otherwise stated in the HKEx Listing Rules or with exceptions allowed by the Hong Kong Stock Exchange, a director shall not vote nor shall he be counted in the quorum on any board resolution approving any contract, arrangement or any other proposal in which he or any of his associates (as defined in the applicable HKEx Listing Rules) has a material interest.</p> <p>.....</p> <p>Except as otherwise stated in the laws and regulations and the listing rules of the stock exchange(s) on which the Company’s shares are listed are not applicable to the restrictions stated in the paragraphs 1 to 5 of this Article.</p>
130	<p>Article 149. A loan guarantee provided by the Company in breach of paragraph 1 of Article 147 shall not be enforceable against the Company, except that:</p> <p>.....</p>	<p>Article 199. A loan guarantee provided by the Company in breach of paragraph 1 of Article 197 shall not be enforceable against the Company, except that:</p> <p>.....</p>

No.	Existing Articles	Amended Articles
131	<p>Article 153. The contract for emoluments entered into between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to the prior approval of the shareholders in a general meeting, have the right to receive compensation or other payment for loss of office or retirement.</p> <p>An acquisition of the Company referred to in the preceding paragraph means any of the following circumstances:</p> <p>(2) an offer made by any person with a view to have the offerer becoming a "controlling shareholder" within the same defined meaning as ascribed to it in Article 54 hereof.</p>	<p>Article 203. The contract for emoluments entered into between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to the prior approval of the shareholders in a general meeting, have the right to receive compensation or other payment for loss of office or retirement.</p> <p>An acquisition of the Company referred to in the preceding paragraph means any of the following circumstances:</p> <p>(2) an offer made by any person with a view to have the offerer becoming a "controlling shareholder" within the same defined meaning as ascribed to it in Article 60 hereof.</p>
	CHAPTER XVI FINANCIAL AND ACCOUNTING SYSTEM AND PROFIT DISTRIBUTION	CHAPTER XVI FINANCIAL AND ACCOUNTING SYSTEM AND PROFIT DISTRIBUTION
132	<p>Article 157. Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, the board of directors of the Company shall present before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or directives promulgated by regional government and competent governmental authorities to be prepared by the Company.</p>	<p>Article 207. Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, the board of directors of the Company shall present before the shareholders at every annual general meeting such financial reports as are required by any laws, administrative regulations or regulatory documents promulgated by regional government and competent governmental authorities to be prepared by the Company.</p>
133	<p>Article 158</p> <p>Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, the Company shall deliver to each shareholder of overseas-listed foreign shares a copy of the aforesaid reports or the report of the board together with the balance sheet (including each document required to be annexed to the accompany balance sheets according to the laws) and the income statement or the statement of income and expenditure, or financial summary report not less than 21 days before the date of each annual general meeting by prepaid mail or other means permitted by the stock exchange in the localities where the Company has its shares listed at the address as shown in the register of members.</p>	<p>Article 208</p> <p>Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, the Company shall deliver to each shareholder of overseas-listed foreign shares a copy of the aforesaid reports or the report of the board together with the balance sheet (including each document required to be annexed to the accompany balance sheets according to the laws) and the income statement or the statement of income and expenditure, or financial summary report not less than 21 days before the date of each annual general meeting by prepaid mail or other means permitted by the stock exchange in the localities where the Company has its shares listed at the address as shown in the register of members.</p>

No.	Existing Articles	Amended Articles
134	Article 161. The Company shall publish its financial reports twice in each financial year. The interim financial report shall be announced and despatched to shareholders within sixty days after the end of the first 6 months of each financial year, and the annual financial report shall be announced and despatched to shareholders within 120 days after the end of each financial year.	<p>Article 211. The Company shall submit its annual financial and accounting reports to the regulatory authorities within four months from the ending date of each fiscal year and make announcement, submit the interim financial and accounting reports to the regulatory authorities within two months from the ending date of the first six months of each fiscal year and make announcement, and submit the quarterly financial and accounting reports to the regulatory authorities within one month from the ending dates of the first three and first nine months of each fiscal year and make announcement respectively.</p> <p>The above financial reports are prepared in accordance with laws, administrative regulations and the provisions of departmental regulations.</p>
135	Article 162. The Company shall not keep accounting books other than those required by law.	Article 212. The Company shall not keep accounting books other than those required by law. No asset of the Company may be deposited into a bank account opened in the name of any individual.
136	None	<p>Article 213. In the distribution of profits after tax of a financial year, 10% of the profits shall be allocated to the statutory reserve. No further allocation to the statutory reserve is required where such reserve exceeds 50% of the registered capital of the Company.</p> <p>Where the statutory reserve is insufficient to make up losses of the previous financial year, the profits of a financial year shall be applied to make up such losses before allocation to the statutory reserve shall be made in accordance with the preceding clause.</p>

No.	Existing Articles	Amended Articles
		<p>Upon the approval of the general meeting, where the Company has made allocation to the statutory reserve from the profits after tax, the Company may make allocation to the discretionary reserve.</p> <p>Any surplus of profits after tax after the Company has made up losses and made allocations to the statutory reserve will be distributed as dividends to shareholders in proportion to their shareholdings, unless it is otherwise stipulated in these Articles that the profits shall not be distributed in pro-rata to the shareholding of the shareholders.</p> <p>Where the general meeting distributes, in breach of the above clauses, profits to shareholders before the Company has made up losses and made allocations to the statutory reserve, shareholders shall return such profits distributed in breach of the above clauses to the Company.</p> <p>Shares of the Company held by the Company shall not be involved in the profit distribution.</p>
137	None	<p>Article 215. The Company's reserve funds are used to make up for any losses, expansion of production and businesses of the Company or as additional capital of the Company. However, capital reserve cannot be used to make up for the Company's losses.</p> <p>When the statutory reserve funds are converted to capital, the balance of the statutory reserve funds cannot be less than 25% of the Company's registered capital before the conversion.</p>

No.	Existing Articles	Amended Articles
138	<p>Article 164. The Company may distribute a dividend in either or both of the following forms:</p> <p>(1) Cash;</p> <p>(2) Stock.</p> <p>Dividends and other distributions declared by the Company to holders of domestic shares shall be declared and denominated in Renminbi, and paid in Renminbi within three months after declaration of dividends. Dividends and other distributions declared by the Company to holders of foreign shares shall be declared and denominated in Renminbi, and paid in foreign currency within three months after declaration of dividends. The exchange rate shall be based on the average middle exchange rate of the relevant foreign currency against Renminbi announced by the People's Bank of China over the five working days preceding the date on which such dividends or other distribution are declared. Foreign currencies payable by the Company to holders of foreign shares shall be obtained pursuant to relevant State regulations on the administration of foreign exchange. The board of directors is authorised by means of ordinary resolution at general meetings to distribute dividends to shareholders.</p>	<p>Article 216. The profit distribution policy of the Company shall be as follows:</p> <p>(I) Principle of profit distribution: The Company shall place emphasis on delivering reasonable return on investments to the investors but the profits of the Company to be distributed shall not go beyond the scope of cumulative distributable profits of the Company and shall not impair the Company's ability to continue as a going concern. The profits distribution policy of the Company shall be durative and stable, taking into account of the long-term interests of the Company, the overall interests of all shareholders and the Company's sustainable development.</p> <p>(II) Form of profit distribution: The Company may adopt to distribute profit in cash, in shares or in a combination of both cash and shares or as otherwise permitted by the laws, administrative regulations, the provisions of departmental regulations and regulatory rules in the place where the Company is listed. The Company shall give priority to dividend distribution in cash over in shares.</p>

No.	Existing Articles	Amended Articles
		<p>(III) Specific conditions of cash dividend: Under the preconditions that Company has no major investment plan or no significant cash expenditure, as well as the net profits realized by the Company in current year, the accumulated undistributed profits at end of current year and the capital reserve are positive, the Company shall distribute dividends in cash as long as it does not affect the normal operation and sustainable development of the Company.</p> <p>(IV) Conditions for dividend distribution in shares: The profit distribution by shares by the Company shall be on the premise of giving reasonable cash dividends return to shareholders and maintaining proper share capital size, and give comprehensive consideration to the growth, dilution of net asset per share and other factors.</p> <p>(V) Time intervals of profit distribution: Subject to the compliance of the profit distribution principles, the maintenance of the normal operation and the long-term development of the Company, in principle, the Company makes the profit distribution (by way of cash dividend) after the convening of the general meeting once a year. The board of directors of the Company may propose to make interim profit distribution (by way of cash dividend) in accordance with its profit and fund demand situations.</p>

No.	Existing Articles	Amended Articles
		<p>(VI) The minimum amount or proportion of cash dividend: The cumulative profit distributed in cash (including annual distribution and interim distribution) by the Company shall not be less than 10% of its distributable profits of the year, and the cumulative profit distributed in cash in the most recent three years shall not be less than 30% of the average distributable profit for the most recent three years. The board of directors of the Company shall comprehensively take into account the features of the industry where the Company operates, its stage of development, its own business model, and profitability and the factors such as whether there is significant capital expenditure arrangement in forming different cash dividend distribution policy in accordance with the procedures as stipulated in the Articles of Association:</p> <ol style="list-style-type: none"> 1. If the Company is in a mature development stage without significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 80%; 2. If the Company is in a mature development stage with significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 40%; 3. If the Company is in a growing development stage with significant capital expenditure, the minimum percentage of cash dividend in this profit distribution shall be 20%.

No.	Existing Articles	Amended Articles
		<p>If the development stage of the Company with significant capital expenditure can not be easily distinguished, cash dividends shall be distributed according to the requirement mentioned above, unless otherwise specified in the Articles.</p> <p>(VII) Decision-making procedures and mechanism of cash dividend: When formulating cash dividends distribution plan of the Company, views from several parties should be considered, and the board of directors shall fully take into account and justify the reasonableness of the proposal for profit distribution and submit to general meeting for consideration after the board of directors have passed a resolution on the proposal for profit distribution. The independent (non-executive) Directors shall explicitly give their views. The independent (non-executive) Directors shall seek the opinions of the minority shareholders, prepare a dividend distribution proposal accordingly and present it directly to the board of directors for consideration. Prior to the consideration of cash dividends distribution plan at the general meeting, the Company shall proactively communicate with its Shareholders, in particular, minority Shareholders, through various channels (such as collecting public views and holding forums) to receive opinions and request of those minority Shareholders and respond to their concerns in a timely manner.</p>

No.	Existing Articles	Amended Articles
		<p>(VIII) Conditions, decision-making procedures and mechanism of adjustment to the cash dividend policy: The Company may adjust its profits distribution policy specified above in case of war, natural disasters and other force majeure, or where changes to the external environment of the Company result in material impact on the production and operation of the Company, or where there are significant changes in the Company's own operations or financial conditions, or where there are changes in or adjustments to the relevant laws, regulations or regulatory rules or where the Company's board of directors considers it necessary. The board of directors shall discuss the rationality of such adjustment in detail and form a resolution which shall be submitted to shareholders' meeting for approval by special resolution. The independent (non-executive) Directors shall explicitly give their views. The convening of shareholders' meeting shall comply with regulatory provisions in the place where the Company's shares are listed. Before raising adjustment scheme of profit distribution policy, the board of directors shall fully hear opinions from independent (non-executive) directors, take the initiative to communicate with minority share holders through various channels (such as collecting public views and holding forums), and carefully respond to concerns of such shareholders. When convening a general meeting to consider adjustment scheme of profit distribution policy, in addition to organizing on-site meeting, the Company should also allow shareholders to vote through Internet.</p>

No.	Existing Articles	Amended Articles
		<p>(IX) If the Company decides not to make cash dividend or decides to make cash dividend at a ratio lower than the prescribed one in special circumstances, the Company shall implement the relevant decision-making procedures and make disclosure according to the applicable laws, administrative regulations, departmental rules and the provisions of the stock exchange at the listing place and the Articles.</p> <p>(X) Dividends and other distributions declared by the Company to holders of domestic listed shares shall be declared and denominated in Renminbi, and paid in Renminbi. Dividends and other distributions declared by the Company to holders of foreign shares shall be declared and denominated in Renminbi, and paid in foreign currency. The exchange rate shall be based on the average closing exchange rate of the relevant foreign currency against Renminbi announced by the People's Bank of China over the five working days preceding the date on which such dividends or other distribution are declared. Foreign currencies payable by the Company to holders of foreign shares shall be obtained pursuant to relevant State regulations on the administration of foreign exchange. The board of directors is authorised by way of ordinary resolution at general meetings to distribute dividends to shareholders.</p> <p>(XI) After the profit distribution plan has been adopted at the general meeting, the board of directors of the Company shall complete the dividend (or share) distribution within two months after the general meeting.</p>
	Chapter XVII Appointment of Accounting Firm	Chapter XVII Appointment of Accounting Firm
139	<p>Article 166. The Company shall appoint an independent accounting firm which is qualified under the relevant regulations of the State to audit the Company's annual financial statements and the Company's other financial reports.</p> <p>The first accounting firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting. The accounting firm so appointed shall hold office until the close of the first annual general meeting.</p>	<p>Article 218. The Company shall conduct internal audit and assign full-time auditors to conduct internal audit and supervision on the revenues and expenditures and economic activities of the Company.</p>

No.	Existing Articles	Amended Articles
140	None	Article 219. The internal audit system and the duties of the auditing staff of the Company shall come into effect upon the approval of the board. The officer-in-charge of the audit team shall be responsible to and report to the board.
141	Article 167. The accounting firm appointed by the Company shall hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting.	Article 220. The Company shall appoint an accounting firm which is qualified under the Securities Law of the People's Republic of China (中華人民共和國證券法) to carry out the audit for accounting statements, net asset verification and other relevant consultancy services. The term of appointment is one year and can be re-appointed.
142	None	Article 221. The Company's appointment of an accounting firm shall be resolved by shareholders in general meetings, the board of directors shall not engage an accounting firm before any resolution made by the general meeting.
143	None	Article 222. The Company guarantees that it will provide the accounting firm with true and complete accounting vouchers, accounting books, financial and accounting reports and other accounting information without any objection, omission or falsehood.
144	Article 173. Prior to the removal or the non-reappointment of the accounting firm, notice of such removal or non-reappointment shall be given in advance to the accounting firm which shall be entitled to make representation at the general meeting. Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.	Article 228. Prior to the removal or the on-reappointment of the accounting firm, notice of such removal or non-reappointment shall be given 30 days in advance to the accounting firm which shall be entitled to make representation at the general meeting. Where the accounting firm resigns its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

No.	Existing Articles	Amended Articles
	Chapter XVIII Merger and Division of the Company	Chapter XVIII Merger, Division, Dissolution and Liquidation of the Company
145	<p>Article 174. In the event of merger or division of the Company, a plan shall be proposed by the board of directors of the Company and shall be approved in accordance with the procedures stipulated in the Articles of Association and the relevant examining and approving formalities shall be processed as required by law. A shareholder who disagrees with the proposed merger or division shall have the right to demand the Company or the consenting shareholders to acquire his/her shares at a fair price. The resolution of merger or division of the Company shall be contained in a special document for inspection by shareholders.</p> <p>The aforesaid document should also be despatched to the holders of overseas listed foreign shares by means set out in Article 189 hereof. The recipient's address should be based on the information contained in the register of members.</p>	<p>Article 229. In the event of merger or division of the Company, a plan shall be proposed by the board of directors of the Company and shall be approved in accordance with the procedures stipulated in the Articles of Association and the relevant examining and approving formalities shall be processed as required by law. A shareholder who disagrees with the proposed merger or division shall have the right to demand the Company or the consenting shareholders to acquire his/her shares at a fair price. The resolution of merger or division of the Company shall be contained in a special document for inspection by shareholders.</p> <p>The aforesaid document should also be despatched to the holders of overseas listed foreign shares by means set out in Article 249 hereof. The recipient's address should be based on the information contained in the register of members.</p>
146	<p>Article 175. The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company. For the Company's merger, the parties thereto shall execute a merger agreement and prepare a balance sheet and an inventory of assets.</p> <p>.....</p>	<p>Article 230. The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company. Absorption means that a company absorbs another company and the absorbed company will be dissolved. Where two or more companies merge into a new company, the original companies will be dissolved.</p> <p>.....</p>
147	<p>Article 176</p> <p>The debts of the Company before division shall be borne by the companies established after division according to the concluded agreement.</p>	<p>Article 231</p> <p>The debts of the Company before division shall be jointly assumed by the companies established after division, except provided otherwise in the written agreement between the Company and the creditors relating to the settlement of debt before the division.</p>

No.	Existing Articles	Amended Articles
148	None	<p>Article 232. Where the Company is required to reduce its registered capital, it shall prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days from the date of the resolution for reduction of registered capital and shall publish an announcement in newspapers within 30 days from the date of such resolution. A creditor has the rights, within 30 days after receipt of the notice or, in the case of a creditor who does not receive such notice, within 45 days from the date of the announcement, to demand the Company to repay its debts or to provide a guarantee for such debt.</p> <p>The registered capital of the Company after reduction shall not be less than the statutory minimum amount.</p>
149	Article 177. When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.	<p>Article 233. When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.</p> <p>When increasing or reducing the registered capital, the Company shall register the changes with company registration authorities in accordance with the laws.</p>

No.	Existing Articles	Amended Articles
	Chapter XIX Dissolution and Liquidation of the Company	Chapter XIX Dissolution and Liquidation of the Company
150	<p>Article 178. Under any of the following circumstances, the Company shall be lawfully dissolved and liquidated:</p> <p>(1) The shareholders' general meeting adopts a resolution to dissolve the Company;</p> <p>(2) The Company needs to be dissolved for the purpose of merger or division;</p> <p>(3) The Company is declared bankrupt by law as a result of failure to pay debts upon maturity;</p> <p>(4) The Company is ordered to be closed down due to violation of the laws and administrative regulations.</p>	<p>Article 234. Under any of the following circumstances, the Company shall be lawfully dissolved and liquidated:</p> <p>(1) the term of its operations set out in the Articles of Association has expired or other events of dissolution specified in the Articles of Association have occurred;</p> <p>(2) The shareholders' general meeting adopts a resolution to dissolve the Company;</p> <p>(3) The Company needs to be dissolved for the purpose of merger or division;</p> <p>(4) The Company is declared bankrupt by law as a result of failure to pay debts upon maturity;</p> <p>(5) the Company's business license is revoked or the Company is ordered to close down or de-registered;</p> <p>(6) Where the Company gets into serious trouble in operation and management and its continuation may cause substantial loss to the interests of shareholders, and no solution can be found through any other channel, shareholders representing more than 10% of the voting rights of all shareholders of the Company may request the People's Court to dissolve the Company.</p>
151	None	<p>Article 235. Upon the occurrence of the situation described in item (1) of Article 234, the Company may continue to exist by amending the Articles.</p> <p>Amendments to the Articles pursuant to the preceding paragraph shall be subject to the approval of the shareholders present at the general meeting by a special resolution.</p>

No.	Existing Articles	Amended Articles
152	<p>Article 179. Where the Company is dissolved by virtue of the reasons set out in item (1) in the preceding Article, the Company shall establish a liquidation committee within 15 days, and the members of the liquidation committee shall be selected at shareholders' general meeting in the form of ordinary resolution.</p> <p>Where the Company is dissolved pursuant to the item (3) of the preceding article, the people's court shall according to the relevant laws, organise the shareholders, the relevant authorities and the professionals to form a liquidation committee for the liquidation work.</p> <p>Where the Company is dissolved pursuant to the item (4) of the preceding article, the relevant competent department shall organise the shareholders, the relevant authorities and the professionals to form a liquidation committee for carrying out the liquidation work.</p>	<p>Article 236. Where the Company is dissolved in accordance with items (1), (2), (5), (6) of the Article 234, the Company shall establish a liquidation committee within 15 days from the date of occurrence of events giving rise to dissolution and commence liquidation. The liquidation committee shall comprise members determined by the directors or the shareholders' general meeting. In case no liquidation committee is established within the specified period to commence liquidation, the creditors may apply to the People's Court to designate relevant persons to form a liquidation committee and commence liquidation.</p> <p>Where the Company is dissolved pursuant to the item (4) of the preceding article, the relevant competent department shall organise the shareholders, the relevant authorities and the professionals to form a liquidation committee for carrying out the liquidation work.</p>
153	<p>Article 181. The liquidation committee shall notify creditors within ten days from the date of its establishment and make newspaper announcement within sixty days of that date. Creditors should, within thirty days after receipt of the notice, or for those who do not receive the notice, within forty-five days from the date of the announcement, declare their claims to the liquidation committee. The liquidation committee shall register the claims according to the requirements of the law.</p>	<p>Article 238. The liquidation committee shall notify creditors within ten days from the date of its establishment and make newspaper announcement within sixty days of that date. Creditors should, within thirty days after receipt of the notice, or for those who do not receive the notice, within forty-five days from the date of the announcement, declare their claims to the liquidation committee. The liquidation committee shall register the claims according to the requirements of the law.</p> <p>Where creditors file their creditors' rights, they shall explain the matters related to creditors' rights, and shall provide the evidentiary materials. The liquidation team shall register the creditors' rights.</p> <p>The liquidation team may not clear off any of the debts of any creditors during the period of filing creditors' rights.</p>

No.	Existing Articles	Amended Articles
154	<p>Article 185. Following the completion of liquidation, the liquidation committee shall present a report on liquidation and prepare a statement of the receipts and payments and the financial books for the period of the liquidation which shall be verified by PRC certified public accountants and then submitted to the shareholders' general meeting or relevant competent authorities for confirmation.</p> <p>The liquidation committee shall submit the aforesaid documents to the company registration authorities, apply for cancellation of the Company's registration, and announce the Company's dissolution within 30 days after confirmation at the general meeting or by the relevant competent authorities.</p>	<p>Article 242. Following the completion of liquidation, the liquidation committee shall present a report on liquidation and prepare a statement of the receipts and payments and the financial books for the period of the liquidation which shall be verified by PRC certified public accountants and then submitted to the shareholders' general meeting or relevant competent authorities for confirmation.</p> <p>The liquidation committee shall submit the aforesaid documents to the company registration authorities, apply for cancellation of the Company's registration, and announce the Company's dissolution within 30 days after confirmation at the general meeting or by the relevant competent authorities.</p>
155	None	<p>Article 243. The members of the liquidation team shall devote themselves to their duties and fulfill their obligations of liquidation according to laws.</p> <p>None of the members of the liquidation team may take any bribe or any other illegal proceeds by taking advantage of his/her position, nor may he/she misappropriate any of the properties of the Company.</p> <p>Where any members of the liquidation team cause any loss to the Company or any creditor with intention or due to gross negligence, he/she shall be liable to make compensation.</p>
156	None	<p>Article 244. Where the Company is declared bankruptcy in accordance with laws, it shall implement bankruptcy liquidation in accordance with relevant laws relating to bankruptcy of enterprise.</p>

No.	Existing Articles	Amended Articles
	CHAPTER XX PROCEDURES FOR AMENDMENT OF THE ARTICLES OF ASSOCIATION	CHAPTER XX PROCEDURES FOR AMENDMENT OF THE ARTICLES OF ASSOCIATION
157	Article 186. The Articles of Association may be amended in accordance with the laws, administrative regulations and the provisions of the Articles of Association.	<p>Article 245. The Articles of Association may be amended in accordance with the laws, administrative regulations and the provisions of the Articles of Association.</p> <p>Under any one of the following circumstances, the Company shall amend its articles of association:</p> <p>(1) after amendment has been made to the Company Law or relevant laws or administrative regulations, the contents of the Articles of Association are in conflict with the amended laws or administrative regulations;</p> <p>(2) the changes that the Company have undergone are not in consistence with the records made in the Articles of Association;</p> <p>(3) the general meeting decides that the Article of Association should be amended.</p>
158	None	Article 248. The board of directors shall amend the Articles of Association according to the resolutions of the general meeting and the opinions of the relevant competent authority. Any amendment to the Articles of Association that involves information to be disclosed as required by the laws and regulations, shall be publicly announced as required.

No.	Existing Articles	Amended Articles
	CHAPTER XXI NOTICES	CHAPTER XXI NOTICES
159	<p>Article 189. Notices, communications or any other written materials of the Company may be sent by:</p> <ol style="list-style-type: none"> (1) hand; (2) mail; (3) facsimile or email; (4) announcement on the website of the Company and websites designated by the Hong Kong Stock Exchange in accordance with the laws, administrative regulations and relevant rules of the securities regulatory authority where the Company's shares are listed; (5) announcement; (6) other means as agreed in advance between the Company and the recipient or as accepted by the recipient after receiving a notice; (7) such other methods accepted by the securities regulatory authority of the place where the Company has its shares listed or provided for by the Articles of Association. <p>Notwithstanding anything otherwise provided herein with respect to the form of issuance or notification of any notice, communication or other written materials, subject to the compliance with the relevant provisions of the securities regulatory authority in the locality where the Company has its shares listed, the Company may elect to issue any corporate communication of the Company in the form as provided in item (4) under the first paragraph of this Article, in lieu of the delivery of written document to each shareholder of overseas listed shares by hand or by prepaid post. The corporate communication referred to above means any document issued or to be issued by the Company for the shareholders' reference or for the shareholders to act upon, including but not limited to report of the board of directors (including the balance sheet and income statement), annual reports (including the annual financial report), interim reports (including the interim financial report), listing documents, meeting notices, circulars, proxy forms, receipts and other communication.</p>	<p>Article 249. Notices, communications or any other written materials of the Company may be sent by:</p> <ol style="list-style-type: none"> (1) hand; (2) mail; (3) facsimile or email; (4) announcement on the website of the Company and websites designated by the stock exchange in accordance with the laws, administrative regulations and relevant rules of the securities regulatory authority where the Company's shares are listed; (5) announcement; (6) other means as agreed in advance between the Company and the recipient or as accepted by the recipient after receiving a notice; (7) such other methods accepted by the securities regulatory authority of the place where the Company has its shares listed or provided for by the Articles of Association. <p>Notwithstanding anything otherwise provided herein with respect to the form of issuance or notification of any notice, communication or other written materials, subject to the compliance with the relevant provisions of the securities regulatory authority in the locality where the Company has its shares listed, the Company may elect to issue any corporate communication of the Company in the form as provided in item (4) under the first paragraph of this Article, in lieu of the delivery of written document to each shareholder of overseas listed shares by hand or by prepaid post. The corporate communication referred to above means any document issued or to be issued by the Company for the shareholders' reference or for the shareholders to act upon, including but not limited to report of the board of directors (including the balance sheet and income statement), annual reports (including the annual financial report), interim reports (including the interim financial report), listing documents, meeting notices, circulars, proxy forms, receipts and other communication.</p>

No.	Existing Articles	Amended Articles
160	Article 190. In case that the competent securities regulatory authority in the locality where the Company has its shares listed requires that the Company send, mail, despatch, release, announce or provide the Company's relevant documents by other means in both English and Chinese versions, if the Company has made appropriate arrangement to determine whether its shareholders hope to receive the English or the Chinese version only, the Company may (according to the preference expressed by shareholders) send the English or Chinese version only to relevant shareholders to the extent allowed by the applicable laws and regulations and according to the applicable laws and regulations.	Article 250. In case that the competent securities regulatory authority in the locality where the Company has its shares listed requires that the Company send, mail, despatch, release, announce or provide the Company's relevant documents by other means in both English and Chinese versions, if the Company has made appropriate arrangement to determine whether its shareholders hope to receive the English or the Chinese version only, the Company may (according to the preference expressed by shareholders) send the English or Chinese version only to relevant shareholders to the extent allowed by the applicable laws and regulations and according to the applicable laws and regulations.
161	<p>Article 191. In the case of delivery by specially assigned person, the recipient shall sign (or affix his/her seal to) the receipt, and the signature date shall be the date of service; in the case of posting, the date of service shall be the forty-eighth (48th) hour from the date of posting; in the case of a fax or email or website announcement, the date of service shall be the day when the notice is sent, i.e. the date indicated in the fax advice; in the case of a public announcement, the date of service shall be the date on which the first announcement is published, and relevant announcement shall be published on the newspapers or websites meeting the relevant requirements.</p> <p>Where a notice is served by the Company by way of announcement, after the publication of such announcement, all related parties shall be deemed to have received the relevant notice.</p>	<p>Article 251. In the case of delivery by specially assigned person, the recipient shall sign (or affix his/her seal to) the receipt, and the signature date shall be the date of service; in the case of posting, the date of service shall be the forty-eighth (48th) hour from the date of posting; in the case of a fax or email or website announcement, the date of service shall be the day when the notice is sent, i.e. the date indicated in the fax advice; in the case of a public announcement, the date of service shall be the date on which the first announcement is published, and relevant announcement shall be published on the newspapers or websites meeting the relevant requirements.</p> <p>Where a notice is served by the Company by way of announcement, after the publication of such announcement, all related parties shall be deemed to have received the relevant notice.</p> <p>China Securities Journal and/or Shanghai Securities News, the Shanghai Stock Exchange website, and/or other newspapers and/or other media (including website) designated by the competent securities authorities at the place where the shares of the Company are listed and the stock exchanges are the mediums for publishing the announcements and other necessary disclosable information of the Company.</p>

No.	Existing Articles	Amended Articles
	CHAPTER XXII SETTLEMENT OF DISPUTES	CHAPTER XXII SETTLEMENT OF DISPUTES
162	<p>Article 192. The Company shall act according to the following rules in settlement of disputes:</p> <p>(1) Whenever any disputes or claims arise between holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's directors, supervisors, general manager or other senior management members, or holders of the overseas listed foreign shares and holders of domestic shares, based on any rights or obligations conferred or imposed by the Articles of Association, the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.</p> <p>Where a dispute or claim of rights aforementioned is referred to arbitration, the dispute or claim must be referred in its entirety to arbitration and any person (being the Company or a shareholder, director, supervisor, general manager or other senior management member of the Company) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall abide by the arbitration.</p> <p>(2) Disputes in relation to the definition of shareholders and disputes in relation to the register of members need not be resolved by arbitration.</p>	<p>Article 252. The Company shall act according to the following rules in settlement of disputes:</p> <p>(1) Whenever any disputes or claims arise between holders of the overseas listed foreign shares and the Company, holders of the overseas listed foreign shares and the Company's directors, supervisors, general manager or other senior management members, or holders of the overseas listed foreign shares and holders of domestic-listed shares, based on any rights or obligations conferred or imposed by the Articles of Association, the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.</p> <p>Where a dispute or claim of rights aforementioned is referred to arbitration, the dispute or claim must be referred in its entirety to arbitration and any person (being the Company or a shareholder, director, supervisor, general manager or other senior management member of the Company) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall abide by the arbitration.</p> <p>(2) Disputes in relation to the definition of shareholders and disputes in relation to the register of members need not be resolved by arbitration.</p>

No.	Existing Articles	Amended Articles
	<p>A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its Arbitration Rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.</p> <p>If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.</p> <p>(3) If any disputes or claims of rights prescribed in item (1) above are referred to arbitration, the laws of the People’s Republic of China shall apply, save as otherwise provided in the laws and administrative regulations.</p> <p>(4) The award of an arbitration body shall be final and conclusive and binding on all the parties.</p>	<p>A claimant may elect arbitration at the China International Economic and Trade Arbitration Commission to conduct arbitration at Beijing in accordance with its Arbitration Rules which is valid when applying for arbitration. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.</p> <p>(3) If any disputes or claims of rights prescribed in item (1) above are referred to arbitration, the laws of the People’s Republic of China shall apply, save as otherwise provided in the laws and administrative regulations.</p> <p>(4) The award of an arbitration body shall be final and conclusive and binding on all the parties.</p>
	CHAPTER XXIII SUPPLEMENTARY PROVISIONS	CHAPTER XXIII SUPPLEMENTARY PROVISIONS
163	Article 193. All “over”, “within” and “under” in the Articles of Association include the numbers themselves; “more than”, “beyond” and “more” does not include the numbers themselves.	Article 253. All “over”, “within” and “under” in the Articles of Association include the numbers themselves; “ less than ”, “more than”, “beyond”, “more” and “ exceed ” does not include the numbers themselves.
164	Article 194. “Accounting firm(s)” as mentioned in the Articles of Association shall have the same meaning as “Auditor(s)”.	Article 254. “Accounting firm(s)” as mentioned in the Articles of Association and its attachments shall have the same meaning as “Auditor(s)”.
165	<p>Article 195. The Articles of Association are prepared in Chinese. Should there be any discrepancies between the versions in other languages and the Chinese version, the Chinese version shall prevail.</p> <p>The Articles of Association shall be construed by the board of directors of the Company. Any matters not covered by the Articles of Association shall be proposed by the board of directors for consideration and approval at the shareholders’ general meeting.</p>	<p>Article 255. The Articles of Association and its attachments are prepared in Chinese. Should there be any discrepancies between any other languages or different versions of the Articles and the Articles and its attachments, the Chinese version of the Articles which is the most recently registered with the registration authorities with approval shall prevail.</p> <p>The Articles of Association shall be construed by the board of directors of the Company. Any matters not covered by the Articles of Association shall be proposed by the board of directors for consideration and approval at the shareholders’ general meeting.</p>

No.	Existing Articles	Amended Articles
166	None	Article 256. The attachments of the Articles include the Rules of Procedure for general meetings, the Rules of Procedure for Meetings of the board of directors and the Rules of Procedure for the Board of Supervisors.
167	None	Article 257. In case of any contradiction of the Articles of Association with any laws, administrative regulations, other relevant normative documents and regulatory rules of the place(s) in which the shares of the Company are listed, those laws, administrative regulations, other relevant normative documents and regulatory rules of the place(s) in which the shares of the Company are listed shall prevail.
168	None	Article 258. The Articles of Association are considered and approved at the general meeting and come into effect from the date of the Company's initial public offering of domestic-listed RMB ordinary shares and listing on the SSE.

**COMPARISON CHART OF AMENDMENTS TO THE RULES OF
PROCEDURE FOR THE GENERAL MEETING OF BEIJING URBAN
CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED**

No.	Existing Articles	Amended Articles
	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
1	<p>Article 1 These rules of procedures (the “Rules”) are formulated by Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Securities Law of the People’s Republic of China, the Mandatory Provisions in the Articles of Association of Companies Listed Overseas and The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”) and relevant laws and regulations and regulatory documents as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (“Articles of Association”) with reference to actual conditions of the Company, in order to protect the lawful interests of shareholders, ensure normal order and operating efficiency of the shareholders’ general meeting and perform its power as the supreme authority.</p>	<p>Article 1 These rules of procedures (the “Rules”) are formulated by Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Securities Law of the People’s Republic of China (“Securities Law”), the Mandatory Provisions in the Articles of Association of Companies Listed Overseas and The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules of the Stock Exchange”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (“Listing Rules of the Shanghai Stock Exchange”), the Code on Corporate Governance of Listed Companies, the Guidelines for the Articles of Association of Listed Companies, the Rules of Procedures for Shareholders’ General Meeting of Listed Companies and other relevant domestic and foreign laws and regulations and regulatory documents as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (“Articles of Association”) with reference to actual conditions of the Company, in order to protect the lawful interests of shareholders, ensure normal order and operating efficiency of the shareholders’ general meeting and perform its power as the supreme authority.</p>
2	<p>Article 2 These Rules shall be applicable to the shareholders’ general meeting and shall have binding effect on shareholders, shareholder proxies, and directors, supervisors and senior management members attending shareholders’ general meetings.</p>	<p>Article 2 These Rules shall be applicable to the shareholders’ general meeting and shall have binding effect on shareholders, shareholder proxies, and directors, supervisors and senior management members attending or observing at shareholders’ general meetings and other relevant persons.</p>
3	<p>None</p>	<p>Article 4 The Company shall hold shareholders’ general meeting strictly in accordance with laws, administrative regulations, these Rules and the relevant provisions of the Articles of Association to ensure that the shareholders can exercise their rights in accordance with law.</p> <p>The board of directors of the Company shall earnestly perform their duties to organize shareholders’ general meetings in a serious and timely manner. All directors of the Company shall act diligently and responsibly to ensure that the shareholders’ general meetings are properly held and their functions and powers are exercised according to law.</p>

No.	Existing Articles	Amended Articles
4	None	<p>Article 6 When holding a shareholders' general meeting, the Company shall engage lawyers to advise on the following matters and make an announcement:</p> <p>(1) Whether the procedures for convening and holding the meeting are compliant with the laws, administrative regulations, these Rules and the Articles of Association;</p> <p>(2) Whether the qualifications of the attendees and the conveners are lawful and valid;</p> <p>(3) Whether the voting procedures and results of the meeting are lawful and valid;</p> <p>(4) Other relevant matters at the request of the Company.</p>
	CHAPTER II FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETINGS	CHAPTER II FUNCTIONS AND POWERS OF THE SHAREHOLDERS' GENERAL MEETINGS
5	<p>Article 5 The general meeting shall be the authority of power of the Company, and shall exercise the functions of its authority as follows:</p> <p>(1) to decide the Company's operational policies and investment plans;</p> <p>(2) to elect and replace directors and decide on the matters relating to the remuneration of the relevant directors;</p> <p>(3) to elect and replace supervisors who are appointed from the shareholders' representatives and decide on matters relating to their remuneration;</p> <p>(4) to consider and approve the reports of the board of directors;</p> <p>(5) to consider and approve the reports of the supervisory board;</p> <p>(6) to consider and approve the Company's proposed annual budgets and final accounts;</p> <p>(7) to consider and approve the Company's profit distribution plans and loss recovery plans;</p> <p>(8) to resolve on matters over the increase or reduction of the Company's registered capital;</p> <p>(9) to resolve on matters over the merger, division, dissolution or liquidation of the Company or change of the Company's form;</p>	<p>Article 7 The general meeting shall be the authority of power of the Company, and shall exercise the functions of its authority as follows:</p> <p>(1) to decide the Company's operational policies and investment plans;</p> <p>(2) to elect and replace directors who are not employee representatives and decide on the matters relating to the remuneration of the relevant directors;</p> <p>(3) to elect and replace supervisors who are not employee representatives and decide on matters relating to their remuneration;</p> <p>(4) to consider and approve the reports of the board of directors;</p> <p>(5) to consider and approve the reports of the supervisory board;</p> <p>(6) to consider and approve the Company's proposed annual budgets and final accounts;</p> <p>(7) to consider and approve the Company's profit distribution plans and loss recovery plans;</p> <p>(8) to resolve on matters over the increase or reduction of the Company's registered capital;</p> <p>(9) to resolve on matters over the merger, division, dissolution or liquidation of the Company or change of the Company's form;</p>

No.	Existing Articles	Amended Articles
	(10) to resolve on the issue of bonds, other securities and listing of the Company;	(10) to resolve on the issue of bonds, any kind of securities, warrants or other similar securities by the Company;
	(11) to resolve on the appointment, dismissal or non-reappointment of accounting firms;	(11) to resolve on concerning the engagement, termination of engagement or cease of renewal of engagement of the accountants of the Company;
	(12) to amend the Articles of Association;	(12) to amend the Articles of Association;
	(13) to consider and review the resolution proposed by any shareholder who holds, alone or in aggregate, 3% or more of the shares with voting rights of the Company;	(13) to consider and review the resolution proposed by any shareholder who holds, alone or in aggregate, 3% or more of the shares with voting rights of the Company;
	(14) to resolve on matters over the repurchase of the Company's shares as stipulated in paragraphs (1) and (2) of Article 28 of the Articles of Association;	(14) to resolve on the external guarantee matters which shall be considered and approved at general meetings in accordance with laws, administrative regulations, departmental rules and regulations and the Articles of Association;
	(15) to resolve on other matters which are required to be resolved at general meetings under the laws, administrative regulations, and the Articles of Association;	(15) to review matters relating to the purchase or disposal of material assets by the Company within one year exceeding 30% of the latest audited total assets of the Company;
	(16) to authorize and entrust the board of directors to handle any matters authorized and entrusted thereto.	(16) to consider and approve matters relating to the change of use of proceeds;
		(17) to consider and review share option scheme and employee stock ownership plan;

No.	Existing Articles	Amended Articles
		<p>(18) to consider and review the connected transactions which are required to be considered and approved by shareholders' general meeting under the laws, administrative regulations, department rules, relevant rules required by the stock exchange on which shares of the Company are listed and the Articles of Association;</p> <p>(19) to review other matters which are required to be resolved at shareholders' general meeting under the laws, administrative regulations, departmental rules, listing rules of the place where the Company's shares are listed and the Articles of Association;</p> <p>(20) to consider and review that authorise and entrust the board of directors to handle any matters authorized and entrusted thereto.</p> <p>Matters which, as required by the laws, administrative regulations, regulations of the stock exchange on which the Company's shares are listed and the Articles of Association, shall be resolved at general meetings, shall be considered at shareholders' general meetings so as to protect the decision-making rights of shareholders of the Company on such matters. The board of directors may be authorized by shareholder' general meeting whenever necessary and reasonable to make decisions within its scope of authorization as delegated by shareholders' general meetings on specific matters which are relevant to the aforementioned resolutions and cannot be approved forthwith at the shareholders' general meeting.</p> <p>Any authorization of the board of directors by shareholders relating to ordinary resolutions at general meetings shall be approved by over one-half of the shareholders (or their proxies) present and entitled to vote at the meeting; if such authorization is related to special resolutions, an approval of two-thirds of the shareholders (or their proxies) present and entitled to vote at the meeting is required. The content of the scope of authorization shall be clear and specific.</p>

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No.	Existing Articles	Amended Articles
6	None	<p>Article 8 The authorities of the shareholders' general meeting when considering matters including external guarantee, connected (related) transactions, financial assistance and other transactions are stated as follows:</p> <p>(1) External guarantee</p> <p>The following external guarantees provided by the Company shall be considered at the shareholders' general meeting after such guarantees have been considered and approved by the board of directors:</p> <ol style="list-style-type: none"> 1. any subsequent guarantee provided after the total amount of external guarantee by the Company and its holding subsidiaries has reached or exceeded 50% of the latest audited net assets; 2. any subsequent guarantee provided after the total amount of the external guarantee by the Company has reached or exceeded 30% of the latest audited total assets; 3. any guarantee provided for object whose asset-liability ratio has exceeded 70%; 4. the amount of any single guarantee exceeding 10% of the latest audited net assets; 5. guarantees exceeding 30% of the latest audited total assets of the Company when being aggregated with guarantees incurred in the preceding 12 consecutive months; 6. guarantees provided to shareholders, actual controllers and its connected parties; 7. guarantees provided to connected persons; 8. other external guarantees required by the laws, administrative regulations, department rules, regulations of the stock exchange where the Company's shares are listed and the Articles of Association. <p>The guarantee within the authority of the board of directors requires not only the approval of the majority of all the directors, but also the approval of more than two-thirds of the directors attending the Board meeting; the above guarantee in item (5) shall be approved by more than 2/3 of the voting rights held by the shareholders present at the general meeting.</p> <p>When provision of any guarantee to shareholder, actual controller and its connected parties is considered at the general meeting, such shareholder or any shareholder controlled by the said actual controller shall not vote on such matters.</p>

No.	Existing Articles	Amended Articles
		<p>(2) Connected (related) transactions</p> <p>Connected party transactions considered and approved by the shareholders' general meeting are those connected party transactions (as defined under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange) between the Company and its connected parties (as defined under the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange) (excluding the provision of guarantee by the Company for connected persons) amounting to RMB30 million or above and accounting for 5% or higher of the absolute value of the audited net assets of the Company; and related transactions (the definition of related transactions as determined under the Listing Rules of the Stock Exchange as amended from time to time) that are subject to approval of the shareholders' general meeting of the Company pursuant to the requirements of the Listing Rules of the Stock Exchange, specifically, the related transaction or accumulatively calculated related transaction (the principle of accumulative calculation are based on the Listing Rules of the Stock Exchange which are amended from time to time) is measured with asset ratio, income ratio, price ratio and stock capital ratio, and any ratio is equal to or more than 5% (specific details are based on the Listing Rules of the Stock Exchange which are amended from time to time), unless any of the above ratios is less than 25% and the transaction value is below HKD10 million.</p> <p>(3) Financial assistance</p> <p>Financial assistance matters also shall be submitted to the shareholders' general meeting for consideration after consideration and approval by the board of directors if they fall under one of the following circumstances:</p> <ol style="list-style-type: none"> 1. the amount of a single financial assistance exceeds 10% of the Company's latest audited net assets; 2. Data from the latest financial statements of the grantee showing a gearing ratio exceeds 70%; 3. the cumulative amount of financial assistance within the last 12 months exceeds 10% of the latest audited net assets of the Company; 4. Other circumstances as stipulated in the Shanghai Stock Exchange or the Articles of Association. <p>If the target of financial assistance is a holding subsidiary within the scope of consolidated statement of the Company, and the other shareholders of such holding subsidiary do not include the controlling shareholders, actual controllers and their associates of the Company, the provisions of the first three paragraphs may be exempted.</p>

No.	Existing Articles	Amended Articles
		<p data-bbox="834 317 1359 389">(4) Other significant transactions (except for external guarantees and financial assistance)</p> <p data-bbox="834 438 1359 587">The Company shall submit to the shareholders' general meeting for consideration, in addition to timely disclosure, any transaction occurring in the Company that meets one of the following criteria:</p> <ol style="list-style-type: none"> <li data-bbox="834 640 1359 789">1. transactions involving total assets (the higher one of book value and assessed value if both are available) accounting for more than 50% of the latest audited total assets of the listed company; <li data-bbox="834 842 1359 1076">2. transactions whose subject matter (such as equity interest) involving net assets (the higher one of book value and assessed value if both are available) accounting for more than 50% of the latest audited net assets of the listed company, and with an absolute amount in excess of RMB50 million; <li data-bbox="834 1129 1359 1278">3. transaction with an amount (including the debts and expenses assumed) accounting for more than 50% of the latest audited net assets of the listed company, and with the absolute amount in excess of RMB50 million; <li data-bbox="834 1332 1359 1481">4. transactions generating profit accounting for more than 50% of the audited net profit of the listed company for the latest accounting year, and with an absolute amount in excess of RMB5 million;

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No.	Existing Articles	Amended Articles
		<p>5. transactions whose subject matter (such as equity interest) generates operating revenue in the latest accounting year accounting for more than 50% of the audited operating revenue of the listed company in the latest accounting year, and with an absolute amount in excess of RMB50 million;</p> <p>6. transactions whose subject matter (such as equity interest) generates net profit in the latest accounting year accounting for more than 50% of the audited net profit of the listed company in the latest accounting year, and with an absolute amount in excess of RMB5 million;</p> <p>7. The transaction which shall be approved at the general meeting of the Company under the Listing Rules of the Stock Exchange, specifically, any of the asset ratio, profit ratio, revenue ratio, consideration ratio and equity ratio of such transaction or the aggregate of relevant connected transactions (the principle of aggregation being subject to the Listing Rules of the Stock Exchange as amended from time to time) is equivalent to or higher than 25% (If the relevant transaction constitutes a connected (related) transaction under the Listing Rules of the Stock Exchange or Listing Rules of the Shanghai Stock Exchange, it shall be implemented in accordance with the regulations of the Company's Administrative Measures for Connected Transactions and the stock exchange where the Company's shares are listed;</p> <p>8. Other investment and trading projects which require approval at the general meeting according to the laws and regulations of a place on which the Company's shares are listed and relevant listing rules as well as the Articles of Association of the Company.</p> <p>If the figures of the above indicators are negative, its absolute value shall be used for calculation.</p>

No.	Existing Articles	Amended Articles
	CHAPTER III CONVENING A GENERAL MEETING	CHAPTER III CONVENING A GENERAL MEETING
7	Article 7 Shareholders' general meeting include annual general meetings and extraordinary general meetings. The annual general meeting is held once a year, and shall take place within six months after the end of the previous accounting year. There is no stipulation on the number of extraordinary general meetings to be convened each year.	Article 9 Shareholders' general meeting include annual general meetings and extraordinary general meetings. The annual general meeting is held once a year, and shall take place within six months after the end of the previous accounting year. There is no stipulation on the number of extraordinary general meetings to be convened each year.
8	<p>Article 8 The Company shall convene an extraordinary general meeting within two months after the occurrence of any of the following events:</p> <p>(1) where the number of directors falls below the number as specified in the Company Law or is less than two-thirds of directors as provided in the Articles of Association;</p> <p>(2) where the amount of unrecovered losses of the Company represents one-third of the total share capital of the Company;</p> <p>(3) where shareholders who hold, alone or in aggregate, 10% or more of the shares outstanding of the Company with voting rights request in writing to convene an extraordinary general meeting;</p> <p>(4) whenever the board of directors deems necessary or when proposed by the supervisory board or more than two independent directors;</p> <p>(5) whenever required by the securities regulatory authorities;</p> <p>(6) other circumstances as specified by the Articles of Association.</p> <p>The number of shares held by shareholders as stipulated in item (3) above shall be calculated based on the date on which the shareholders make a request in writing. Such shareholders shall also sign written requests in one or more counterparts and submit a clear agenda and proposals to the board of directors.</p>	<p>Article 10 The Company shall convene an extraordinary general meeting within two months after the occurrence of any of the following events:</p> <p>(1) where the number of directors falls below the number as specified in the Company Law or is less than two-thirds of the number of directors as provided in the Articles of Association;</p> <p>(2) where the amount of unrecovered losses of the Company represents one-third of the total paid-up share capital of the Company;</p> <p>(3) where shareholders who hold, alone or in aggregate, 10% or more of the shares outstanding of the Company with voting rights request in writing to convene an extraordinary general meeting;</p> <p>(4) whenever the board of directors deems necessary or when proposed by the supervisory board or more than one-half of the independent (non-executive) directors;</p> <p>(5) whenever required by the securities regulatory authorities;</p> <p>(6) other circumstances as specified by laws, administrative regulations, departmental rules and regulations or the Articles of Association.</p> <p>The number of shares held by shareholders as stipulated in item (3) above shall be calculated based on the date on which the shareholders make a request in writing. Such shareholders shall also sign written requests in one or more counterparts and submit a clear agenda and proposals to the board of directors.</p>

No.	Existing Articles	Amended Articles
9	None	Article 11 The Company cannot be convened the shareholders' general meeting within the time of Article 12 and Article 13 of these Rules, which shall be reported to the local China Securities Regulatory Commission ("CSRC") dispatched institutions and securities exchange, and the Company should give the reasons and make an announcement in respect thereof.
10	<p>Article 9 Shareholders' general meetings are organized and convened by the board of directors in accordance with the law, and presided over by the chairman of the board of directors; where the chairman of the board of directors is unable to or do not perform his duties, a director may be elected by more than one-half of the directors to preside over the meeting. Where the board of directors is unable to or do not perform its duty of convening shareholders' general meetings, the supervisory board shall convene and preside over the meeting in a timely manner; where the supervisory board do not convene and preside over shareholders' general meetings, shareholders individually or collectively holding more than 10% of the shares of the Company for more than ninety consecutive days may convene and preside over the meeting on their own.</p> <p>Article 17 Where the board of supervisors or a shareholder that solely or collectively hold 10% or more of the Company's shares for not less than ninety consecutive days (the "Proposal Shareholder") propose for an extraordinary general meeting, the following procedures shall be followed:</p> <p>(1) The subject of the meeting and the proposal containing complete contents in line with the laws, regulations and the Articles of Association shall be submitted to the Board in writing.</p>	<p>Article 12 Shareholders demanding an extraordinary general meeting or class shareholders' meeting shall abide by the following procedures:</p> <p>(1) Shareholders individually or collectively holding of 10% or more of the shares of the Company may request the board of directors to convene an extraordinary general meeting or a class shareholders' meeting by signing one or several copies of written request(s) in the same format and content, and stating the subject of meeting and resolutions proposed. The board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting or class shareholders' meeting within ten days after receiving such requisition. In the event that the board of directors agrees to convene an extraordinary general meeting or class shareholders' meeting, the notice of the general meeting or class shareholders' meeting shall be issued within five days after the passing of the relevant resolution of the board of directors. Any change to the original proposal made in the notice requires prior approval of the shareholders concerned. The amount of shareholdings referred to above shall be calculated according to the shareholders' shareholdings at the date of the deposit of the requisition.</p>

No.	Existing Articles	Amended Articles
	<p>(2) The Board shall issue a notice convening the shareholders' general meeting within fifteen days upon receipt of the written proposal from the board of supervisors.</p> <p>(3) For the purpose of any proposal submitted in writing by the Proposal Shareholders to convene a shareholders' general meeting, the Board shall decide whether to convene such meeting in accordance with the laws, regulations and the Articles of Association. The decision of the Board shall be given to the Proposal Shareholder within fifteen days upon receipt of such written proposal.</p> <p>Where the Board agrees to convene a shareholders' general meeting, a notice of the shareholders' general meeting shall be given, in which the Proposal Shareholder's consent shall be obtained in respect of any changes to the original proposals. After the notice is given, the Board shall neither propose any new proposals nor change the time for the shareholders' general meeting without any consent of the Proposal Shareholder.</p> <p>(4) Where the Proposal Shareholder decides to convene an extraordinary general meeting of shareholders on its own initiative, it shall notify the Board in writing, and issue a notice convening the meeting. The procedures for holding a meeting shall be in compliance with the requirements under the Articles of Association, these Rules and other normative documents.</p>	<p>(2) In the event that the board of directors does not agree to convene an extraordinary general meeting or class shareholders' meeting or does not furnish any reply within ten days after receiving such proposal, shareholders individually or collectively holding 10% or more of the Company's shares shall be entitled to propose to the board of supervisors the convening of the extraordinary general meeting or class shareholders' meeting, provided that such proposal shall be made in writing. In the event that the board of supervisors agrees to convene an extraordinary general meeting or class shareholders' meeting, the notice of the general meeting or class shareholders' meeting shall be issued within five days after receiving such request. Any changes to the original proposal made in the notice shall require prior approval of the shareholders concerned. Failure of the board of supervisors to issue the notice of the general meeting shall be deemed as failure of the board of supervisors to convene and preside over a general meeting, and shareholders individually or collectively holding 10% or more of the Company's shares for ninety consecutive days or more may convene and preside over the meeting by themselves (the shareholding of the convening shareholder(s) shall not be lower than 10% prior to the announcement of the resolutions of the general meeting) in a manner as nearly as possible as, and with procedures taken conforming to those, where meetings are to be convened by the board of directors.</p>
11	None	<p>Article 13 Independent (non-executive) directors are entitled to propose to the board of directors the convening of an extraordinary general meeting. The board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of the extraordinary general meeting within ten days after receiving such proposal from the independent (non-executive) directors.</p> <p>In the event that the board of directors agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five days after the passing of the relevant resolution of the board of directors. In the event that the board of directors does not agree to convene an extraordinary general meeting, reasons for such disagreement shall be given by way of announcement.</p>

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No.	Existing Articles	Amended Articles
12	None	<p>Article 14 The board of supervisors is entitled to propose the convening of an extraordinary general meeting to the board of directors, provided that such proposal shall be made in writing. The board of directors shall, in accordance with the laws, administrative regulations and the Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten days after receiving such proposal.</p> <p>In the event that the board of directors agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five days after the passing of the relevant resolution of the board of directors. Any changes to the original proposals made in the notice require approval of the board of supervisors.</p> <p>In the event that the board of directors does not agree to convene an extraordinary general meeting or does not furnish any reply within ten days after receiving such proposal, the board of directors shall be deemed as incapable of performing or failing to perform the duty of convening a general meeting, in which case the board of supervisors may convene and preside over the meeting by themselves.</p>
13	None	<p>Article 15 Where the board of supervisors or shareholders decide(s) to convene a general meeting by themselves, it/they shall notify the Board in writing, and shall at the same time report to the stock exchange.</p> <p>The board of supervisors and the convening shareholders shall submit the relevant documents to the stock exchange before issuing the notice for convening of the general meeting and the announcement on resolutions proposed at the general meeting.</p>
14	None	<p>Article 16 With regards to the general meeting convened by the board of supervisors or shareholders on their own initiative, the Board and its secretary shall offer cooperation. The Board shall provide a register of members as of the record date. Where the Board fails to provide the register of members, the convener may apply to the securities registration and clearing authority to obtain it upon presentation of the announcement relating to the notice of the general meeting. The shareholders' register obtained by the convener shall not be used for other purposes except for the general meeting.</p>
15	None	<p>Article 17 Where the board of supervisors or shareholders convene the general meeting by themselves, the expenses necessarily accrued therefrom shall be borne by the Company and be deducted from the amounts due for payment to the directors as a result of their negligent manners.</p>

No.	Existing Articles	Amended Articles
	CHAPTER IV PROPOSALS OF THE SHAREHOLDERS' GENERAL MEETINGS	CHAPTER IV PROPOSALS AND NOTICE OF THE SHAREHOLDERS' GENERAL MEETINGS
16	<p>Article 19 Proposals at a shareholder's general meeting refer to specific resolutions regarding issues which shall be discussed at a shareholder's general meeting, and the shareholder's general meeting shall resolve on specific resolutions.</p> <p>Article 20 When the Company convenes a shareholder's general meeting, the shareholder(s) individually or jointly holding more than 3% of the shares with voting rights of the Company may propose a provisional proposal and submit it to the secretariat of the board of directors in writing 10 days before a shareholder's general meeting is convened. The Board of Directors shall inform other shareholders within 2 days after receiving the provisional proposal, and submit such provisional proposal to the shareholder's general meeting for consideration.</p> <p>Article 21 The proposal made at a shareholder's general meeting shall be subject to the following conditions:</p> <p>(1) the content of such proposal shall not violate any laws, regulations and the Articles of Association, and shall fall within the scope of business of the Company and scope of duties of the shareholders' general meeting;</p> <p>(2) such proposal shall include a clear subject and specific matter to be resolved;</p> <p>(3) such proposal shall be in writing and submitted or delivered to the secretariat of the board of directors.</p> <p>Article 22 The board of directors shall examine the proposal of the shareholder's general meeting in accordance with Article 21 of the Rules with the Company and shareholders' best interest as principle.</p> <p>Article 23 The board of directors, decides not to include the proposal to the agenda of the shareholder's general meeting, shall explain and state at that shareholder's general meeting.</p> <p>Article 24 Shareholders, raising a proposal, disagree with the board of directors not to include his proposal to the agenda of the shareholder's general meeting may convene extraordinary general meeting in accordance with relevant provisions and procedures of the Articles of Association and the Rules.</p>	<p>Article 18 Proposals at a shareholder's general meeting refer to specific resolutions regarding issues which shall be discussed at a shareholder's general meeting, and the shareholder's general meeting shall resolve on specific resolutions. Where the Company convenes a shareholder's general meeting, the Board, Board of Supervisors, and shareholders individually or jointly holding more than 3% of total shares with voting rights of the Company may make proposals to the Company. Shareholders individually or jointly holding more than 3% of total shares with voting rights of the Company are entitled to propose a provisional proposal to the Company and submit it to the convener in writing 10 days before a shareholder's general meeting is convened. The convener of the shareholder's general meeting shall serve a supplementary notice of the shareholder's general meeting within two days after receipt of the proposal and inform other shareholders, announcing the content of the provisional proposal. If the listing rules of the stock exchange on which the shares of Company are listed otherwise require, the provisions of the listing rules shall be fulfilled at the same time.</p> <p>Other than the circumstances referred to in the preceding item, after the convener has issued a public notice for the shareholder's general meeting, no changes shall be made to the stated proposals in the notice of meeting and no new proposal shall be added.</p> <p>Proposal on matters which are not specified in the notice of the shareholder's general meeting as provided in the following conditions shall not be voted on and resolved at the shareholder's general meeting:</p> <p>(1) the content of such proposal shall not violate any laws, regulations and the Articles of Association, and shall fall within the scope of business of the Company and scope of duties of the shareholders' general meeting;</p> <p>(2) such proposal shall include a clear subject and specific matter to be resolved; and</p> <p>(3) such proposal shall be in writing and submitted or delivered to the secretariat of the board of directors.</p>

No.	Existing Articles	Amended Articles
17	<p>Article 10 Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, when the Company convenes an annual general meeting, a written notice of the meeting shall be given 20 days before the date of the meeting and when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given 15 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>When calculating the number of days for the issuance of notices, the intended day of the meeting shall not be included.</p> <p>In relations to the publication of the notice under this Article, the date of publication of notice represents the date that the Company or the share registrar as appointed by the Company delivers the relevant notice at the post office for posting.</p> <p>The Company shall hold a shareholder's general meeting at its domicile or other location as notified in the notice of the shareholder's general meeting. A meeting venue will be established for the shareholder's general meetings and meetings shall be held on site. The Company will also enable shareholders to have access to the shareholder's general meeting by online voting. Any shareholders who participate in the meeting in the aforesaid manner shall be deemed as present. After issuance of the notice of the shareholders' general meeting, the venue of shareholders' general meeting shall not be changed without proper reasons. Where such change is necessary, the convener shall make an announcement giving reasons at least 2 working days prior to the date on which the meeting was scheduled.</p>	<p>Article 19 Except as otherwise required by relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, when the Company convenes an annual general meeting, a written notice of the meeting shall be given 20 days before the date of the meeting and when the Company convenes an extraordinary general meeting, a written notice of the meeting shall be given 15 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting.</p> <p>When calculating the number of days for the issuance of notices, the intended day of the meeting shall not be included.</p> <p>Article 23 The Company shall hold a shareholder's general meeting at its domicile or other location as notified in the notice of the shareholder's general meeting.</p> <p>A meeting venue will be established for the shareholder's general meetings and meetings shall be held on site. For the convenience of shareholders, the Company shall provide secure, cost-efficient and accessible online and other channels for participation in shareholders' general meetings in accordance with laws, administrative regulations, and requirements of the CSRC or the Articles of Association. Any shareholders who participate in the meeting in the aforesaid manner shall be deemed as present.</p>

No.	Existing Articles	Amended Articles
18	<p>Article 11 The notice of the shareholder's general meeting shall at least include the following contents and comply with Article 60 of the Articles of Association:</p> <p>(1) the time, place and duration of the meeting;</p> <p>(2) the matters to be considered at the meeting;</p> <p>(3) to give explanation in clear text that all shareholders have the right to attend the shareholder's general meeting, and may appoint a proxy to attend the meeting and to vote thereat. The proxy needs not be a shareholder of the Company;</p> <p>(4) the time and place of serving a power of attorney of the voting proxy;</p> <p>(5) The names and telephone numbers of permanent contact persons for the affairs of the meeting.</p> <p>Except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, notices of shareholder's general meeting shall be served to the shareholders (whether or not they are entitled to vote in the meeting), by hand or by prepaid mail at their addresses as shown in the register of members, or by publication on the Company's website or by other means set out in this Articles of Association. For the holders of domestic shares, notice of shareholder's general meeting may be served by way of announcement.</p>	<p>Article 20 The notice of the shareholder's general meeting shall fulfil the following requirements:</p> <p>(1) except as otherwise provided in the relevant laws, regulations, the listing rules of the stock exchange where the Company has its shares listed and the Articles of Association, being served in writing;</p> <p>(2) specifying the place, the date, the time and duration of the meeting;</p> <p>(3) stating the issues and proposals to be considered at the meeting;</p> <p>(4) providing such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be considered. Without limiting the generality of the foregoing, where a proposal is made (including but not limited to) upon a merger of the Company, share repurchases, share capital reorganisation or other reorganisation of the Company in any other way, the specific terms of the proposed transaction shall be provided in details together with copies of the proposed contracts (if any), and the cause and effect of such proposal shall be properly explained;</p>

No.	Existing Articles	Amended Articles
	<p>The announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the competent securities authorities of the State Council; upon the publication of the announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholder's general meeting. Such announcements should be published in accordance with the requirements of the Listing Rules.</p>	<p>(5) containing a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, general manager and other senior management members in the proposed transaction; and the explanation of effect which the proposed transaction will have on them in their capacity as shareholders in so far as it is different from the effect on the interests of shareholders of the same class;</p> <p>(6) containing the full text of any special resolution to be proposed at the meeting;</p> <p>(7) containing a conspicuous statement that all shareholders are entitled to attend and vote at the shareholder's general meeting and are entitled to appoint a proxy to attend and vote instead of him and such proxy is not necessarily a shareholder of the Company;</p> <p>(8) stating the date of registration of shares for shareholders having the right to attend the shareholder's general meeting;</p> <p>(9) specifying the time and place for service of voting proxy forms for the relevant meeting;</p> <p>(10) stating the names and contact telephone numbers of the standing contact persons in connection with the meeting;</p> <p>(11) the time and procedures for voting online or by other means.</p>

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No.	Existing Articles	Amended Articles
		<p>All specific information of the proposal and such information and explanations required for shareholders to make appropriate judgement on matters to be considered shall be comprehensively and completely disclosed in the notice and supplementary notice of the shareholder's general meeting. Where opinions of independent (non-executive) directors are required on matters to be considered, the opinions and reasons of the independent (non-executive) directors shall be disclosed at the same time when the notice or supplementary notice of the shareholder's general meeting is issued.</p> <p>If the shareholder's general meeting is held through internet or other means of communication, time and procedure of voting through internet or other means of communication shall be specified in the notice of the shareholder's general meeting. Time of voting through internet or other means of communication shall not be earlier than 3:00 p.m. of the date on which the on-site shareholder's general meeting is held or later than 9:30 a.m. of the date on which the onsite shareholder's general meeting is held. In addition, closing time shall not be earlier than 3:00 p.m. of the date on which the on-site shareholder's general meeting is held.</p>
		<p>Except as otherwise provided in the relevant laws, regulations, the listing rules of stock exchange where the shares of the Company are listed and the Articles of Association, notices of the shareholder's general meeting shall be served to the shareholders (whether or not they are entitled to vote in the meeting), by hand or by prepaid mail at their addresses as shown in the register of members, or by publication on the Company's website or by other means set out in this Articles of Association. For the holders of domestic-listed shares, notice of the shareholder's general meeting may be served by way of announcement.</p> <p>The announcement referred to in the preceding paragraph shall be published in one or more media designated by the CSRC within the period required by the notice period for convening a shareholder's general meeting; upon the publication of the announcement, all the holders of domestic-listed shares shall be deemed to have received the notice of the relevant shareholder's general meeting.</p> <p>In the event that a notice of meeting is accidentally omitted to be sent to a person who is entitled to receive the notice or where such a person has not received the notice of meeting, the meeting and any resolution made therein shall not become void accordingly.</p>

No.	Existing Articles	Amended Articles
19	None	<p>Article 21 If the election of directors or supervisors is proposed to be discussed at the shareholder's general meeting, the notice of such meeting shall adequately disclose the detailed information of the directors or supervisor candidates, which shall at least include the following information:</p> <p>(1) personal particulars, including educational background, work experiences and concurrent positions;</p> <p>(2) whether one has any related connection with the Company, its controlling shareholders and actual controllers;</p> <p>(3) disclosure of the number of shares of the Company one holds;</p> <p>(4) whether one has been punished by competent securities authorities of the State Council and any other relevant departments and reprimanded by the stock exchanges;</p> <p>(5) other information provided by the regulations requirements of the place where the shares of the Company are listed.</p> <p>Unless a director or supervisor is elected via the cumulative voting system, each candidate for director or supervisor shall be proposed via a single proposal.</p>
20	Article 18 After the notice of the shareholders' general meeting is sent out, the board of directors shall not change the date of the meeting, unless force majeure events or other accidents occur.	Article 22 Upon issuance of the notice of a shareholders' general meeting, the shareholders' general meeting shall not be postponed or cancelled without a proper reason, and the proposals set out in the notice of the shareholders' general meeting shall not be cancelled. In the event of postponement or cancellation, the convenor shall make an announcement at least two working days before the original date of meeting, and state the reason thereof.

No.	Existing Articles	Amended Articles
	CHAPTER V CONSIDERATION AND VOTING AT THE SHAREHOLDERS' GENERAL MEETING	CHAPTER V CONVENING OF A SHAREHOLDERS' GENERAL MEETINGS
21	<p>Article 12 Shareholders may attend a shareholders' general meeting in person or appoint a proxy to attend and vote on their behalf.</p> <p>Shareholders shall appoint proxies in writing, and the proxy forms shall be lodged at the Company by the proxies. Where the principal is a legal person, the proxy form shall bear its official seal or be signed by a duly authorised person.</p> <p>The appointment of proxies by shareholders shall comply with Article 63 to Article 66 of the Articles of Association.</p>	<p>Article 24 All holders of ordinary shares in the register as at the date of share record or their proxies shall have the right to attend a shareholders' general meeting, and exercise voting rights pursuant to the relevant laws, regulations and the Articles of Association. Any shareholder entitled to attend and vote at the shareholder's general meeting may do so in person or appoint one or several proxies (who may not be shareholders) to act as his proxy to attend and vote within the authorities scope at the meeting on his behalf.</p> <p>Shareholders shall appoint proxies in writing, and the proxy forms shall be lodged at the Company by the proxies. Where the principal is a legal person, the proxy form shall bear its official seal or be signed by a duly authorised person.</p> <p>The appointment of proxies by shareholders shall comply with Article 77 to Article 81 of the Articles of Association.</p>
22	<p>Article 13 In the event that an individual shareholder attends a shareholder's general meeting in person, he/she shall produce his/her own identity card and shareholding evidence; if a proxy is appointed to attend the meeting, he/she shall produce his/her own identity card, proxy form of authorization and shareholding evidence signed by the proxy.</p> <p>Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. If a legal representative attends the meeting, he/she shall produce his/her own identity card or other valid documents evidencing his/her capacity of legal representative and shareholding evidence; if a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the legal representatives of corporate shareholders shall produce the written power of attorney according to law and shareholding evidence.</p>	<p>Article 25 In the event that an individual shareholder attends a shareholder's general meeting in person, he/she shall produce his/her own identity card or any other valid credential or proof or shareholding evidence; if a proxy is appointed to attend the meeting, he/she shall produce his/her own identity card, proxy form of authorization and shareholding evidence.</p> <p>Corporate shareholders shall attend the meeting by legal representatives or proxies appointed by legal representatives. If a legal representative attends the meeting, he/she shall produce his/her own identity card or other valid documents evidencing his/her capacity of legal representative and shareholding evidence; if a proxy is appointed to attend the meeting, the proxy shall produce his/her own identity card and the written power of attorney issued by the legal representatives of corporate shareholders' entities according to law, or the notarized copies of the resolutions or the power of attorney (save for a recognized clearing house or its proxies) appointing such proxy issued by the board of directors or other authorities of corporate shareholders and shareholding evidence.</p>

No.	Existing Articles	Amended Articles
23	<p>Article 14 The power of attorney issued by a shareholder to appoint another party to attend a shareholder's general meeting shall contain the following particular:</p> <p>(1) the name of the proxy;</p> <p>(2) whether the proxy has the voting right or not;</p> <p>(3) the instructions to vote for, against or abstain from voting on each item to be considered by the shareholder's general meeting respectively;</p> <p>(4) whether the proxy has the voting right over provisional proposal which may be included in the agenda of the shareholder's general meeting or not, and specific instructions shall be given over what voting right shall be exercised if the proxy does have the voting right;</p> <p>(5) the issuance date and expiry date of the letter of attorney;</p> <p>(6) the signature (or seal) of the entrusting party. Where the entrusting party is a corporate shareholder, the letter of attorney shall be sealed by the legal entity.</p> <p>Such a letter of attorney shall contain a statement that in default of specific instructions, whether the proxy may vote as he/she thinks fit. If the shareholder's authority is not clear, the vote of such proxy shall prevail.</p>	<p>Article 26 Any form issued to a shareholder by the Board of Directors for use by him/her for appointing a proxy shall allow the shareholder to freely instruct the proxy to cast vote in favour of or against or to abstain from voting for each resolution at the meeting, and to make separate instructions to matters to be voted in respect of the issues at the meeting. The power of attorney issued by a shareholder to appoint another party to attend a shareholder's general meeting shall contain the following particulars:</p> <p>(1)the name of the proxy;</p> <p>(2)whether the proxy has the voting right or not;</p> <p>(3) the instructions to vote for, against or abstain from voting on each item to be considered by the shareholder's general meeting respectively;</p> <p>(4) the issuance date and expiry date of the letter of attorney;</p> <p>(5) the signature (or seal) of the entrusting party. Where the entrusting party is a corporate shareholder, the letter of attorney shall be sealed by the legal entity.</p> <p>Such a letter of attorney shall contain a statement that in default of specific instructions, whether the proxy may vote as he/she thinks fit. If the shareholder's authority is not clear, the vote of such proxy shall prevail.</p>
24	<p>Article 16 The attendees' signature record of the meeting shall be prepared by the Secretariat of the Board. The record shall list out the attendees' name (or entity name), identity card number, residential address, number of shares held or representing voting rights and names of the proxies (or entity name).</p>	<p>Article 28 The attendees' registration record of the meeting shall be prepared by the Company. The record shall list out the attendees' name (or entity name), identity card number, residential address, number of shares held or representing voting rights and names of the proxies (or entity name).</p>
25	None	<p>Article 29 The convenor and the lawyer shall jointly verify the legitimacy of shareholders' qualifications based on the register of shareholders provided by the securities registration and clearing organisation, and register the name of shareholders and the number of shares with voting rights held by them. Registration for the meeting shall end before the chairman of the meeting announces the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them.</p>

No.	Existing Articles	Amended Articles
26	None	Article 30 The board of directors of the Company and other convenors shall adopt the requisite measures to ensure normal order of a shareholders' general meeting. Measures shall be adopted to stop any disruption of the shareholders' general meeting or trouble-making and infringement of the legitimate rights and interests of shareholders, and the matter shall be promptly reported to the relevant authorities for investigation and punishment.
27	None	Article 31 When the Company convenes a shareholders' general meeting, all directors, supervisors and the secretary of the board of directors shall be present at the meeting, and managers and other senior management personnel shall be in attendance at the meeting.
28	None	<p>Article 32 The Chairman of the Board shall chair the shareholders' general meetings. Where the Chairman is unable to perform his/her duties or does not perform his/her duties, a director nominated by more than half of the directors shall chair the meetings.</p> <p>The Chairman of the board of supervisors shall chair a shareholders' general meeting convened by the board of supervisors. Where the Chairman of the board of supervisors is unable to perform his/her duties or does not perform his/her duties, a supervisor nominated by more than half of the supervisors shall chair the meeting.</p> <p>In the case of a shareholders' general meeting convened by shareholders, the convenor shall appoint a representative to chair the meeting.</p> <p>Where the chairman of the meeting violates the rules of procedure and as a result thereof, the shareholders' general meeting is unable to continue when convenes a shareholder's general meeting, upon consent of the shareholders holding more than half of voting rights and present at the shareholders' general meeting, the shareholders' general meeting may elect a person to chair the meeting so that the meeting may continue.</p>
	CHAPTER VI RESOLUTIONS OF THE SHAREHOLDERS' GENERAL MEETINGS	CHAPTER VI CONSIDERATION AND VOTING AT THE SHAREHOLDERS' GENERAL MEETING
29	Article 26 Shareholders who wish to express their opinions or raise questions on the issues to be considered shall obtain prior approval from the chairman of the meeting during the shareholder's general meeting.	Article 34 Shareholders who wish to express their opinions or raise questions on the issues to be considered shall obtain prior approval from the chairman of the meeting during the shareholder's general meeting.

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No.	Existing Articles	Amended Articles
30	Article 29 Shareholders who are in violation of the Rules shall be prohibited from speaking or forced to stop by the chairman of the meeting. Any person speak at the meeting may submit their papers in writing to the chairman of the meeting.	Article 37 Shareholders who are in violation of the Rules shall be prohibited from speaking or forced to stop by the chairman of the meeting . Any person speak at the meeting may submit their papers in writing to the chairman of the meeting .
31	None	Article 39 Prior to voting, the chairman of the meeting shall announce the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them, and the number of shareholders and proxies present at the meeting and the total number of shares with voting rights held by them shall be based on the registration for the meeting.
32	<p>Article 31 Shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares. Each share shall have one vote. The Company has no voting right for the shares of the Company it holds.</p> <p>Where any shareholder is, under applicable laws and regulations and the listing rules of the stock exchange(s) where the Company has its shares listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted in the resolution results.</p> <p>When a poll is taken relating to connected transactions at the shareholder's general meeting, any shareholder involved in such connected transactions shall abstain from voting, and their shares with voting power shall not be included in the total number of shares with voting power from shareholders attending the meeting.</p>	<p>Article 40 In the case of voting at a shareholders' general meeting, shareholders (including their proxies) may exercise their voting rights in accordance with the number of their voting shares. Each share shall have one vote. The Company has no voting right for the shares of the Company it holds, and such portion of shares shall not be counted in the total number of shares with voting power from shareholders attending the meeting.</p> <p>Where any shareholder is, under applicable laws and regulations and the listing rules of the stock exchange(s) where the Company has its shares listed, required to abstain from voting on any particular resolution or restricted to voting only for or against any particular resolution, any vote cast by or on behalf of such shareholder in violation of such requirement or restriction shall not be counted in the resolution results.</p> <p>When the shareholder's general meeting examines matters in relation to related party (connected) transaction, the related (connected) shareholders shall not participate in voting of the resolution. The shares representing his voting rights shall not be counted as part of the total valid voting shares. The announcement of the resolution of the shareholder's general meeting shall fully disclose the votes of non-related (non-connected) shareholders.</p> <p>When a shareholders' general meeting deliberates on significant matters which have an impact on the interests of small and medium investors, the votes of small and medium investors of domestic listed shares shall be computed separately. The separate voting results for domestic listed shares shall be promptly disclosed.</p>

No.	Existing Articles	Amended Articles
		<p>The Company's board of directors, independent (non-independent) directors and shareholders who satisfy the relevant stipulated criteria may openly solicit shareholders' voting rights. Persons soliciting shareholders' voting rights shall make full disclosure of information such as specific voting intent. No person shall solicit shareholders' voting rights by giving compensation or disguised compensation. The Company shall not set a minimum shareholding percentage restriction for solicitation of voting rights.</p>
33	None	<p>Article 41 When a shareholders' general meeting votes on election of directors and supervisors, the cumulative voting system may be implemented pursuant to the provisions of the Articles of Association and the Rules or the resolution of a shareholders' general meeting. The cumulative voting system shall be adopted when the interests of a single shareholder and its persons acting in concert in the shares exceed 30%.</p> <p>The cumulative voting system referred to in the preceding paragraph shall mean that when a shareholders' general meeting elects directors or supervisors, each share shall have voting rights which are the same as the number of directors or supervisors to be elected, and the voting rights held by a shareholder maybe used together. The board of directors shall make announcement of the biography and basic information of director candidates to shareholders.</p>
34	None	<p>Article 42 A shareholders' general meeting deliberating on a proposal shall not amend the proposal, otherwise the relevant amendment shall be deemed as a new proposal, and shall not be voted at the shareholders' general meeting.</p>
35	None	<p>Article 43 The same voting rights may only be exercised on-site, online or via one of any other voting methods. In the event of repeated voting using the same voting rights, the first voting shall prevail.</p>

No.	Existing Articles	Amended Articles
36	<p>Article 32 At any shareholders' general meeting, a resolution shall be decided on a show of hands unless otherwise required by the relevant securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is demanded by the following persons before or after deciding on a show of hands:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least two shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding more than 10% (inclusive) of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise required by the securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is so demanded in accordance with the preceding paragraph, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour for or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>	<p>Article 44 At any shareholders' general meeting, a resolution shall be decided on a show of hands unless otherwise required by the relevant securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is demanded by the following persons before or after deciding on a show of hands:</p> <p>(1) the chairman of the meeting;</p> <p>(2) at least two shareholders entitled to vote or their proxies; or</p> <p>(3) one or more shareholders (including proxies) individually or jointly holding more than 10% (inclusive) of the voting shares represented by all shareholders present at the meeting.</p> <p>Unless otherwise required by the securities regulations by competent securities authorities of the place where the Company has its shares listed or other applicable laws and regulations, or a poll is so demanded in accordance with the preceding paragraph, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour for or against such resolution at the meeting.</p> <p>The demand for a poll may be withdrawn by the person who makes such demand.</p>

No.	Existing Articles	Amended Articles
37	None	<p>Article 45 Shareholders present at a shareholders' general meeting shall give one of the following opinions for a proposal tabled for voting: consent, objection or abstention of voting. The securities registration and clearing organisation shall be the nominee holder of shares under the Mainland China and Hong Kong Stock Connect scheme, except where declaration is made in accordance with the actual holder's intent.</p> <p>Votes which are left blank, wrongly written or illegible or votes which are not cast shall be deemed as waiver of voting rights by the voter, and the voting results for his/her shares shall be classified as "abstention of voting".</p>
38	Article 34 Any voting of any resolution shall be counted by at least two representatives of shareholders and one supervisor, and the results of voting shall be announced by the vote counters. Vote counter shall be designated by the chairman of the meeting.	<p>Article 47 Any voting of any resolution shall be counted by at least two representatives of shareholders and one supervisor, and the results of voting shall be announced by the vote counters. Vote counter shall be designated by the chairman of the meeting. Where any shareholder has relations with any issue considered, the said shareholder or proxy thereof shall not participate in counting and monitoring of ballots.</p> <p>When proposals are voted on at the shareholder's general meeting, the lawyer, shareholders' representative and supervisors' representative shall be jointly responsible for the counting and monitoring of the ballots.</p> <p>Shareholders of the Company or proxies thereof voting over the network or otherwise shall have the right to check their voting results via the corresponding voting system.</p>
39	Article 35 The chairman of the meeting shall, according to the results of the voting, determine whether to pass the resolution at the shareholder's general meeting, and shall announce the voting results at the meeting. The voting results on the resolutions are recorded in the minutes. When the number of votes for and against a resolution is equal, whether the vote is taken by show of hands or by poll, the chairman of the meeting shall be entitled to one additional vote.	Article 48 The chairman of the meeting shall, according to the results of the voting, determine whether to pass the resolution at the shareholder's general meeting, and shall announce the voting results at the meeting. The voting results on the resolutions are recorded in the minutes. When the number of votes for and against a resolution is equal, whether the vote is taken by show of hands or by poll, the chairman of the meeting shall be entitled to one additional vote.

No.	Existing Articles	Amended Articles
40	Article 36 In the event that the chairman of the meeting has any doubt as to the result of a resolution, he may have the votes counted. In the event that the chairman of the meeting does not have the votes counted, any shareholder or proxy present at the meeting who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, and the chairman of the meeting shall have the votes counted immediately.	Article 49 In the event that the chairman of the meeting has any doubt as to the result of a resolution, he may have the votes counted. In the event that the chairman of the meeting does not have the votes counted, any shareholder or proxy present at the meeting who objects to the result announced by the chairman of the meeting may demand that the votes be counted immediately after the announcement of the voting result, and the chairman of the meeting shall have the votes counted immediately.
41	Article 37 All proposals to be included in the agenda of the shareholder's general meeting shall be voted on an individual basis. There is no reason to suspend or abort the voting. If there are different proposals on the same matter, such proposals shall be voted in chronological order of making such proposals.	Article 50 Except for the accumulative voting system , all proposals to be included in the agenda of the shareholder's general meeting shall be voted on an individual basis. Other than special reasons such as force majeure which result in the interruption of the meeting or make it impossible to come to resolution, the shareholder's general meeting shall not be suspended or shall not abort the voting. If there are different proposals on the same matter, such proposals shall be voted in chronological order of making such proposals.
42	None	Article 51 A physical shareholders' general meeting shall not end earlier than the online or any other method, and the chairman of the meeting shall announce the voting status and result for each proposal on-site and announce in accordance with the voting result whether the proposal is carried. Prior to official announcement of the voting results, the relevant parties involved in the physical shareholders' general meeting, online and any other voting methods such as the Company, the counting agent(s), the scrutineer(s), key shareholders and internet service providers shall keep confidentiality of the voting status.
43	None	Article 53 At an annual general meeting, the board of directors and the board of supervisors shall report to the shareholders' general meeting on the work done in the past year, and each independent (non-executive) director shall give his/her work report.

No.	Existing Articles	Amended Articles
	CHAPTER VII MINUTES OF THE SHAREHOLDER'S GENERAL MEETING	CHAPTER VII RESOLUTIONS AND MINUTES OF THE SHAREHOLDER'S GENERAL MEETING
44	<p>Article 39 Resolutions of a shareholders' general meeting include ordinary resolutions and special resolutions.</p> <p>Resolutions of a shareholders' general meeting include ordinary resolutions and special resolutions. Any ordinary resolutions proposed at a shareholder's general meeting shall be passed by a simple majority of the votes of the shareholders (including proxies thereof) attending the shareholder's general meeting.</p> <p>.....</p>	<p>Article 54 Resolutions of a shareholders' general meeting include ordinary resolutions and special resolutions.</p> <p>Resolutions of a shareholders' shareholder's general meeting include ordinary resolutions and special resolutions. Any ordinary resolutions proposed at a shareholder's general meeting shall be passed by more than half of the votes of the shareholders (including proxies thereof) attending the shareholder's general meeting.</p> <p>.....</p>
45	<p>Article 40 The following matters proposed shall be passed at a shareholder's general meeting by way of ordinary resolution with more than the one half voting rights represented by shareholders attending the shareholder's general meeting:</p> <p>(1) working reports of the board of directors and the supervisory board;</p> <p>(2) plans formulated by the board of directors for distribution of profits and for recovery of losses;</p> <p>(3) election or removal of members of the board of directors and supervisors and their remuneration and terms of payment;</p> <p>(4) annual budget and final account, balance sheet, profit statement and other financial statements of the Company; and</p> <p>(5) matters other than those to be passed by special resolution according to the laws, administrative regulations, rules of listing of the stock exchange(s) where the Company has its shares listed or the Articles of Association.</p>	<p>Article 55 The following matters shall be passed by way of ordinary resolution at shareholders' general meeting:</p> <p>(1) working reports of the board of directors and the supervisory board;</p> <p>(2) plans formulated by the board of directors for distribution of profits and for recovery of losses;</p> <p>(3) election or removal of members of the board of directors and supervisors and their remuneration and terms of payment;</p> <p>(4) annual budget and final account plans of the Company;</p> <p>(5) annual report of the Company;</p> <p>Matters other than those to be passed by special resolution according to the laws, administrative regulations, rules of listing of the stock exchange(s) where the Company has its shares listed or the Articles of Association.</p>

No.	Existing Articles	Amended Articles
46	<p>Article 41 The following matters proposed shall be passed at a shareholder's general meeting by way of special resolution with more than two-thirds of voting rights represented by shareholders attending the shareholder's general meeting:</p> <p>(1) increase or reduction in the Company's share capital and issuance of any class of shares, warrants and other similar securities;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, merger, dissolution or liquidation of the Company or change of the Company's form;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) repurchase of the Company's shares as stipulated in items (1) and (2) of Article 28 of the Articles of Association;</p> <p>(6) other matters approved at a shareholder's general meeting by way of ordinary resolution that are of material significance to the Company and needed to be approved by way of special resolution; and</p> <p>(7) such other matters to be resolved by special resolutions as required by the Articles of Association and the listing rules of the stock exchange on which shares of the Company are listed.</p>	<p>Article 56 The following matters shall be passed by way of special resolution at shareholders' general meetings:</p> <p>(1) increase or reduction in the Company's share capital and issuance of any class of shares, warrants and other similar securities;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, spin-off, merger, dissolution or liquidation of the Company or change of the Company's form;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) major assets purchased and disposed by the Company within one year exceeding 30% of the audited total assets of the Company during the latest period;</p> <p>(6) share incentive schemes;</p> <p>(7) other matters approved at a shareholder's general meeting by way of ordinary resolution that are of material significance to the Company and needed to be approved by way of special resolution; and</p> <p>(8) such other matters to be resolved by special resolutions as required by laws, administrative rules, the listing rules of stock exchange where the shares of the Company are listed or the Articles of Association.</p>
47	<p>Article 60 The resolutions of the shareholder's general meeting shall be signed by the chairman of the meeting and directors presenting at the meeting.</p>	<p>Article 60 The resolutions of the shareholder's general meeting shall be signed by the chairman of the meeting and directors presenting at the meeting.</p>

No.	Existing Articles	Amended Articles
48	None	<p>Article 61 The convenor shall ensure that the shareholders' general meeting is held continuously until the final resolution is passed. In the event that a shareholders' general meeting is suspended or unable to pass resolutions under special circumstances such as force majeure, the requisite measures shall be adopted to resume the shareholders' general meeting as soon as possible or to terminate the shareholders' general meeting directly, and an announcement shall be promptly made. At the same time, the convenor shall report to the relevant competent authorities according to the applicable requirements.</p>
49	None	<p>Article 62 Where the proposal for election of directors or supervisors is carried at a shareholders' general meeting, the newly-elected directors or supervisors shall take office pursuant to the provisions of the Articles of Association.</p>
50	None	<p>Article 63 Where the proposal for cash dividend, bonus shares or conversion of capital reserve to share capital is carried at a shareholders' general meeting, the Company shall implement the specific plan within two months from conclusion of the shareholders' general meeting.</p>
51	None	<p>Article 64 Resolutions passed by shareholders' general meeting which violate laws and regulations shall be invalid.</p> <p>The controlling shareholders or actual controlling party of the Company shall not restrict or obstruct small and medium investors from exercising their voting rights pursuant to the law, and shall not harm the legitimate rights and interests of the Company and its small and medium investors.</p> <p>Where the convening procedures or voting method(s) of a shareholders' general meeting violate laws, administrative regulations or the Articles of Association, or a resolution violates the Articles of Association, a shareholder may request that a People's Court revokes the resolution(s) within 60 days from passing of the resolution(s).</p>

No.	Existing Articles	Amended Articles
52	<p>Article 46 Minutes shall be kept for the shareholder's general meetings and shall have the following contents:</p> <p>(1) number of voting shares present at the shareholder's general meeting and their proportion to the Company's total number of shares;</p> <p>(2) date and venue of the meeting;</p> <p>(3) name of the chairman and agenda of meeting;</p> <p>(4) main points made by the speaker on each matter considered;</p> <p>(5) voting results on each resolution (including number of votes representing "for", "against" or "abstain");</p> <p>(6) shareholders queries or suggestions as well as the replies and explanations from the Board and supervising committee;</p> <p>(7) other contents required to be included in the minutes in the opinion of the shareholder's general meeting and pursuant to the Articles of Association and the listing rules of the stock exchange where the Company has its shares listed therein.</p>	<p>Article 65 Minutes shall be kept for the shareholder's general meetings, which is the responsibility of the secretary of the board of directors. The minutes shall contain the following contents:</p> <p>(1) Time, venue, agenda of meeting and name of convenor(s);</p> <p>(2) Name of the chairman of meeting and directors, supervisors, general managers and other senior management personnel present or in attendance at the meeting;</p> <p>(3) The number of shareholders and proxies present at the meeting, the total number of voting shares held by them and the respective shareholding percentage with respect to the Company's total number of shares;</p> <p>(4) Deliberation process, key points of speech and voting result for each proposal;</p> <p>(5) Questions and suggestions raised by shareholders and the corresponding replies and explanations;</p> <p>(6) Name of lawyer, counting agent(s) and scrutineer(s); and</p> <p>(7) Any other contents to be included in the minutes as stipulated by the Articles of Association.</p>
53	<p>Article 47 Minutes of the shareholder's general meeting shall be signed by the chairman of the meeting and directors presenting at the meeting, and be kept by the secretary of the board of directors as a file of the Company. The minutes of the shareholder's general meeting shall be kept for a period of ten years.</p>	<p>Article 66 The directors, supervisors, secretary of the board of directors, the convenor(s) or their representatives and the chairman of the meeting shall sign on the minutes. The minutes shall be kept together with the sign-in records of the shareholders present at the meeting, the power of attorney of each proxy and other valid materials for online and other voting methods, and shall be kept at the domicile of the Company with a period for not less than 10 years.</p>

No.	Existing Articles	Amended Articles
54	None	Article 67 Resolutions passed at a shareholders' general meeting shall be promptly announced by the Company according to the applicable laws, regulations and the relevant requirements of the stock exchange where the Company has its shares listed, and the announcement shall state the number of shareholders and proxies present at the meeting, the total number of shares with voting rights held by them and their respective shareholding percentage with respect to the Company's total number of shares with voting rights, voting method(s), voting result of each proposal, the details of all the resolutions passed and other information stipulated by the stock exchange where the Company has its shares listed.
55	None	Article 68 Where a proposal is not carried or the shareholders' general meeting has amended a resolution of the previous shareholders' general meeting, this shall be highlighted in the announcement on resolutions passed at the shareholders' general meeting.
	CHAPTER VIII SUPPLEMENTARY PROVISIONS	CHAPTER VIII SUPPLEMENTARY PROVISIONS
56	None	Article 69 All "over", "at least" and "within" in the Rules include the numbers themselves; and "exceed", "beyond", "more", "less than" and "more than" do not include the numbers themselves.
57	<p>Article 49 Rules which have not been provided for therein shall be applied in the Articles of Association and shall be enacted with reference to the relevant provisions of the Company Law and the Listing Rules.</p> <p>If the Rules are inconsistent with the Articles of Association, the Company Law, the Listing Rules as well as other laws and regulations, the latter shall prevail.</p>	Article 70 Any matters not covered herein, or if the Rules are inconsistent with the laws and regulations, departmental rules, regulatory documents of the place where the shares of the Company are listed or the Articles of Association, the laws and regulations, departmental rules, regulatory documents of the place where the shares of the Company are listed or the Articles of Association shall prevail.
58	Article 51 The Rules shall take effect after the approval at the shareholder's general meeting and from the date of the listing of the Company.	Article 72 The Rules are approved by the shareholder's general meeting of the Company, and shall take effect and exercise since the Company initially offered the domestic listed RMB denominated ordinary shares in public and from the date of listing on the Shanghai Stock Exchange.

No.	Existing Articles	Amended Articles
1	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
2	<p>Article 1 In order to standardize the procedures and decision-making procedures of the board of directors, assure democratic and scientific decision-making behaviors of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”), and fully play the center role of the board of directors in management decision, the Company formulated these Rules of Procedure (the “Rules”), in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Mandatory Provisions in the Articles of Association of Companies Listed Overseas and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and other relevant laws and regulations and regulatory documents as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (the “Articles of the Association”).</p>	<p>Article 1 In order to standardize the procedures and decision-making procedures of the board of directors, assure democratic and scientific decision-making behaviors of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”), and fully play the center role of the board of directors in management decision, the Company formulated these Rules of Procedure (the “Rules”), in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Mandatory Provisions in the Articles of Association of Companies Listed Overseas and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules of the Stock Exchange”), the Guidelines for the Articles of Association of Listed Companies, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “Listing Rules of the Shanghai Stock Exchange”) and other relevant domestic and foreign laws and regulations and regulatory documents as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (the “Articles of the Association”).</p>
	CHAPTER II THE BOARD OF DIRECTORS	CHAPTER II THE BOARD OF DIRECTORS
3	<p>Article 4 The Company shall have the board of directors and its member composition is stipulated based on the Articles of Association. At any time, the number of independent non-executive directors shall not be less than 3 and not be less than one third of all directors. At least 1 independent non-executive director in the board of directors must has proper professional qualification or must be skilled in proper accounting or relevant financial management.</p> <p>Functions and duties of independent non-executive directors of the board of directors of the Company include but are not limited to:</p> <p>(1) to participate in the board of directors and provide independent opinions on matters concerning the Company’s strategic decisions, appointment of senior management members and other decisions involving material interest of the Company;</p>	<p>Article 4 The Company shall have the board of directors and its member composition is stipulated based on the Articles of Association. At any time, the number of independent (non-executive) directors shall not be less than 3 and not be less than one third of all directors. At least 1 independent (non-executive) director in the board of directors must be accounting professional.</p> <p>Functions and duties of independent (non-executive) directors of the board of directors of the Company include but are not limited to:</p> <p>(1) to participate in the board of directors and provide independent opinions on matters concerning the Company’s strategic decisions, appointment of senior management members and other decisions involving material interest of the Company;</p>

No.	Existing Articles	Amended Articles
	<p>(2) to demonstrate the leading and guiding role whenever there is potential conflict of interests such as where the Company is entering into connected transactions so as to fully protect the overall legitimate rights and interests of the Company and the shareholders;</p> <p>(3) to serve as a member of special committees such as the audit committee, remuneration committee and nomination committee of the board of directors when invited; and</p> <p>(4) to monitor whether or not the business performance of the Company has achieved its pre-set objectives and express opinions at relevant meetings.</p>	<p>(2) to demonstrate the leading and guiding role whenever there is potential conflict of interests such as where the Company is entering into connected (related) transactions so as to fully protect the overall legitimate rights and interests of the Company and the shareholders;</p> <p>(3) to serve as a member of special committees such as the strategic and investment committee, audit committee, remuneration committee and nomination committee of the board of directors when invited; and</p> <p>(4) to monitor whether or not the business performance of the Company has achieved its pre-set objectives and express opinions at relevant meetings.</p>
4	<p>Article 5 The board of directors is accountable to the shareholders' general meeting and exercises the following powers and functions:</p> <p>(1) to be responsible for the convening of general meetings and report its work at the general meetings;</p> <p>(2) to execute resolutions passed at the general meetings;</p> <p>(3) to decide on business operation plans and investment proposals as well as major asset disposal and reorganization schemes of the Company;</p> <p>(4) to prepare the annual financial budget and final accounts of the Company;</p> <p>(5) to prepare proposals for profit distribution and recovery of losses of the Company;</p> <p>(6) to formulate proposals for increase or reduction in the Company's registered capital and the issue of corporate bonds;</p> <p>(7) to formulate proposals for merger, division, dissolution or change of the Company's form;</p> <p>(8) to decide on the establishment of an internal management department of the Company;</p> <p>(9) to appoint or dismiss general manager and board secretary of the Company; to appoint or dismiss the deputy general manager, chief accountant and other senior management members of the Company based on the nomination by the general manager and decide on the matters relating to their remuneration;</p> <p>(10) to formulate the fundamental management system of the Company;</p>	<p>Article 5 The board of directors is accountable to the shareholders' general meeting and exercises the following powers and functions:</p> <p>(1) to be responsible for the convening of general meetings and report its work at the general meetings;</p> <p>(2) to execute resolutions passed at the general meetings;</p> <p>(3) to decide on business operation plans and investment proposals as well as major asset disposal and reorganization schemes of the Company;</p> <p>(4) to prepare the annual financial budget and final accounts of the Company;</p> <p>(5) to prepare proposals for profit distribution and recovery of losses of the Company;</p> <p>(6) to formulate proposals for increase or reduction in the Company's registered capital and proposals for the issue of corporate bonds or other securities and listing;</p> <p>(7) to formulate proposals for major acquisitions and the purchase of the Company's shares or merger, division, dissolution and change of the Company's form;</p> <p>(8) to decide, within the scope of the mandate granted by a shareholders' general meeting, on the Company's external investments, acquisition and sale of assets, pledge of assets, external guarantees, entrusted wealth management, connected (related) transactions and external donations etc.;</p> <p>(9) to decide on the establishment of an internal management department of the Company;</p>

No.	Existing Articles	Amended Articles
	<p>(11) to draft amendments of the Articles of Association;</p> <p>(12) to manage the information disclosure matters of the Company;</p> <p>(13) to submit a resolution on appointment or replacement of the accounting firm responsible for the audit work of the Company at the shareholders' general meeting;</p> <p>(14) to formulate the plan for the repurchase of shares of the Company in accordance with circumstances as required in items (1) and (2) of Article 28 of the Articles of Association; pursuant to the Articles of Association or the authorization of the general meeting, to decide on the repurchase of shares of the Company in accordance with circumstances as required in items (3), (5) and (6) of Article 28 of the Articles of Association; and</p> <p>(15) other powers and functions conferred by the laws, regulations and the Listing Rules, and at the general meeting and under the Articles of Association.</p> <p>Resolutions by the board of directors on matters referred to in the preceding paragraph may be passed by the affirmative vote of more than half of the directors with the exception of resolutions on matters referred to in items (6), (7), (11) and (14), which shall require the affirmative vote of more than two thirds of the directors. The board of directors shall perform its duties in accordance with the State's laws, administrative regulations, the Articles of Association and resolutions of the shareholders.</p>	<p>(10) to decide on the appointment or dismissal of manager, board secretary and other senior management members of the Company as well as their remuneration and incentives and penalties; to decide on the appointment or dismissal of the deputy manager, chief financial officer and other senior management members of the Company based on the nomination by the manager as well as their remuneration and incentives and penalties;</p> <p>(11) to formulate the fundamental management system of the Company;</p> <p>(12) to revise amendments of the Articles of Association;</p> <p>(13) to manage the information disclosure matters of the Company;</p> <p>(14) to submit a resolution on appointment or replacement of the accounting firm responsible for the audit work of the Company at the shareholders' general meeting;</p> <p>(15) to listen to the work reports of general manager of the Company and inspect the general manager's work performance; and</p> <p>(16) other powers and functions conferred by the laws, administrative regulations, departmental regulations, relevant regulations of the stock exchange(s) where the Company's shares are listed or regulations in the Articles of Association, and at the general meeting.</p> <p>Matters outside the scope of the mandate of the shareholders' general meeting shall be tabled at a shareholders' general meeting for deliberation.</p>

No.	Existing Articles	Amended Articles
5	None	<p data-bbox="834 317 1356 668">Article 6 The board of directors shall determine the authority for external investments, acquisition and sale of assets, pledge of assets, external guarantees, entrusted wealth management and connected (related) transactions, and establish stringent examination and decision-making procedures; and shall organise the relevant experts and professionals to appraise significant investment projects, and submit the same to a shareholders' general meeting for approval.</p> <p data-bbox="834 719 1356 868">The authorities of the board of directors when considering matters including external guarantee, connected (related) transactions, external investment and other transactions are stated as follows:</p> <p data-bbox="834 919 1034 951">(1) External guarantee</p> <p data-bbox="834 1002 1356 1310">The board of directors has right to determine the external guarantee matters except those shall be considered and approved by the general meeting as stated in the Articles of Association. Those external guarantee matters that shall be approved by the board of directors require not only the approval of the majority of all the directors, but also the consideration, approval and resolution of more than two thirds of the directors attending the Board meeting.</p> <p data-bbox="834 1361 1356 1708">The so-called "external guarantee" refers to the guarantee made by the Company to others, including the Company's guarantee to the holding subsidiaries. The so-called "total amount of external guarantee of the Company and the holding subsidiaries" refers to the total amount of the Company's external guarantee including the Company's external guarantee to the holding subsidiaries plus the total amount of the external guarantee of the holding subsidiaries.</p>

No.	Existing Articles	Amended Articles
		<p>(2) Connected (related) transactions</p> <p>1. Potential connected (related) transactions (excluding external guarantee of the Company), that fail to meet the consideration criteria of the general meeting stated in the Articles of Association, meet one of the following conditions: (i) the amount of the transaction with related natural person (as defined in the Listing Rules of the Shanghai Stock Exchange) is above RMB300,000; (ii) the amount of the transaction with related legal person (as defined in the Listing Rules of the Shanghai Stock Exchange) is above RMB3 million and the percent to the absolute value of the latest audited net assets is above 0.5%;</p> <p>2. The related transaction or accumulatively calculated related transaction (the definition and the principle of accumulative calculation are based on the Listing Rules of the Stock Exchange which are amended from time to time) is measured with asset ratio, income ratio, price ratio and stock capital ratio (specific details are based on the Listing Rules of the Stock Exchange which are amended from time to time). Any ratio (i) is equal to or more than 0.1% (unless the transaction value is less than HKD3 million) but is less than 5%; or (ii) is equal to or more than 1% (unless the transaction value is less than HKD3 million) but is less than 5%, and the transaction only involves in related parties at major subsidiary level of the Company; or (iii) is equal to or more than 5% but is less than 25% and the transaction value is below HKD10 million.</p>

No.	Existing Articles	Amended Articles
		<p>Matters within the scope of authorization of the board of directors as stated in the above paragraph, for example the matters which shall be submitted to, considered and approved at the shareholders' general meeting according to laws, administrative regulations, departmental regulations, regulated documents or the listing rules of the stock exchange(s) where the Company's shares are listed, shall be executed according to laws, administrative regulations, departmental regulations, regulated documents or the listing rules of the stock exchange(s) where the Company's shares are listed.</p> <p>Connected transactions which are required to be submitted to the general meeting for consideration shall be submitted to the board for consideration after the independent directors propose their prior approval opinions. Before the independent directors make judgment, an intermediary agency can be engaged to issue a special report.</p> <p>(3) Financial assistance</p> <p>The transaction matter of "financial assistance" occurred in the Company requires not only the approval of the majority of all the directors, but also the consideration and approval of more than two thirds of the directors attending the Board meeting and be disclosed in a timely manner.</p> <p>(4) External investment and other significant transactions (except for external guarantees and financial assistance)</p>

No.	Existing Articles	Amended Articles
		<p>Meet one of the following criteria:</p> <ol style="list-style-type: none"> 1. transactions involving total assets (the higher of book value and assessed value if both are available) accounting for more than 10% of the latest audited total assets of the Company; 2. transactions whose subject matter (such as equity interest) involves net assets (the higher of book value and assessed value if both are available) accounting for more than 10% of the latest audited net assets of the Company, and with an absolute amount in excess of RMB10 million; 3. transaction with an amount (including the debts and expenses assumed) accounting for more than 10% of the latest audited net assets of the Company, and with the absolute amount in excess of RMB10 million; 4. transactions generating profit accounting for more than 10% of the audited net profit of the Company for the latest accounting year, and with an absolute amount in excess of RMB1 million; 5. transactions whose subject matter (such as equity interest) generates operating revenue in the latest accounting year accounting for more than 10% of the audited operating revenue of the Company in the latest accounting year, and with an absolute amount in excess of RMB10 million;

No.	Existing Articles	Amended Articles
		<p>6. transactions whose subject matter (such as equity interest) generates net profit in the latest accounting year accounting for more than 10% of the audited net profit of the Company in the latest accounting year, and with an absolute amount in excess of RMB1 million;</p> <p>7. under the rules in the Listing Rules of the Stock Exchange which are amended from time to time, the transaction or accumulatively calculated relevant transaction is measured with asset ratio, profit ratio, income ratio, price ratio and stock capital ratio (the specific details are based on the Listing Rules of the Stock Exchange which are amended from time to time). Any ratio is equal to or above 5% but is below 25%; any ratio is below 5%, but the transaction takes the shares of the issuing company as the transaction consideration (if the relevant transaction constitutes a connected (related) transaction under the Listing Rules of the Stock Exchange or Listing Rules of the Shanghai Stock Exchange, it shall be implemented in accordance with the regulations of the Company's Administrative Measures for Connected Transactions and the stock exchange where the Company's shares are listed);</p> <p>8. external equity investment fails to meet the consideration criteria of the general meeting according to the local laws and regulations and relevant listing rules in the place where the Company's shares are listed, and the Articles of Association.</p> <p>If the figures of the above items 1 to 5 are negative, its absolute value shall be used for calculation.</p> <p>(4) Other transactions that are beyond the authorization of general manager and/or the office of the general manager, but have no need to be approved, or authorized and determined by the general meeting according to local laws and regulations and relevant listing rules in the place where the Company's shares are listed, and the Articles of Association.</p>

No.	Existing Articles	Amended Articles
6	<p>Article 6 The board of directors shall establish special committees, such as audit committee, remuneration committee, nomination committee and overseas risk control committee and other special committees which the board of directors deem necessary. Special committees shall be responsible to the board of directors, and shall perform their duties in accordance with the Articles of Association and the authorization of the board of directors. The proposal shall be submitted to the board of directors for consideration and decision. All members of the special committees shall be directors, of which independent directors shall account for the majority of members of the audit committee, nomination committee and remuneration committee, and shall serve as the convener. The convener of the audit committee shall be an accounting professional. The board of directors is responsible for the formulation of the rules of procedure of the special committees and the standardization of operation of the special committees.</p>	<p>Article 7 The board of directors shall establish special committees, such as strategic and investment committee, audit committee, remuneration committee, nomination committee and overseas risk control committee and other special committees which the board of directors deem necessary. Independent (non-executive) directors shall account for the majority of members of the audit committee, remuneration committee and nomination committee. Each of the special committees, under the leadership of the board of directors, shall provide recommendation and advices to the board of directors for decision-making and make proposals for the board of directors.</p>
	CHAPTER III DIRECTORS	CHAPTER III DIRECTORS
7	<p>Article 8 Every director shall have the following rights:</p> <p>(1) to attend board meetings and exercise his/her voting right;</p> <p>(2) to represent the Company pursuant to the provisions of the Articles of Association or the mandate from the board of directors;</p> <p>(3) to operate business of the Company pursuant to the provisions of the Articles of Association or the mandate from the board of directors;</p> <p>(4) to be entitled to receive the remuneration or allowance of the appropriate standard;</p> <p>(5) to seek independent professional advice, where appropriate, at the Company's expense; and</p> <p>(6) other powers and functions conferred by regulations in the Articles of Association, or others authorized by the general meeting.</p>	<p>Article 9 Every director shall have the following rights:</p> <p>(1) to attend board meetings and exercise his/her voting right;</p> <p>(2) to represent the Company pursuant to the provisions of the Articles of Association or the mandate from the board of directors;</p> <p>(3) to operate business of the Company pursuant to the provisions of the Articles of Association or the mandate from the board of directors;</p> <p>(4) to be entitled to receive the remuneration or allowance of the appropriate standard;</p> <p>(5) to seek independent professional advice, where appropriate, at the Company's expense; and</p> <p>(6) other powers and functions conferred by laws, administrative regulations, departmental regulations, relevant regulations of the stock exchange(s) where the Company's shares are listed and regulations in the Articles of Association, or others authorized by the general meeting.</p>

No.	Existing Articles	Amended Articles
8	<p>Article 9 Directors shall perform the following obligations:</p> <p>(1) The directors shall comply with the requirements of laws, regulations and the Articles of Association, and carry out their duties loyally to safeguard the interest of the Company. In the event of conflict between their personal interest and that of the Company and its shareholders, the directors shall act in the best interest of the Company and its shareholders.</p> <p>(2) No director shall act on behalf of the Company or the board of directors without the requirement of the Articles of Association or the lawful authorization of the board of directors. In the event that a director is acting on his/her behalf, which may be reasonably deemed to be acting on the behalf of the Company or the board of directors by a third party, such director shall state his/her stance and identity in advance.</p> <p>(3) The resignation or the expiry of the term of office of a director does not relieve him/her from liability to the Company and shareholders before the resignation becomes effective and within a reasonable period of time after the resignation becomes effective. The duty to keep confidential to trade secrets of the Company survives the termination of their terms of office until such secrets are publicly disclosed. The continuous period of other duties shall be determined according to the principle of fairness, depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.</p>	<p>Article 10 Directors shall perform the following obligations:</p> <p>(1) The directors shall comply with the requirements of laws, regulations and the Articles of Association, and carry out their duties loyally to safeguard the interest of the Company. In the event of conflict between their personal interest and that of the Company and its shareholders, the directors shall act in the best interest of the Company and its shareholders.</p> <p>(2) No director shall act on behalf of the Company or the board of directors without the requirement of the Articles of Association or the lawful authorization of the board of directors. In the event that a director is acting on his/her behalf, which may be reasonably deemed to be acting on the behalf of the Company or the board of directors by a third party, such director shall state his/her stance and identity in advance.</p> <p>(3) The resignation or the expiry of the term of office of a director does not relieve him/her from liability to the Company and shareholders before the resignation becomes effective and within a reasonable period of time after the resignation becomes effective. The duty to keep confidential to trade secrets of the Company survives the termination of their terms of office until such secrets are publicly disclosed. The continuous period of other duties shall be determined according to the principle of fairness, depending on the time lapse between the termination and the act concerned and the circumstances under which the relationships between them and the Company are terminated.</p> <p>(4) other obligations imposed by laws, administrative regulations, departmental regulations, relevant regulations of the stock exchange(s) where the Company's shares are listed and regulations in the Articles of Association.</p>

No.	Existing Articles	Amended Articles
9	<p>Article 10 The directors shall take the following responsibilities:</p> <p>(1) If any director fails to attend in person or entrust other directors as his/her representative to attend the board meetings for two consecutive times, such director shall be deemed to have failed to perform his/her duties, and the board of directors may propose to replace such director at the general meeting.</p> <p>(2) If any director's behavior damages the Company's image and interests, the board of directors shall recommend to the shareholders' general meeting to remove him/her. Before the shareholders' general meeting approves the removal of the director, the board of directors has the right to suspend or limit his/her authority.</p> <p>(3) Any director who leaves his/her office without authorization prior to the expiration of his/her term of office, thereby incurring a loss to the Company, shall be liable for compensation of such loss;</p> <p>(4) Any director of the Company who violates any laws, regulations, other regulated documents or the Articles of Association during the course of performing his/her duties, thereby incurring a loss to the Company, shall be liable for compensation of such loss.</p>	<p>Article 11 The directors shall take the following responsibilities:</p> <p>(1) If any director fails to attend in person or entrust other directors as his/her representative to attend the board meetings for two consecutive times, such director shall be deemed to have failed to perform his/her duties, and the board of directors may propose to replace such director at the general meeting.</p> <p>(2) If any director's behavior damages the Company's image and interests, the board of directors shall recommend to the shareholders' general meeting to remove him/her. Before the shareholders' general meeting approves the removal of the director, the board of directors has the right to suspend or limit his/her authority.</p> <p>(3) Any director who leaves his/her office without authorization prior to the expiration of his/her term of office, thereby incurring a loss to the Company, shall be liable for compensation of such loss;</p> <p>(4) Any director of the Company who violates any laws, administrative regulations, departmental regulations, other regulated documents or the Articles of Association during the course of performing his/her duties, thereby incurring a loss to the Company, shall be liable for compensation of such loss.</p> <p>(5) Other responsibilities imposed by laws, administrative regulations, departmental regulations, relevant regulations of the stock exchange(s) where the Company's shares are listed and regulations in the Articles of Association.</p>

No.	Existing Articles	Amended Articles
	CHAPTER IV THE CHAIRMAN OF THE BOARD OF DIRECTORS	CHAPTER IV THE CHAIRMAN OF THE BOARD OF DIRECTORS
10	<p>Article 13 The chairman of the board of directors is entitled to the following powers and functions:</p> <p>(1) to preside over the general meeting, and to convene and preside over the meetings of the board of directors;</p> <p>(2) to check on the implementation of resolutions of the board of directors;</p> <p>(3) to sign the securities certificates issued by the Company;</p> <p>(4) to sign important documents of the board of directors and other documents that require signing by the Company's legal representative;</p> <p>(5) to propose the nomination for the Company's general manager and board secretary;</p> <p>(6) to exercise the special power to handle corporate affairs in accordance with law and the Company's interests in cases of emergency caused by catastrophic natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; and</p> <p>(7) to exercise other powers and functions conferred by the board of directors.</p> <p>If the chairman of the Board is unable to exercise his/her duties, he/she may designate a director to exercise such functions and powers in his/her stead.</p>	<p>Article 14 The chairman of the board of directors is entitled to the following powers and functions:</p> <p>(1) to preside over the general meeting, and to convene and preside over the meetings of the board of directors;</p> <p>(2) to monitor and check on the implementation of resolutions of the board of directors;</p> <p>(3) to sign the securities certificates issued by the Company;</p> <p>(4) to sign important documents of the board of directors and other documents that require signing by the Company's legal representative;</p> <p>(5) to propose the nomination for the Company's general manager and board secretary;</p> <p>(6) to exercise the special power to handle corporate affairs in accordance with law and the Company's interests in cases of emergency caused by catastrophic natural disasters or other force majeure, and report to the board of directors and shareholders' general meeting thereafter; and</p> <p>(7) to exercise other powers and functions conferred by the board of directors.</p> <p>Where the Chairman is unable to perform the duties or does not perform the duties, a director jointly elected by a simple majority of the directors shall perform the duties.</p>

No.	Existing Articles	Amended Articles
	CHAPTER V BOARD SECRETARY	CHAPTER V BOARD SECRETARY
11	<p>Article 14 The Company shall have a board secretary, who is a senior management member of the Company and shall be accountable to the board of directors. The board secretary of the Company shall be a natural person with the requisite professional knowledge and experience. The primary duties of the board secretary are:</p> <p>(1) to make preparations for the shareholders' general meetings and board meetings, prepare meeting materials, handle relevant meeting affairs, prepare the minutes, ensure the accuracy of minutes, keep meeting documents and minutes and take initiative to keep track of the implementation of relevant resolutions. Any important issues occurring during the implementation shall be reported and relevant proposals shall be put forward to the board of directors;</p> <p>(2) to ensure the completeness of the constitutional documents and records of the Company; keep and manage the information of shareholders; assist directors in handling their daily work and continuously provide the directors with, remind them of and ensure that they understand the laws and regulations, policies and requirements of the domestic and foreign regulatory authorities concerning the operation of the Company; assist the directors and the general manager in exercising their powers in compliance with relevant domestic and foreign laws and regulations, the Articles of Association and other relevant requirements;</p> <p>(3) to ensure the decision on material matters made by the board of directors of the Company to be carried out strictly in accordance with the procedures as stipulated; at the request of the board of directors, participate in the organization of consultation on and analysis of the matters to be decided by the board of directors and offer relevant opinions and suggestions; handle the day-to-day affairs of the board of directors and its relevant committees as entrusted;</p>	<p>Article 15 The Company shall have a board secretary, who is a senior management member of the Company and shall be accountable to the board of directors. The board secretary of the Company shall be a natural person with the requisite professional knowledge and experience. The primary duties of the board secretary are:</p> <p>(1) to make preparations for the shareholders' general meetings and board meetings, prepare meeting materials, handle relevant meeting affairs, attend the shareholders' general meetings, the board meetings, the meetings of the supervisory board and the meetings of senior management, prepare the minutes of the board meetings, ensure the accuracy of minutes, keep meeting documents and minutes and take initiative to keep track of the implementation of relevant resolutions. Any important issues occurring during the implementation shall be reported and relevant proposals shall be put forward to the board of directors;</p> <p>(2) to ensure the completeness of the constitutional documents and records of the Company; keep and manage the information of shareholders; assist directors in handling their daily work and continuously provide the directors, supervisors and senior management with, remind them of and ensure that they understand the laws and regulations, policies and requirements of the domestic and foreign regulatory authorities concerning the operation of the Company; assist the above personnel in exercising their powers in compliance with relevant domestic and foreign laws and regulations, the Articles of Association and other relevant requirements and help them to have a clear grasp of their respective responsibilities with respect to information disclosure;</p>

No.	Existing Articles	Amended Articles
	<p>(4) to act as the contact person of the Company with the securities regulatory authorities, to be responsible for organization of preparations for and prompt submission of documents as required by the regulatory authorities, and accept and organize the implementation of any assignment issued by the regulatory authorities;</p> <p>(5) to be responsible for coordinating and organizing the Company's disclosure of information, establish and improve the information disclosure system, participate in all of the Company's meetings involving the disclosure of information, and keep informed of the Company's material operation decisions and related information in a timely manner;</p> <p>(6) to be responsible for keeping the Company's price-sensitive information confidential and work out effective and practical confidentiality systems and measures; where there is any leakage of the Company's price-sensitive information due to any reason, necessary remedial measures shall be taken, timely explanation and clarification shall be made, and relevant reports shall be submitted to the stock exchange(s) where the Company's shares are listed and the China Securities Regulatory Commission;</p> <p>(7) to be responsible for coordinating reception of visitors and keeping in touch with news media; coordinating replies to inquiries from the public and handling the relationship with the intermediary institutions, regulatory authorities and the media and organizing the reporting of relevant matters to the China Securities Regulatory Commission;</p> <p>(8) to ensure the proper maintenance of the register of shareholders and that the persons who have the rights of access to the relevant records and documents of the Company can obtain those records and documents in a timely manner;</p>	<p>(3) to ensure the decision on material matters made by the board of directors of the Company to be carried out strictly in accordance with the procedures as stipulated; at the request of the board of directors, participate in the organization of consultation on and analysis of the matters to be decided by the board of directors and offer relevant opinions and suggestions; handle the day-to-day affairs of the board of directors and its relevant committees as entrusted;</p> <p>(4) to act as the contact person of the Company with the securities regulatory authorities, to be responsible for organization of preparations for and prompt submission of documents as required by the regulatory authorities, and accept and organize the implementation of any assignment issued by the regulatory authorities;</p> <p>(5) to be responsible for coordinating and organizing the Company's disclosure of information, establish and improve the information disclosure system, participate in all of the Company's meetings involving the disclosure of information, and keep informed of the Company's material operation decisions and related information in a timely manner and urge the Company and the relevant persons with information disclosure obligations to observe relevant disclosure regulations;</p> <p>(6) to be responsible for keeping the Company's price-sensitive information confidential and work out effective and practical confidentiality systems and measures; where there is any leakage of the Company's price-sensitive information due to any reason, necessary remedial measures shall be taken, timely explanation and clarification shall be made, and relevant reports shall be submitted to the stock exchange(s) where the Company's shares are listed and the China Securities Regulatory Commission;</p>

No.	Existing Articles	Amended Articles
	<p>(9) to assist directors and the general manager in fully complying with the domestic and foreign laws, regulations, the Articles of Association and other relevant requirements when exercising their functions and powers; upon becoming aware that the Company has passed or may pass resolutions which may breach the relevant requirements, to be obliged to alert promptly and is entitled to report the fact to the China Securities Regulatory Commission and other regulatory authorities;</p> <p>(10) to coordinate in providing the necessary information to the Company's supervisory board and other supervising and audit authorities to facilitate the discharge of their supervision duties; assist in carrying out investigation into the performance of the fiduciary duties by chief financial officer, directors and the general manager of the Company;</p> <p>(11) to perform other duties as delegated by the board of directors and other duties as required by the stock exchange(s) where the Company's shares are listed.</p>	<p>(7) to be responsible for investor relationship management, coordinating communications between the Company and the securities regulatory authority, investors, actual controllers, intermediary institutions and public media; paying close attention to media coverage, ascertaining whether the coverage is true or not and urging relevant entities including the Company to respond to the inquiries of the Stock Exchanges in a timely manner;</p> <p>(8) to ensure the proper maintenance of the register of shareholders and that the persons who have the rights of access to the relevant records and documents of the Company can obtain those records and documents in a timely manner; to be responsible for managing the change of the Company's shares and their derived varieties;</p> <p>(9) to assist directors, supervisors and senior management in fully complying with the domestic and foreign laws, regulations, the Articles of Association and other relevant requirements when exercising their functions and powers and in faithfully fulfilling their commitments; upon becoming aware that the Company, directors, supervisors and senior management have passed or may pass resolutions which may breach the relevant requirements, to be obliged to alert promptly and is entitled to report the fact to the stock exchange where the Company's shares are listed;</p> <p>(10) to coordinate in providing the necessary information to the Company's supervisory board and other supervising and audit authorities to facilitate the discharge of their supervision duties; assist in carrying out investigation into the performance of the fiduciary duties by chief financial officer, directors and the general manager of the Company;</p> <p>(11) to perform other duties as delegated by the board of directors and other duties as required by the stock exchange(s) where the Company's shares are listed.</p>

No.	Existing Articles	Amended Articles
	CHAPTER VI CONVENING OF BOARD MEETING	CHAPTER VI CONVENING OF BOARD MEETING
12	<p>Article 17 The board meeting shall be convened by the chairman of the board of directors. The quorum of the board meeting shall be more than half of the directors (including those entrusted to attend the meeting under Article 104 of the Articles of Association).</p>	<p>Article 18 The board meeting shall be convened by the chairman of the board of directors. The quorum of the board meeting shall be more than half of the directors (including those entrusted to attend the meeting under Article 26 of the Rules).</p>
13	<p>Article 18 The board of directors shall hold at least four regular meetings each year. Board meeting shall be convened by the chairman of the board of directors. Notice of meeting will be served to all directors, supervisors and the general manager at least fourteen days before the meeting is held. The requirement on the notice period is not applicable to extraordinary board meetings, but a reasonable notice should be served to all directors, supervisors and the general manager.</p> <p>The Company shall hold an annual meeting of independent non-executive directors only that the chairman shall preside over to review the operational conditions of the Company independently.</p>	<p>Article 19 The board of directors shall hold at least four regular meetings each year. Board meeting shall be convened by the chairman of the board of directors. Notice of meeting will be served to all directors, supervisors and the general manager at least fourteen days before the meeting is held. The requirement on the notice period is not applicable to extraordinary board meetings, but a reasonable notice should be served to all directors, supervisors and the general manager.</p> <p>A notice of board meeting shall include the following contents:</p> <p>(1) Date and venue of meeting;</p> <p>(2) Deadline for the meeting;</p> <p>(3) Subject matter and agenda items; and</p> <p>(4) Date of notice.</p> <p>The board of directors shall notify all directors in advance according to the required time, and provide enough materials including relevant background materials of meeting topics, and information and data that help the directors understand the business progress of the Company. When 2 or above independent (non-executive) directors remark adequate materials or unclear demonstration, they shall jointly suggest the delay of the convening of the board meeting or delay of the consideration of the matter in written form. The board of directors shall accept the delay.</p> <p>The Company shall hold an annual meeting of non-executive directors (including independent (non-executive) directors) only that the chairman shall preside over to review the operational conditions of the Company independently.</p>

No.	Existing Articles	Amended Articles
14	None	<p>Article 20 After the delivery of the written notice of the periodic board meeting, if there are changes in matters including the convening time and place of the meeting or the adding, changing and cancelling of meeting proposals, written notice for the change shall be sent, stating the explanation and relevant content and materials of new proposals within 3 days before the original convening date of the meeting. If the meeting is to be held in less than 3 days, the meeting shall be delayed accordingly or be held as schedule after the approval by all directors.</p> <p>After the delivery of the written notice of the extraordinary board meeting, if there are changes in matters including the convening time and place of the meeting or the adding, changing and cancelling of meeting proposals, the approval by all directors shall be obtained in advance and relevant records shall also be taken.</p>
15	None	<p>Article 21 Supervisors shall attend the board meeting, and general manager and the board secretary, who are not directors, shall attend the board meeting. Other relevant personnel shall attend the board meeting if the chairman of the meeting deems it necessary.</p>
16	<p>Article 19 Each director has proposal right. The secretary of the Board of Directors shall generally collect proposals from directors within 15 days before the convening of the meeting. Directors who have proposals shall submit the written proposals with signature and explanation to the secretary of the Board of Directors within 10 days before the meeting. The proposals shall be submitted to the chairman of the Board of Directors through the secretary of the Board of Directors to determine whether they shall be listed on the proposals of the meeting of the Board of Directors.</p> <p>Article 20 The Board of Directors shall convene extraordinary board meetings according to its needs. All directors, supervisors and general manager shall be informed before the convening of the extraordinary meetings.</p>	<p>Article 22 Each director has proposal right. The secretary of the Board of Directors shall generally collect proposals from directors within 15 days before the convening of the meeting. Directors who have proposals shall submit the written proposals with signature and explanation to the secretary of the Board of Directors within 10 days before the meeting. The proposals shall be submitted to the chairman of the Board of Directors through the secretary of the Board of Directors to determine whether they shall be listed on the proposals of the meeting of the Board of Directors. Material connected (related) transactions (determined according to the listing rules in the place where the Company's shares are listed), that shall be considered by the board of directors or the general meeting according to laws, and proposals of appointing or dismissing accounting firm shall be approved by independent (non-executive) directors first.</p> <p>The secretary of the Board of Directors shall fully collect opinion from directors and form primary proposals of the meeting for the protocolling of the chairman of the Board of Directors. Before the protocolling, the chairman shall collect opinion from managers and other senior management as necessary.</p>

No.	Existing Articles	Amended Articles
17	<p>Article 21 The Board of Directors shall convene and host extraordinary board meetings within 10 days under one of the following circumstances:</p> <p>(1) the chairman of the board of directors deems necessary;</p> <p>(2) jointly demanded by more than one third of the directors;</p> <p>(3) demanded by the supervisory board;</p> <p>(4) demanded by the shareholders representing more than one tenth of the voting rights;</p> <p>(5) demanded by more than one half of the independent directors; and</p> <p>(6) demanded by the general manager.</p>	<p>Article 23 The Board of Directors shall convene and host extraordinary board meetings within 10 days under one of the following circumstances:</p> <p>(1) the chairman of the board of directors deems necessary;</p> <p>(2) jointly demanded by more than one third of the directors;</p> <p>(3) demanded by the supervisory board;</p> <p>(4) demanded by the shareholders representing more than one tenth of the total voting shares of the Company;</p> <p>(5) demanded by more than one half of the independent (non-executive) directors;</p> <p>(6) demanded by the general manager;</p> <p>(7) required by the securities regulatory authorities; and</p> <p>(8) other circumstances stipulated in the Articles of Association.</p>
18	<p>Article 22 The convening of the extraordinary board meetings shall be in compliance with the following rules:</p> <p>(1) When proposing to convene the extraordinary board meetings, shareholders representing over 10% of voting rights, the board of supervisors and general manager shall submit proposal letter to the secretary of the Board of Directors. The secretary shall report to the chairman of the Board of Directors to convene the extraordinary board meetings.</p> <p>(2) When jointly proposing to convene the extraordinary board meetings, over 1/3 of directors shall submit the proposal letter with the signature of all joint directors to the secretary of the Board of Directors. The secretary shall report to the chairman of the Board of Directors to convene the extraordinary board meetings.</p>	<p>Article 24 The convening of the extraordinary board meetings shall be in compliance with the following rules:</p> <p>(1) When proposing to convene the extraordinary board meetings, shareholders representing over 1/10 of voting rights, the board of supervisors and general manager shall submit proposal letter to the secretary of the Board of Directors. The secretary shall report to the chairman of the Board of Directors to convene the extraordinary board meetings.</p> <p>(2) When jointly proposing to convene the extraordinary board meetings, over 1/3 of directors or over 1/2 of independent (non-executive) directors shall submit the proposal letter with the signature of all joint directors or independent (non-executive) directors to the secretary of the Board of Directors. The secretary shall report to the chairman of the Board of Directors to convene the extraordinary board meetings.</p>

No.	Existing Articles	Amended Articles
	<p>(3) When an extraordinary board meeting is proposed, all proposers shall submit their reasons and topics. The extraordinary board meeting can only discuss and resolve topics included in the meeting agenda and will not discuss and resolve provisional proposals of directors.</p>	<p>(3) When an extraordinary board meeting is proposed, all proposers shall submit their reasons and topics. The extraordinary board meeting can only discuss and resolve topics included in the meeting agenda and will not discuss and resolve provisional proposals of directors.</p> <p>(4) The content of proposal shall be matters within the scope of authorization of the board of directors stipulated in the Articles of Association and materials related to the proposal shall be submitted together. After receiving the above written proposal and materials, the board secretary shall hand over to the chairman of the board of directors on the same day. The chairman shall require the proposer to revise or supplement the proposal if the content of the proposal is deemed as unclear and unspecific or relevant materials are deemed as inadequate.</p>
	<p>CHAPTER VII THE VOTING AND RESOLUTION OF THE BOARD OF DIRECTORS</p>	<p>CHAPTER VII THE VOTING AND RESOLUTION OF THE BOARD OF DIRECTORS</p>
19	<p>Article 23 Each director shall have one vote. Resolutions of the board of directors shall be passed by more than half of all directors, unless otherwise required by the Articles of Association.</p> <p>Resolutions made by the board of directors in relation to connected transactions will only be valid upon signing by independent (non-executive) directors.</p> <p>In case a director or any of his/her associates is interested in the resolution of the board meeting, that director shall avoid attending the meeting and have no voting right on the relevant resolution. That director will also be excluded in the calculation of quorum for the board of directors.</p>	<p>Article 25 Each director shall have one vote. Resolutions of the board of directors shall be passed by more than half of all directors, unless otherwise required by the Articles of Association and the Rules.</p> <p>Resolutions made by the board of directors in relation to connected (related) transactions will only be valid upon signing by independent (non-executive) directors.</p> <p>Article 34 Directors shall avoid voting on relevant proposals when:</p> <p>(1) The listing rules of the stock exchange(s) where the Company's shares are listed require the directors to avoid voting;</p> <p>(2) Directors deem necessary to avoid voting;</p> <p>(3) Directors have related (connected) relations with enterprises involved in the proposals of the meeting as required in the Article of Associations.</p> <p>Under the condition that directors avoid voting, relevant board meeting shall be convened if over half of directors, who have no need to avoid voting, attend the meeting. Resolutions shall be made by the approval of over half of directors who have no need to avoid voting. If the number of directors who are attending the meeting and have no need to avoid voting is less than 3, relevant proposals shall be not voted and shall be submitted to and considered at the general meeting.</p>

No.	Existing Articles	Amended Articles
20	<p>Article 24 Directors shall attend board meetings personally; where a director is unable to attend a board meeting for some reason, he/she may authorize in writing another director to attend the Board meeting in his/her stead. The proxy form shall be delivered to the Company by fax, but the original proxy form shall be delivered to the Company before the convening of the meeting.</p> <p>The proxy form shall state the name of the proxy, the matters to be represented, the scope of authorization and the validity period, and the entrusting party shall sign or affix seal thereto.</p>	<p>Article 26. Directors shall attend board meetings personally; where a director is unable to attend a board meeting for some reason, he/she shall review the meeting materials in advance and form a clear opinion, then entrust another director in writing to attend the meeting on his/her behalf (an independent director shall appoint another independent director to attend the meeting on his/her behalf). The proxy form shall state the name of the entrusting party and proxy, the matters to be represented, the scope of authorization, the validity period and the instructions of the entrusting party on voting intention for each proposal, and the entrusting party shall sign or affix seal thereto. Where a director authorizes another director to sign a written confirmation for a regular report on his/her behalf, he/she shall make a special authorization in the power of attorney.</p> <p>The director who attends the meeting on behalf shall exercise the director's rights within the scope of authorisation Where a director does not attend a board meeting and does not appoint a proxy to attend on his/her behalf, he/she shall be deemed to forfeit his/her voting rights.</p> <p>Entrusted director shall submit a written proxy form to the chairman of the meeting, and shall state the entrustment on attendance book.</p>

No.	Existing Articles	Amended Articles
21	None	<p>Article 27 Director entrusting and being entrusted to attend the board meeting shall comply with the following rules:</p> <p>(1) When considering connected (related) transactions, non-connected (related) directors shall not entrust connected (related) directors to attend the meeting on their behalf; connected (related) directors also shall not accept the entrustment made by the non-connected (related) directors;</p> <p>(2) Independent (non-executive) directors shall not entrust directors other than independent (non-executive) directors to attend the meeting; directors other than independent (non-executive) directors also shall not accept the entrustment made by the independent (non-executive) directors;</p> <p>(3) Director shall not entrust other directors with full authority to attend the meeting without explaining their personal opinion and voting intention on proposals. Relevant directors shall not accept the entrustment with full and unclear authority; and</p> <p>(4) A director shall not accept the entrustment made by more than two directors. Director shall not entrust a director who has accept the entrustment made by two other directors to attend the meeting.</p>
22	None	<p>Article 28 Directors shall read relevant materials of the meeting seriously, and express opinion in an independent and prudent manner on a basis of full understanding of conditions.</p> <p>Directors may learn information necessary for decision-making from relevant personnel and institutions including the secretary of the board of directors, convener of the meeting, general manager and other senior management, each special committee, accounting firms and law firms before the meeting. They may also suggest the chairman of the meeting inviting the above personnel and institutions to attend the meeting to explain relevant conditions during the meeting.</p>

No.	Existing Articles	Amended Articles
23	None	<p>Article 29 After full discussion of each proposal, the chairman of the meeting shall advise directors who are attending the meeting to vote.</p> <p>As to the voting of resolutions of the board of directors, each director has only one vote.</p> <p>Voting intentions of directors include for, against and abstain. Directors who are attending the meeting shall choose one from the above three intentions. Director fails to choose or chooses two or more intentions at the same time, the chairman of the meeting shall require the director to choose once again. The director who refuses to choose shall be deemed as abstaining from voting; director who leaves halfway at the meeting but fails to come back and fails to choose shall be deemed as abstaining from voting.</p>
24	<p>Article 25 In respect of any matter which needs to be determined by the extraordinary board meeting, under the premise of assuring directors to fully express their opinion, the Board of Directors may accept a written resolution in lieu of convening a board meeting. However, the draft of proposal must be complete and all-round and be delivered to each director through one of the three ways including by hand, by post or by fax. Where the board of directors has already sent out written notice of proposals to be resolved at such meeting to all directors and the number of directors who have signified their consent thereto reaches the required number as set out in the Articles of Association, a valid board resolution shall be deemed to be passed and there is no need to convene a board meeting.</p> <p>If the Company's major shareholders (refer to shareholders who have right to execute or control the execution of 10% or above of voting right at the general meeting of shareholders) or directors have interest conflict the Board of Directors deem in matters to be audited at the meeting of the Board of Directors, relevant matters shall be handled through the convening of the meeting (rather than written resolutions). Independent and non-executive director who himself/herself and his/her contact persons have no major interests in transactions shall attend relevant meetings of the Board of Directors.</p>	<p>Article 30 The voting method of resolutions of the meeting of the Board of Directors include; vote by show of hands, vote by oral or written form (including fax vote).</p> <p>If the meeting of the Board of Directors is convened through telephone (including video conferencing) or by similar communication equipment, directors who are attending the meeting shall cast their votes by oral form, resolutions shall be made on this basis at the meeting of the Board of Directors.</p> <p>Under the premise of assuring directors to fully express their opinion, the temporary meetings of the Board of Directors may be convened and resolutions shall be made through written form (including fax), and shall be signed by directors who are attending the meeting. However, the draft of proposal must be complete and all-round and be delivered to each director through one of the three ways including by hand, by post or by fax. The notice of the meeting shall clearly state the time limit of voting. Directors who are attending the meeting shall sign on the votes and deliver the votes through the way required as the notice of the meeting before the time limit of voting. Upon the expiration of the time limit of voting, resolutions of the Board of Directors shall take effect.</p> <p>If otherwise required by regulatory provisions of the place where the shares of the Company are listed, those provisions shall prevail.</p>

No.	Existing Articles	Amended Articles
	CHAPTER VIII MINUTES OF BOARD MEETING	CHAPTER VIII MINUTES OF BOARD MEETING
25	Article 28 Minutes of board meetings shall be kept as company documents by the secretary office to the Board for a period of ten years.	Article 34 Minutes of board meetings shall be kept as company documents by the secretary office to the Board for a period of at least ten years.
26	None	Article 36 The secretary of the Board shall be responsible for the announcement of resolutions of board meetings in accordance with relevant regulations set out in the listing rules of the stock exchanges where the Company's shares are listed. Before the disclosure of announcement of resolutions, directors present at board meetings, other attendants, recorders and staff who have offered services to board meetings are obliged to keep the content of relevant resolutions secret.
	CHAPTER IX SUPPLEMENTARY PROVISIONS	CHAPTER IX SUPPLEMENTARY PROVISIONS
27	None	Article 37 All "over" in the Rules include the numbers themselves; and "exceed", "beyond", "more" and "less than" do not include the numbers themselves.
28	Article 30 Rules which have not been provided for therein shall be applied in the Articles of Association and shall be enacted with reference to the relevant provisions of the Company Law and the Listing Rules. If the Rules are inconsistent with the Articles of Association, the Company Law, the Listing Rules as well as other laws and regulations, the latter shall prevail.	Article 38 Any matters not covered herein, or if the Rules are inconsistent with the laws and regulations, departmental rules, regulatory documents of the place where the shares of the Company are listed or the Articles of Association, the laws and regulations, departmental rules, regulatory documents of the place where the shares of the Company are listed or the Articles of Association shall prevail.
29	Article 32 The Rules shall take effect after the approval at the shareholder's general meeting and from the date of the listing of the Company.	Article 40 The Rules are approved by the shareholder's general meeting of the Company, and shall take effect and exercise since the Company initially offered the domestic listed RMB denominated ordinary shares in public and from the date of listing on the Shanghai Stock Exchange.

**THE RULES OF PROCEDURE FOR THE BOARD OF
SUPERVISORS OF BEIJING URBAN CONSTRUCTION DESIGN &
DEVELOPMENT GROUP CO., LIMITED****CHAPTER I GENERAL PROVISIONS**

Article 1 In order to clarify the responsibilities of the Board of Supervisors, regulate the organizational behaviors and operating procedures of the Board of Supervisors and clarify the responsibilities and obligations of the supervisors, Beijing Urban Construction Design & Development Group Co., Limited formulated these Rules of Procedures (hereinafter referred to as the “Rules”), according to the relevant laws and regulations and rules in the regulated documents including the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Securities Law of the People’s Republic of China, the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (together with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the “Listing Rules”), and the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Articles of Association”).

Article 2 The Board of Supervisors shall be accountable to the shareholders’ general meeting, report on its work at the shareholders’ general meeting and protect the interests of the Company and its shareholders and the legitimate rights and interests of its employees from infringement.

Article 3 The Board of Supervisors, in performing its functions and powers, shall discharge its duties of loyalty and diligence and safeguard and protect the legitimate rights and interests of the Company, its shareholders and its employees from infringement.

**CHAPTER II COMPOSITION AND RESPONSIBILITIES OF
THE BOARD OF SUPERVISORS**

Article 4 The Board of Supervisors is composed of 7 supervisors. Supervisors shall have a term of three years and be eligible for re-election upon expiry of the term.

In the event that the term of office has expired before the election of the new supervisors, or the resignation of supervisors during the term of office causes the number of supervisors to stay below the quorum, the original supervisors shall continue their duties in accordance with the laws, the administrative regulations, the Articles of Association and the Rules before the new supervisors take office.

Supervisors who are not representatives of employees shall be elected and removed at the shareholders' general meeting and supervisors who are representatives of employees shall be elected and removed by the employees of the Company democratically and shall represent not less than one third of the total number of supervisors.

Article 5 Any person may not serve as a supervisor of the Company if the circumstances stipulated in the Company Law or the Articles of Association under which a person may not serve as a director, supervisor or senior management member of the Company applies.

The directors, general manager and other senior management members of the Company shall not assume the position of supervisors.

Article 6 The Board of Supervisors shall have one chairman. The appointment and removal of the chairman shall be approved by more than two thirds of the members of the Board of Supervisors. The chairman is in charge of supervising the work of the Board of Supervisors. Where the chairman of the Board of Supervisors is unable or does not to perform his/her duties, his/her duties shall be performed by a supervisor jointly elected by more than half of the supervisors.

Article 7 The Board of Supervisors is accountable to the shareholders' general meeting and exercises the following powers and functions in accordance with the laws:

- (1) to inspect the Company's financial position;
- (2) to supervise the performance by directors and senior management in executing the duties of the Company and to propose the removal of any director or senior management who have violated any laws, administrative regulations, the Articles of Association or resolutions passed at the shareholder's general meeting;
- (3) to require correction of any acts of directors and senior management which are harmful to the Company's interests;
- (4) to review the periodic reports of the Company formulated by the board of directors and provide written review opinions; and inspect financial materials such as the financial reports, operation reports and profit distribution proposals prepared by the board of directors to be submitted to shareholders' general meetings. In the case of any doubts, the Board of Supervisors may appoint certified public accountants or practicing auditors to help with the review in the name of the Company;
- (5) to propose the convening of an extraordinary general meeting, and to convene and preside over a general meeting in the event of the board of directors having failed to perform its duties as required by the Company Law;

- (6) to propose resolutions at shareholders' general meetings;
- (7) to propose the convening of extraordinary board meetings;
- (8) to deal with or take legal actions against directors and senior management members on behalf of the Company in accordance with Article 151 of the Company Law;
- (9) to make investigation when finding abnormal operation of the Company; if necessary, to employ professional institutions including accounting firms and law firms to assist the investigation, and the Company shall cover all costs;
- (10) other functions and powers stated in laws, administrative regulations, departmental regulations, regulated documents, rules of the securities exchange where the shares of the Company are listed and the Articles of Association.

Supervisors must be present at the shareholders' general meeting, and can attend board meeting and put forward inquiries or opinions on resolution matters of the board of directors.

Article 8 In the exercise of its supervision right, the Board of Supervisors shall not perform the duties in lieu of the Board of Directors or the general manager, nor undertake any operating activity on behalf of the Company.

Article 9 The Board of Supervisors shall submit at the shareholder's general meeting an annual working report, which includes:

- (1) a report for the working of the Board of Supervisors;
- (2) a conclusion from inspection of the Company's financial position and business;
- (3) a conclusion from inspection of the implementation of the resolutions of the shareholder's general meeting;
- (4) the discharge of other powers and functions delegated to the Board of Supervisors by the shareholder's general meeting;
- (5) other matters that shall be reported at the shareholder's general meeting;

**CHAPTER III CONVENING OF THE MEETINGS OF THE
BOARD OF SUPERVISORS**

Article 10 The Board of Supervisors shall convene meeting at least twice a year. The meeting shall be convened by the chairman of the Board of Supervisors for at least every six months. Any supervisor may propose for an extraordinary meeting of the board of supervisors to be held.

Article 11 The Board of Supervisors meetings shall be convened and chaired by the chairman of the board of supervisors; where the chairman of the Board of Supervisors is unable to perform his/her duties or does not perform his/her duties, a supervisor nominated by more than half of the supervisors shall convene and chair the meeting.

Article 12 When the regular meeting and extraordinary meeting of the Board of Supervisors are to be held, the office of the Board of Supervisors shall send the written notice of meeting affixed with the seal of the Board of Supervisors to all Supervisors ten days and five days in advance by hand, post, fax, email or telephone. Where the notice is not served by direct delivery, telephone acknowledgement and relevant records shall be made.

Where an extraordinary meeting of the Board of Supervisors needs to be convened in emergency, the notice of meeting may be sent by verbal means or telephone or other means, but the convener shall make explanations at the meeting.

Article 13 A notice of the Board of Supervisors meeting shall at least include:

- (1) the date, place and duration of the meeting to be held;
- (2) the reasons and topics of the meeting;
- (3) the date of the notice sent.

Article 14 The Company's directors, general managers and other senior management can be invited to attend the meeting of the Board of Supervisors.

**CHAPTER IV VOTING AND RESOLUTION OF THE MEETINGS OF
THE BOARD OF SUPERVISORS**

Article 15 Meetings of the Board of Supervisors shall be held only when over two thirds of the members are in attendance. Resolutions at the meetings of the Board of Supervisors shall be decided by an open ballot and each supervisor shall have one vote.

Each supervisor may choose to cast an affirmative or veto vote or abstain from voting. Each supervisor attending the meeting shall indicate his/her voting intention by choosing one of the above. The presider of the meeting shall request any supervisor who fails to choose any of the above or has chosen two or more of the above to vote again. Refusal to do so shall be regarded as having abstained from voting. Any supervisor who leaves the meeting and does not return and has not voted by choosing any of the above shall be regarded as having abstained from voting.

Article 16 Supervisors shall attend meetings of the Board of Supervisors in person. If a supervisor is unable to attend the meeting for any reason, he may entrust other supervisors to attend the meeting on his behalf by signing a power of attorney, which shall state the scope of authorization.

Article 17 If supervisors, who fail to attend the meeting in person and fail to entrust other supervisors to attend the meeting for two consecutive times, are considered as the failure in fulfilling their duties, the Board of Supervisors shall suggest that the general meeting of shareholders or staff congress make replacement and dismissal.

Article 18 Each supervisor has only one vote. For any supervisor's proposal, the Board of Supervisors shall make deliberation.

Article 19 Resolutions of regular meetings and resolutions of extraordinary meetings of the Board of Supervisors shall all be resolutions of the Board of Supervisors, and shall be passed by over two thirds of the supervisors by voting.

Article 20 In case suggestions are given on business management of the Company, or responses from the board of directors and managers are required for a proposed resolution, the Board of Supervisors may appoint a supervisor to be responsible for communication with the board of directors or the general manager in order to finalize the resolution, and to submit written reports to the Board of Supervisors with regard to implementation of such resolution.

Article 21 The Board of Supervisors and the supervisors shall be responsible for the resolutions of the Board of Supervisors.

CHAPTER V MINUTES OF THE MEETING OF THE BOARD OF SUPERVISORS

Article 22 The meeting of the Board of Supervisors shall make minutes, which shall be done by personnel designated by the host of the meeting. Supervisors who attend the meeting shall sign on the meeting minutes. The meeting minutes of the Board of Supervisors shall include the following:

- (1) the time, place and convener of the meeting;

- (2) the names of attending supervisors and supervisors entrusted as proxies to attend the meeting;
- (3) the agenda of the meeting;
- (4) key points of the statement of supervisors and attendees;
- (5) the voting formula and results of matters on the meeting agenda;
- (6) other relevant matters required by the chairman or convener of the Board of Supervisors.

Article 23 The minutes and resolutions of the meetings of the Board of Supervisors as the Company's files are preserved by the secretary of the Board of Directors, with the preservation period of 10 years.

Article 24 The office of the Board of Supervisors shall well preserve the relevant files and materials of the Board of Supervisors and shall compile them into books for reference.

CHAPTER VI THE OFFICE OF THE BOARD OF SUPERVISORS

Article 25 The Board of Supervisors shall set up the office of the Board of Supervisors. The function of the office of the Board of Supervisors shall include: (1) to be responsible for the contact and communication among, investigation against and trainings for the supervisors and daily operations of the Board of Supervisors; (2) to be responsible for the management of documents, materials and files of the Board of Supervisors; (3) to be responsible for the notice and minutes of, preparation of documents and arrangements for the regular meetings and extraordinary meetings of the Board of Supervisors; (4) to draft the working reports of the Board of Supervisors; (5) to coordinate the communication between the Board of Supervisors and the social professional organizations and intermediaries; (6) to be responsible for collecting opinions from shareholders and employee representative supervisors and other relevant information; (7) to complete the matters designated by the chairman of the Board of Supervisors.

CHAPTER VII EXPENSES OF THE BOARD OF SUPERVISORS

Article 26 The expenses of the Board of Supervisors include the expenses in supervisors' performing their functions and powers and the expenses of the offices of the Board of Supervisors. The Company covers all expenses.

Article 27 The expenses of the Board of Supervisors shall be included in the budget management of the Company primarily for the purpose of investigation and research, printing, meetings, trainings, invitation of relevant institutions and professionals, and engagement of law firms, accounting firms and other professional intermediaries. The reimbursement for relevant expenses shall conform to the financial system of the Company.

CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 28 Matters uncovered in the Rules or others, which are not in line with the laws, regulations, departmental regulations, and regulated documents in the place where the Company is listed, or the “Articles of Association” are subject to the laws, regulations, departmental regulations, and regulated documents in the place where the Company is listed or the “Articles of Association”.

Article 29 The Board of Supervisors may amend the Rules according to the relevant laws and regulations and the actual situation of the Company and shall submit to the general meeting for approval.

Article 30 The Rules shall be considered and approved at the general meeting of shareholders of the Company, and shall take into effect and implement from the day when the Company issues the initial public offering of domestic ordinary shares denominated in RMB and is listed on the Shanghai Securities Exchange.

Article 31 The Rules shall be subject to the interpretation and amendment by the Board of Supervisors.

CHAPTER I GENERAL PROVISIONS

Article 1 These Rules are formulated by Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Rules for the Independent Directors of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules of the Stock Exchange”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “SSE”) (the “Listing Rules of the Shanghai Stock Exchange”, together with the Listing Rules of the Stock Exchange, collectively the “Listing Rules”) and other domestic and foreign laws, regulations and regulatory documents, as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (the “Articles of Association”) and other relevant regulations, in order to further improve the governance structure of the Company, promote the standardized operation of the Company and effectively protect the legitimate rights and interests of the Company and all shareholders.

Article 2 An independent (non-executive) director of the Company is a director holding no posts other than that of a director or a member of a special committee of the Board of Directors in the Company, having no relationship with the Company and its substantial shareholders that might hinder his/her independent and objective judgment, and meeting the relevant regulations of the stock exchange(s) where the Company’s shares are listed.

Article 3 An independent (non-executive) director has a fiduciary and diligent obligation toward the Company and all its shareholders. An independent (non-executive) director shall, pursuant to the requirements of the relevant laws, administrative regulations and the Articles of Association, conscientiously perform his/her duties and responsibilities, safeguard the Company’s overall interests and, in particular, pay attention to and protect the lawful rights and interests of small and medium shareholders.

Article 4 The board of directors of the Company shall include at least one third of independent directors, and at least one of the independent (non-executive) directors shall be a professional accountant.

Those who are nominated as candidates for independent (non-executive) directors in the capacity of professional accountants shall have extensive accounting expertise and experience and meet at least one of the following criteria:

- (I) being qualified to practice as certified public accountant;
- (II) having senior professional title, associate professor title, or doctor’s degree of accounting, auditing or financial management;

(III) having senior professional title of economic management and more than five years of full-time working experience in accounting, auditing, financial management and other professional positions as well as a person who is ordinarily resident in Hong Kong.

The board of directors of the Company shall establish special committees, such as strategic and investment committee, audit committee, remuneration committee and nomination committee. The independent (non-executive) directors shall account for the majority of members of the audit committee, the nomination committee and the remuneration committee and shall serve as the convener.

Article 5 If an independent (non-executive) director fails to meet independence requirements or is otherwise unqualified to perform his/her duties, resulting in the number of independent (non-executive) directors of the Company falling below the number required by laws, administrative regulations and the Articles of Association, the Company shall supplement the number of independent (non-executive) directors as required.

CHAPTER II INDEPENDENCE REQUIREMENTS ON INDEPENDENT (NON-EXECUTIVE) DIRECTORS

Article 6 Independent (non-executive) directors must possess independence.

An independent (non-executive) director shall perform his/her duties independently and not be affected by the Company's substantial shareholders, de facto controller or any of entities or individuals that is interested in the listed companies. In principle, an independent (non-executive) director shall serve as independent (non-executive) director concurrently in five listed companies at most, and shall ensure adequate time and dedication to effectively perform his/her duties as independent (non-executive) director.

Article 7 The following persons shall not serve as independent (non-executive) director:

- (I) any persons employed by the Company or its subsidiaries and their immediate family members and major social connections (immediate family members shall include spouses, parents and children; and major social connections shall include siblings, parents of spouses, spouses of children, spouses of siblings and siblings of spouses);
- (II) any natural person shareholders who directly or indirectly hold 1% or more of issued shares of the Company or who are among the top ten shareholders of the Company, and their respective immediate family members;

- (III) any persons employed by a corporate shareholder which directly or indirectly holds 5% or more of the Company's shares or is among the top five corporate shareholders of the Company, and their immediate family members;
- (IV) any persons employed by the de facto controller of the listed company and its subsidiaries;
- (V) any persons providing financial, legal or consulting services to the Company and its controlling shareholders, de facto controller or their respective subsidiaries, including but not limited to all members of the project team of intermediaries, reviewing officers at all levels, persons signing the report, partners and principal officers in charge;
- (VI) any persons serving as directors, supervisors, senior management members or other staff in the companies which have significant relations with the Company and its controlling shareholders, de facto controller or their respective subsidiaries, or any persons serving as directors, supervisors, senior management members or other staff in the controlling shareholders of the said companies;
- (VII) any persons falling into any of the six categories above within the last 12 months;
- (VIII) other persons provided by the laws, administrative regulations, departmental rules and the Articles of Association;
- (IX) other persons defined by the China Securities Regulatory Commission (the "CSRC"), SSE and the Stock Exchange.

CHAPTER III ELIGIBILITY OF INDEPENDENT (NON-EXECUTIVE) DIRECTORS

Article 8 Independent (non-executive) directors shall have the eligibility commensurate with the performance of their duties and powers.

Article 9 Acting as an independent (non-executive) director shall meet the following basic conditions:

- (I) having the qualifications for directorship of the Company, as provided in laws, administrative regulations, the Articles of Association, these Rules and other relevant provisions of the stock exchange(s) where the Company's shares are listed;
- (II) possessing the independence required by these Rules hereof;
- (III) having basic knowledge on operation of listed companies and proficiency in relevant laws, administrative regulations, and regulations and rules;

- (IV) having at least five years of work experience in legal, economic, management, accounting and financial areas or other experience indispensable for performing the duties as an independent (non-executive) director;
- (V) other requirements as defined by laws and regulations and the Articles of Association.

Article 10 The requirements for candidates for independent (non-executive) directors shall meet the requirements of the following laws and regulations:

- (I) regulations on director's qualification under the Company Law;
- (II) regulations on concurrent positions of civil servant under the Civil Servant Law of the People's Republic of China;
- (III) relevant provisions of the Rules for the Independent Directors of Listed Companies of the CSRC;
- (IV) regulations of the Notice on Regulating Officers under Direct Supervision by Organization Department of the CPC Central Committee Assuming Positions as Independent Directors, Independent Supervisors of Listed Companies and Fund Management Companies after Resignation or Retirement from Government Positions issued by the Central Commission for Discipline Inspection of the CPC and the Organization Department of the CPC Central Committee;
- (V) regulations under the Opinions on Further Regulation on Party and Political Leaders and Cadres Working Part-time (Holding Office) in Enterprises issued by the Organization Department of the CPC Central Committee (if applicable);
- (VI) regulations under the Opinions on Enhancing the Anti-corruption and Encouraging Honesty Work of Colleges and Universities issued by the Central Commission for Discipline Inspection of the CPC, the Ministry of Education and the Ministry of Supervision (if applicable);
- (VII) other circumstances stipulated by laws and regulations and the stock exchange(s) where the Company's shares are listed.

Article 11 A candidate for independent (non-executive) director shall have none of misconduct records, including:

- (I) any administrative punishment by the CSRC within the last 36 months;

- (II) a period which is publicly identified by the stock exchanges as ineligible for directorship in a listed company not having lapsed;
- (III) any public censure or two or more times of public criticism by the stock exchanges within the last 36 months;
- (IV) absence from the board meetings for two consecutive times for the period, or the attendance other than in person accounting for one third or more of the number of the board meetings for the year when serving as independent (non-executive) director;
- (V) having expressed any independent opinion apparently inconsistent with facts when serving as independent (non-executive) director;
- (VI) other circumstances as defined by the stock exchange(s) where the Company's shares are listed.

Article 12 Independent (non-executive) directors and proposed independent (non-executive) directors shall attend the trainings organized by the CSRC and its authorized institutions and obtain the qualification certificates for independent (non-executive) directors in accordance with the requirements of the CSRC.

CHAPTER IV NOMINATION, ELECTION AND REPLACEMENT PROCEDURES FOR INDEPENDENT (NON-EXECUTIVE) DIRECTORS

Article 13 A candidate for independent (non-executive) director may be nominated by the Board of Directors, Board of Supervisors, or shareholder(s) individually or collectively holding 1% or more of the shares of the Company, and shall be elected at the shareholders' general meeting.

Article 14 The nominator of candidate for independent (non-executive) director shall obtain the consent of the nominee prior to the nomination. The nominator shall have adequate knowledge of the profession, education, professional title and detailed work experience as well as all part-time jobs of the nominee, and shall give an opinion on the qualifications and independence of the nominee for the office of independent director. The nominee shall make a public statement that no relationship between himself/herself and the Company would affect his/her independent and objective judgment.

Article 15 Before convening the shareholders' general meeting for election of independent (non-executive) directors, the board of directors of the Company shall publish relevant information in accordance with Article 14 hereof, and submit relevant materials of all nominees of independent (non-executive) directors to the SSE. Dissenting opinions of the Board of Directors with regard to the nominees, if any, shall also be submitted in writing.

Article 16 The term of office of independent (non-executive) directors is same as other directors of the Company, renewable upon re-election at its expiry, provided that the renewed term shall not exceed six years.

Article 17 In case that an independent (non-executive) director fails to attend the board meetings in person for three times in succession, the Board of Directors shall file an application to the shareholders' general meeting for replacement, and as a director of the Company, an independent (non-executive) director who fails to attend the board meetings either in person or by proxy for two times in succession shall be deemed as incapable of performing the duties, and is subject to replacement as recommended by the Board of Directors to the shareholders' general meeting.

Article 18 Prior to expiry of the term of office of an independent (non-executive) director, the Company may dismiss him/her through statutory procedures. When an independent (non-executive) director is dismissed prior to expiry of his/her term, the Company shall disclose the dismissal as a special disclosable issue.

Article 19 An independent (non-executive) director may resign prior to expiry of his/her term of office. An independent (non-executive) director proposing for resignation shall submit to the Board of Directors a written resignation report, stating any situation in relation to his/her resignation or which he/she believes to be necessary to draw the attention of shareholders and creditors of the Company.

Article 20 If the proportion of independent (non-executive) directors of the board of directors of the Company falls below the prescribed minimum requirement as a result of the resignation of an independent (non-executive) director, the resignation report of such independent (non-executive) director shall take effect after the next independent (non-executive) director fills his/her vacancy. Until such time, the independent (non-executive) director shall continue to perform his/her duties. The original nominator of such independent (non-executive) director or the board of directors of the Company shall, within 90 days from the date of the resignation submitted by the independent (non-executive) director, nominate a new candidate for independent (non-executive) director.

CHAPTER V DUTIES AND POWERS OF INDEPENDENT (NON-EXECUTIVE) DIRECTORS

Article 21 Independent (non-executive) directors shall attend the board meetings on time, keep informed of the production and business operation of listed company, and take the initiative to investigate and obtain the information and materials required for decision-making.

An independent (non-executive) director shall submit an annual work report to the shareholders' general meeting to explain his/her duty performance.

Article 22 In addition to the duties and powers conferred by the Company Law and other relevant laws, administrative regulations and the Articles of Association on directors, the Company shall confer the independent (non-executive) directors the following special duties and powers:

- (I) a major connected transaction (i.e. a connected transaction between the listed company and its connected parties in a total amount of RMB3,000,000 or above or representing 5% or above of the latest audited net assets of the Company) is subject to prior endorsement by independent directors. Independent (non-executive) directors may engage a professional intermediary to issue an independent financial advisor report serving as a basis of decision before they come to a conclusion;
- (II) to propose to the Board of Directors for engagement and disengagement of accounting firms;
- (III) to propose to the Board of Directors for the convening of extraordinary general meetings;
- (IV) to propose the convening of board meetings;
- (V) to openly solicit voting rights from shareholders before convening the shareholders' general meeting;
- (VI) to independently engage external auditors and consulting firms to provide audit and consulting services for specific matters of the Company;
- (VII) the independent (non-executive) directors are required to review, at least annually, the data provided by the controlling shareholder of the Company regarding compliance with and enforcement of the non-competition agreement and to discharge their review responsibilities in relation to continuing connected transactions as stipulated in the Listing Rules of the Stock Exchange;

To exercise the duties and powers of independent (non-executive) directors in subparagraphs (1) to (5) above, consent of more than half of all independent (non-executive) directors shall be obtained. To exercise the duties and powers in subparagraph (6) above, consent of all independent (non-executive) directors shall be obtained.

Matters covered by subparagraph (1) and (2) are subject to consent of more than half of all independent (non-executive) directors before submitted to the Board of Directors for consideration.

If the proposals listed in the first paragraph are not adopted or the above-mentioned duties and powers cannot be properly exercised, the listed company shall disclose the relevant situation.

Article 23 In addition to the above duties, the independent (non-executive) directors shall perform the duties as set out in the Listing Rules of the Stock Exchange and shall provide the Board of Directors or the shareholders' general meeting with independent opinions on the following matters:

- (I) nomination, appointment and dismissal of directors;
- (II) appointment or removal of senior management members;
- (III) remuneration of directors and senior management members of the Company;
- (IV) the existing or new loans or other current accounts repayable to the Company by its shareholders, de facto controller and their connected companies totalling more than RMB3,000,000 or 5% of the Company's latest audited net assets, and whether the Company has taken effective measures to collect the outstanding receivables;
- (V) matters which, in the opinion of independent directors, may harm the small and medium shareholders' interests;
- (VI) share incentive plan;
- (VII) the changes in the use of raised proceeds;
- (VIII) over-raised proceeds used to permanently supplement working capital and repay bank borrowings;
- (IX) workout of plan for conversion of capital reserve into share capital;
- (X) formulation of profit distribution policy, profit distribution plan and cash dividend plan;
- (XI) changes in accounting policies and accounting estimates or correction of material accounting errors due to reasons other than the changes in accounting standards;
- (XII) non-standard unqualified audit opinions issued by certified public accountants on financial reports and internal control of the Company;
- (XIII) engagement and disengagement of accounting firms;

- (XIV) management buyout;
- (XV) major asset restructuring;
- (XVI) share repurchase by means of centralized bidding;
- (XVII) internal control evaluation report;
- (XVIII) plan for change of undertakings made by the Company to connected parties;
- (XIX) impact of preferred share issuance on rights and interests of each class of shareholders of the Company;
- (XX) a decision of the Company to cease the trading of its shares on the stock exchange(s) where the Company's shares are listed;
- (XXI) disclosable significant matters including connected transactions, provision of guarantees (excluding the guarantees to subsidiaries within the scope of consolidation), entrusted asset management, provision of financial assistance, utilisation of raised proceeds, and investment in stocks and their derivatives;
- (XXII) major asset restructuring plan, management buyout, share incentive plan, employee stock ownership plan, share repurchase plan, and the proposed repayment in kind by connected parties of the listed company;
- (XXIII) other matters required by relevant laws, administrative regulations, departmental rules and regulations, regulatory documents, business rules of the stock exchange(s) where the Company's shares are listed and the Articles of Association.

Article 24 Independent (non-executive) directors shall express one of the following types of opinions on the aforesaid matters: consent; qualified opinion and the reason therefor; objection and the reason therefor; inability to express an opinion and the obstacles thereto, and the opinions expressed shall be clear and unambiguous:

An independent opinion issued by the independent (non-executive) directors on a material matter shall at least include the followings:

- (I) The basic information on the material matter;
- (II) The basis of the opinion, including procedures performed, documents checked, content of on-site inspection, etc.;
- (III) The compliance of the material matter with laws and regulations;

- (IV) The impact on the rights and interests of the Company and minority shareholders, possible risks and the effectiveness of the measures taken by the Company;
- (V) Conclusion. In case of qualified opinion, objection or inability to express an opinion on a material matter, the relevant independent (non-executive) director shall clearly state the reasons and obstacles to inability to express an opinion.

The independent (non-executive) director shall sign and confirm the independent opinions issued, report the above opinions to the Board of Directors in a timely manner, and disclose them at the same time with the relevant announcement of the Company.

Article 25 The independent (non-executive) directors shall submit a performance report to the annual general meeting of the listed company and make a disclosure thereof. The report shall include the followings:

- (I) the means and number of attendance and votes at the meetings of the Board of Directors, and the number of attendances at the shareholders' general meetings during the year;
- (II) the information on independent opinions expressed;
- (III) the information on on-site inspection;
- (IV) the information on proposals for convening board meetings, appointment or dismissal of accounting firms, independent engagement of external auditors and consulting firms;
- (V) other works in protecting the legitimate rights and interests of minority shareholders.

CHAPTER VI GUARANTEES FOR DUTY PERFORMANCE OF INDEPENDENT (NON-EXECUTIVE) DIRECTORS

Article 26 For the purpose of effective duty performance of independent (non-executive) directors, the Company shall furnish independent (non-executive) directors with the working conditions necessary for their duty performance. The secretary of the Board of Directors shall actively assist independent (non-executive) directors in duty performance by providing brief information, materials, etc., regularly circulating business updates of the Company, and organizing independent (non-executive) directors to take site visits, where necessary. If the independent opinions, proposals and written explanations issued by independent (non-executive) directors are required to be announced, the Company shall timely assist in the announcement process.

Article 27 If an independent (non-executive) director identifies that one of the following circumstances exists in the Company, he/she shall actively fulfill his/her due diligence obligations, make timely report to the SSE, and, if necessary, engage an intermediary agency to carry out a special investigation:

- (I) Any material matter has not been fulfilled consideration procedures as required;
- (II) Any disclosure obligation has not been fulfilled in time;
- (III) Any false record, misleading statement or material omission in its information disclosure;
- (IV) Other potential violations of laws, regulations or the legitimate rights and interests of minority shareholders.

In case of any of the following circumstances, the independent (non-executive) director shall make timely report to the SSE:

- (I) An independent non-executive director has been removed from office on grounds deemed to be unjustified;
- (II) An independent (non-executive) director resigns due to the fact that the Company prevents him/her from exercising his/her duties and powers according to law;
- (III) Where the materials for the board meeting are incomplete or inadequately argued, the written request from two or more independent (non-executive) directors to postpone the board meeting or the consideration of relevant matters is not accepted;
- (IV) The Board of Directors fails to take effective measures despite its receipt of a report on suspected breach of laws or regulations by the Company or any of its directors, supervisors or senior executives;
- (V) Other circumstances that seriously impede the performance of duties by the independent (non-executive) directors.

Article 28 The Company shall ensure that independent (non-executive) directors enjoy the same right to know as other directors. For the matters subject to decisions by the Board of Directors, the Company shall in advance and before the statutory deadline notify independent (non-executive) directors and provide them with adequate information; and if the said information is deemed as inadequate, independent (non-executive) directors may request supplementary information. If two or more independent (non-executive) directors consider the information inadequate or the proof unclear, they may jointly propose in writing to the Board of Directors for postponing the board meeting or the consideration of the matters, and the

Board of Directors shall adopt such proposal. The information provided by the Company to independent (non-executive) directors shall be kept by the Company and such independent (non-executive) directors for at least five years.

Article 29 When independent (non-executive) directors are performing their duties, personnel of the Company shall actively provide assistance and shall not refuse, obstruct or conceal or interfere with their independent duty performance.

Article 30 The expenses incurred for engagement of intermediaries by independent (non-executive) directors and other expenses for performing their duties and powers shall be borne by the Company.

Article 31 The Company shall pay independent (non-executive) directors with subsidies of appropriate sums. The standards of subsidies shall be proposed by the Board of Directors, considered and approved by the shareholders' general meeting, and disclosed in annual reports of the Company.

Apart from the aforesaid subsidies, independent directors shall acquire no other additional and undisclosed interests from the listed company, its substantial shareholders or any entity or person being an interested party.

Article 32 The Company may maintain a liability insurance mechanism necessary for independent (non-executive) directors to minimise the risks possibly incurred in their normal duty performance.

CHAPTER VII SUPPLEMENTARY PROVISIONS

Article 33 The expression "or more" herein for the numbers includes the underlying number indicated, while "more than" excludes the underlying number.

Article 34 For matters not covered in these Rules or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association shall prevail.

Article 35 Subject to consideration and approval at the shareholders' general meeting, these Rules shall take effect and be implemented from the date on which the Company's initial public offering of domestic listed RMB ordinary shares and listing on the SSE.

Article 36 These Rules shall be interpreted by the board of directors of the Company.

**APPENDIX XI ADMINISTRATIVE MEASURES FOR RELATED PARTY
TRANSACTIONS OF BEIJING URBAN CONSTRUCTION DESIGN
& DEVELOPMENT GROUP CO., LIMITED**

CHAPTER I GENERAL PROVISIONS

Article 1 To regulate the related party transactions of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “**Company**”), control the risks in related party transactions, facilitate the safe and steady operation of the Company, and safeguard the overall interests of its shareholders, these Measures are formulated in accordance with the Securities Law of the People’s Republic of China, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange Listing Rules”) of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Stock Exchange”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “SSE Listing Rules”) of the Shanghai Stock Exchange (hereinafter referred to as the “SSE”, together with the Stock Exchange Listing Rules, collectively referred to as the “Listing Rules”), the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 5 – Transactions and Related Party Transactions (hereinafter referred to as the “Supervision Guidelines”) and other relevant domestic and overseas laws, regulations, departmental rules and normative documents, as well as the requirements of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Articles of Association”).

Article 2 The Company implements categorized management for related party transactions, determines the scope of related parties in accordance with the SSE Listing Rules, the Stock Exchange Listing Rules and other relevant laws and regulations, and performs the procedures of approval and information disclosure for related party transactions in accordance with relevant requirements.

Article 3 The related party transactions of the Company shall comply with the following general principles:

- (I) Adhering to the regulatory requirements of the SSE Listing Rules, the Stock Exchange Listing Rules and other relevant regulations;
- (II) Complying with the principles of good faith and justice; and
- (III) Following commercial principles or normal commercial terms.

Article 4 These Measures shall apply to the Company and all subsidiaries.

**APPENDIX XI ADMINISTRATIVE MEASURES FOR RELATED PARTY
TRANSACTIONS OF BEIJING URBAN CONSTRUCTION DESIGN
& DEVELOPMENT GROUP CO., LIMITED**

CHAPTER II RELATED PARTIES

Article 5 The related parties of the Company shall include related legal persons and related natural persons as defined in the SSE Listing Rules or related persons as defined in the Stock Exchange Listing Rules.

Article 6 In accordance with the provisions of SSE Listing Rules, related parties of the Company include related legal persons and related natural persons.

The legal person (or other organization) under any of the following circumstances is a related legal person (or other organization) of the Company:

- (I) The legal persons (or other organizations) that have a direct or indirect control over the Company;
- (II) Legal persons (or other organizations) directly or indirectly controlled by the legal persons (or other organizations) mentioned in the preceding item, other than companies, holding subsidiaries and other subjects controlled by them;
- (III) Legal persons (or other organizations) directly or indirectly controlled by related natural persons, or serving as directors (excluding independent directors of both parties) or senior management members, other than companies, holding subsidiaries and other subjects controlled by them;
- (IV) Any legal person (or other organizations) holding more than 5% of the Company's shares and his/her/their persons acting in concert.

The natural person under any of the following circumstances shall be a related natural person of the Company:

- (I) The natural persons who directly or indirectly hold more than 5% of the Company's shares;
- (II) Directors, supervisors and senior management members of the Company;
- (III) Directors, supervisors and senior management members of legal persons (or other organizations) who directly or indirectly control the Company;
- (IV) Family members who are closely tied with the related natural persons described in items (I) and (II) of this Article.

**APPENDIX XI ADMINISTRATIVE MEASURES FOR RELATED PARTY
TRANSACTIONS OF BEIJING URBAN CONSTRUCTION DESIGN
& DEVELOPMENT GROUP CO., LIMITED**

Legal persons (or other organizations) and natural persons who satisfied or will satisfy one of the circumstances as stated in sub-articles (II) and (III) of this article during the last 12 months or within the next 12 months pursuant to relevant agreements or arrangements shall be related parties of the Company.

The CSRC, the SSE or the Company may, in accordance with the principle of substance over form, identify other legal persons (or other organizations) or natural persons who have a special relationship with the Company and may or have caused the Company to tilt its interests as related persons of the Company.

Article 7 In accordance with the provisions of the Stock Exchange Listing Rules, the related parties of the Company shall include:

- (I) Natural persons (directors, supervisors, general manager and major natural person shareholders) and related legal persons (major legal person shareholders) of the Company. For specific definitions, please refer to **Appendix I**;
- (II) Natural persons (directors, supervisors, general manager and major natural person shareholders) and related legal persons (major legal person shareholders) of any subsidiaries of the Company and their associates. For specific definitions, please refer to **Appendix I**; and
- (III) For the specific definition of associate, please refer to **Appendix I**.

CHAPTER III RELATED PARTY TRANSACTION

Article 8 According to the requirements of the SSE Listing Rules, related party transaction refers to the transfer of resources or obligations between the Company, its holding subsidiaries and other subjects under its control and the Company's related party, including:

- (I) Purchase or sale of assets;
- (II) External investment (including entrusted financing, investment in subsidiaries, etc.);
- (III) Providing financial assistance (including interest-bearing or interest-free loans, entrusted loans, etc.);
- (IV) Providing guarantees (including guarantees for holding subsidiaries);
- (V) Leasing-in or leasing-out of assets;
- (VI) Entrusting or trusteeing the management of assets and businesses;

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- (VII) Donating assets or receiving donated assets;
- (VIII) Restructuring of claims and debts;
- (IX) Entering into a license agreement;
- (X) Transferring or accepting R&D projects;
- (XI) Waiver of rights (including waiver of right of first refusal and preemptive subscription rights);
- (XII) Purchasing raw materials, fuel and power;
- (XIII) Selling products and commodities;
- (XIV) Providing or accepting labor services;
- (XV) Entrusting or entrusted sales;
- (XVI) Deposit and loan business;
- (XVII) Joint investment with related parties;
- (XVIII) Other matters that may lead to the transfer of resources or obligations agreed upon.

Article 9 According to the requirements of the Stock Exchange Listing Rules, related party transactions shall include the following transactions:

- (I) Any transaction between the Company and any of its related parties. “Transaction” shall refer to any transaction of any nature, whether or not is conducted in the ordinary and usual course of the business of the Company, including, without limitation:
 - (1) Acquisition or disposal of assets;
 - (2) Granting, accepting, exercising, transferring, terminating or failing to exercise any option related to the Company or any of its related parties;
 - (3) Entering into or terminating finance leases or operating leases;
 - (4) Providing or receiving financial assistance, which including granting credit, lending money, or providing security or guarantee for a loan;

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- (5) Provision of an indemnification or security;
 - (6) Issuing new securities;
 - (7) Providing or receiving services;
 - (8) Sharing services;
 - (9) Acquiring or providing raw materials, intermediate products and finished goods;
 - (10) Payment, by the Company and a related party, of contribution to increased capital of a company the shares of which are held by both the Company and the related party;
 - (11) Provision, by the Company and a related party, of any financial support to a company the shares of which are held by both the Company and the related party, other than in proportion to their shareholdings; and
 - (12) Forming or entering into any arrangement involving the formation of a joint venture or cooperative joint venture with a related party.
- (II) The Company enters into a transaction with a third party, and the related party may obtain a benefit in the targeted company from relevant transactions, including:
- (1) A transaction in which this Company acquires from or sells to any third party any shares held by it in the targeted company, and a substantial shareholder (which shall refer to any shareholders holding or controlling more than 10% or more of the voting power thereof) of the targeted company is, or is proposed to be, a controller of the Company, unless certain exemptions apply;

Note: “Controller” shall refer to any director, chief executive or controlling shareholder (which shall refer to a shareholder holding or controlling 30% or more of the voting power thereof) of this Company or any of its subsidiaries.
 - (2) A transaction in which the Company acquires any interest in the targeted company, and one of the shareholders of the targeted company is the controller of the Company, and (I) such interest is a fixed income, or (II) if such interest is an equity, the acquisition conditions thereof are less favorable than the acquisition conditions applicable to the controller or are of a class that is different from that held by the controller;

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- (3) A transaction in which the controller of the Company subscribes for any share in the targeted company, and the Company is a shareholder of the targeted company, and the class of shares subscribed for by the controller is different from that held by the Company or the controller subscribes for any share on special favorable terms.

(III) Any transaction between the Company and any of its related subsidiaries. The definition of “related subsidiary” is set out in Appendix I.

**CHAPTER IV APPROVAL PROCEDURES AND INFORMATION DISCLOSURE ON
RELATED PARTY TRANSACTIONS**

Section I Rules of the SSE

Article 10 Where the transactions between the Company and the related parties meet one of the following standards, they shall be considered and approved by the board of directors and disclosed in a timely manner:

- (I) Transactions with related natural persons with a transaction amount (including debts and expenses) of more than RMB300,000;
- (II) Transactions with related legal persons (or other organizations) in which the transaction amount (including debts and expenses assumed) is more than RMB3 million and accounts for more than 0.5% of the absolute value of the Company’s latest audited net assets.

Article 11 Where the transactions proposed between the Company and the related parties meet one of the following standards and in addition to consideration by the board of directors, they shall also be submitted to the shareholders’ general meeting for consideration:

- (I) Transactions with related parties in which the transaction amount (including debts and expenses assumed) is more than RMB30 million and accounts for more than 5% of the absolute value of the Company’s latest audited net assets shall be submitted to the shareholders’ general meeting for consideration in addition to consideration by the board of directors;
- (II) The Company provides guarantee for related parties.

Where the Company conducts significant related party transactions described in item (I) of the preceding sub-article, it shall provide the audit or evaluation report on the transaction target issued by securities service institutions as stipulated by the Securities Law. The subject of transactions involved in related party transactions related to daily operations specified herein may not be audited or evaluated.

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Where the Company provides guarantees to shareholders holding less than 5% of its shares, it shall be subject to sub-article (I) and relevant shareholders shall abstain from voting at the shareholders' general meeting.

Article 12 Where the Company provides guarantee to related parties, in addition to the consideration and approval by more than half of all non-related directors, it is also subject to consideration and approval by more than two-thirds of the non-related directors present at the meeting of the board of directors, and shall be submitted to the shareholders' general meeting for consideration. Where the Company provides guarantees to controlling shareholders, actual controllers and their related parties, controlling shareholders, actual controllers and their related parties shall provide counter-guarantees.

If the guaranteed party becomes a related person of the Company due to a transaction or related party transaction, the Company shall perform the corresponding consideration procedures and information disclosure obligations for the existing related guarantee while executing such transaction or related party transaction.

If the related guarantee specified in the preceding sub-article fails to be approved at the meeting of the board of directors or the shareholders' general meeting, the parties to the transaction shall take effective measures such as early termination of the guarantee.

Article 13 For the joint establishment of a company by the Company and its related parties, the capital contribution of the Company shall be the transaction amount, and the provisions of Articles 10 and 11 of these Measures shall be applied.

For the joint establishment of a company by the Company and its related parties and the capital contribution of the Company met the standard provided in item (I) of Article 11 herein, and if all investors make their investments in cash and determine their respective shareholdings in the company in pro-rata to their contribution amount, the requirement on submitting to the shareholders' general meeting for consideration may be waived.

Article 14 If the Company enters into the following related party transactions in 12 consecutive months, the transactions shall be based on the principle of aggregation, and are subject to the various provisions of Articles 10 and 11 of these Measures respectively:

- (I) Transactions with the same related person;
- (II) Transactions with different related persons in respect of subjects under the same type of transaction.

The same related person referred to above includes other related persons under the control of the same entity or having control of equity interests of each other.

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If the relevant obligations under these Measures or relevant rules of the SSE have been performed, these items shall not be included in the scope of relevant aggregation.

Article 15 For entrusted wealth management between the Company and its related persons, if it is difficult to perform the consideration procedures and disclosure obligations for each investment transaction due to the frequency of transactions and time-limitation requirements, the investment scope, investment quota and period shall be reasonably estimated. With the quota as the basis of calculation, the provisions of Articles 10 and 11 of these Measures shall apply.

Article 16 In conducting ordinary related party transactions listed in items (12) to (16) of Article 8 of these Measures between the Company and a related person, the consideration procedures shall be performed and disclosure shall be made according to the following requirements:

- (I) For the ordinary related party transaction agreement considered and approved by the shareholders' general meeting or the board of directors and in the course of execution, if no material changes have occurred in the major terms during the course of performance, the Company shall disclose the practical performance status of the relevant agreement according to the requirements in the annual reports and interim reports, and explain whether in compliance with the requirements of the agreement. If material changes have occurred in the major terms or the renewal is required upon expiry of the agreement during the course of performance of the agreement, the Company shall submit the amended or renewed ordinary related party transaction agreement based on the total transaction amount involved in the agreement to the board of directors or the shareholders' general meeting for consideration; the agreement without a specific total transaction amount shall be submitted to the shareholders' general meeting for consideration.
- (II) For the ordinary related party transaction conducted for the first time, the Company shall fulfill its consideration procedures and make timely disclosure based on the total transaction amount involved in the agreement. If the agreement does not have a specific total transaction amount, it shall be submitted to the shareholders' general meeting for consideration. If material changes have occurred in the major terms or the renewal is required upon expiry of the agreement during the course of performance of the agreement, it shall be dealt with as prescribed in the preceding sub-article.
- (III) The Company may make reasonable estimation of the amount of ordinary related party transactions to be entered into in the year by category, perform consideration procedures and make relevant disclosure. If the actual amount of such ordinary related party transactions exceeds the estimated amount, the Company shall perform consideration procedures again with reference to the exceeding amount and make relevant disclosure.

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(IV) The Company shall make brief disclosure on the actual performance of the ordinary related party transactions by category in its annual reports and interim reports.

(V) Where the term of the agreement on ordinary related party transactions entered into by the Company and its related parties is more than three years, the relevant consideration procedures and disclosure obligation shall be performed again every three years in accordance with the requirements of this chapter.

Article 17 The following transactions between the Company and related parties may be exempted from consideration and disclosure in the form of related party transactions:

(I) Transactions in which the Company obtains benefits unilaterally without paying consideration or assuming any obligations, including receiving donated cash assets, obtaining debt relief, accepting guarantees and financial assistance, etc.;

(II) The interest rate of funds provided by related parties to the Company is not higher than the loan prime rate, and the Company is not required to provide guarantees;

(III) One party subscribes the stocks, corporate bonds or enterprise bonds, convertible corporate bonds or other derivatives publicly issued by the other party in cash;

(IV) One party, as a member of the underwriting group, underwrites the stocks, corporate bonds or enterprise bonds, convertible corporate bonds or other derivatives publicly issued by the other party;

(V) One party receives dividends, bonuses or remuneration in accordance with the resolution of the shareholders' meeting of the other party;

(VI) One party participates in the public bidding or auction of the other party, except that the bidding or auction is difficult to form a fair price;

(VII) The Company provides products and services to related natural persons as provided in items (II) to (IV) of sub-article (III) of Article 6 hereof under the same trading conditions as non-related parties;

(VIII) The pricing of related party transactions is stipulated by the nation;

(IX) Other transactions recognized by the SSE.

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Section II Rules of the Stock Exchange

Article 18 Related party transactions between the Company and related parties are classified into the following types by the procedures of filing, announcement and approval: (I) related party transactions fully exempted from disclosure; (II) related party transactions partially exempted from disclosure; and (III) related party transactions strictly required to be disclosed.

Related party transactions are classified by applicable size test and shall be in compliance with the standards for filing, announcement or approval. The details of the size test and computation of the ratios are set forth in **Appendix II**.

- (I) A related party transaction fully exempted from disclosure shall refer to one that is permitted to be exempted from compliance with all provisions under the Hong Kong Listing Rules regarding the filing, announcement and independent shareholders' approval. Such a related party transaction shall be conducted on normal commercial terms and be in compliance with the de minimis disclosure exemption requirements, which shall mean that the ratios (other than profit ratio) obtained from all applicable size tests (1) shall be lower than 0.1% (or, 1%, if the other party to the transaction is a related party at the level of a subsidiary of the Company); or (2) shall be less than 5% and the total consideration thereof is less than HK\$1 million.
- (II) A related party transaction partially exempted from disclosure shall refer to one that is required to be in compliance with the provisions in the Hong Kong Listing Rules on the filing and announcement. Such a related party transaction shall be conducted on normal commercial terms and in compliance with the ratio requirements of size tests, which shall mean that the ratios (other than profit ratio) obtained from all applicable size tests (1) shall be lower than 5%; or (2) shall be less than 25% and the total consideration thereof is less than HK\$10 million.
- (III) A related party transaction strictly required to be disclosed shall refer to one that is required to be in strict compliance with the provisions in the Hong Kong Listing Rules on the filing, announcement and independent shareholders' approval. If any applicable size test ratio (other than profit ratio) is greater than 5%, then such related party transaction shall fall under this category.

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Article 19 If the Company conducts a series of related party transactions with a same related party and/or any of its associates, or transactions with target categories related to one another between the Company and different related parties have been completed within a same 12-month period or the transactions are related to one another, then all such transactions shall be aggregated and shall be deemed as one transaction. In such cases, the Company shall comply with the applicable provisions on the category of such related party transactions after aggregation.

Article 20 Save as related party transactions that meet the de minimis exemption requirements set forth in sub-article (I) of Article 18 of these Measures and hence are entitled to a full disclosure exemption, the following related party transactions are fully exempted from compliance with all requirements on filing, announcement and independent shareholders' approval, including, without limitation:

- (I) Internal transactions of the Company;
- (II) Issuance by the Company of new securities to a related party in proportion to its shareholding in the Company;
- (III) Repurchasing its own securities from related parties through the trading market of the Hong Kong Stock Exchange without knowing the identity of the other party;
- (IV) Signing a service contract with the directors of the Company;
- (V) Selling or acquiring consumer goods or consumer services to or from related parties in the ordinary course of business;
- (VI) Sharing administrative services with related parties at cost price;
- (VII) Related party transactions with related parties of insignificant subsidiaries;

The definition of insignificant subsidiaries is detailed in Appendix I.

Article 21 The related party transactions between the Company and the related parties, based on whether carried out constantly, are classified into (I) continuing related party transactions; and (II) non-continuing related party transactions.

- (I) Continuing related party transactions are related party transactions that are expected to be carried out continuously or frequently by the Company in a day-to-day business, involving the provision of goods or services or financial support.
- (II) Non-continuing related party transactions are related party transactions that occur between the Company and related parties in a one-time or non-recurring nature.

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Article 22 According to different types of related party transactions determined by the Hong Kong Listing Rules, the Company must carry out review and approval in accordance with the following criteria:

(I) Related party transactions fully exempted from disclosure:

It may be approved by the manager's office authorized by the board of directors in accordance with the relevant internal authorization of the Company and reported to the board of directors for filing.

(II) Related party transactions partially exempted from disclosures:

- (1) The independent directors shall express their confirmation opinions on the fairness and approval procedures of the related party transactions partially exempted from disclosures;
- (2) Related party transactions partially exempted from disclosures are subject to the relevant requirements of the Hong Kong Listing Rules regarding reporting, announcement and disclosure in the Company's annual report.

(III) Related party transactions strictly required to be disclosed:

- (1) Subject to the approval of the board of directors and confirmation opinions from independent directors;
- (2) Must be approved by the independent shareholders at the shareholders' general meeting;
- (3) Subject to the provisions of the Hong Kong Listing Rules on reporting, announcement and independent shareholders' approval, and is required to issue a circular to the shareholders. The Independent Board Committee expresses its opinion on whether the terms of the related party transactions or arrangements are fair and reasonable and whether it is in the interests of the Company and its shareholders as a whole, and after considering the opinions of the independent financial adviser, voice its opinion on how the shareholders vote on the related party transactions and publish it in the circular sent to shareholders.

Article 23 When the Company and its related parties conduct continuing related party transactions under sub-article (I) of Article 21 of these Measures, they shall disclose and perform the corresponding review procedures in accordance with the following provisions:

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- (I) The Company has established a unified trading framework agreement for continuing related party transactions, and reasonably estimates the total amount of the Company's continuing related party transactions that will occur in the current year by categories, and submits it to the board of directors or the shareholders' general meeting for review and disclosure based on the estimated results. The term of the continuing related party transaction agreement signed between the Company and its related parties is usually not more than three years, and the estimated terms of annual amount of similar transactions is determined. The relevant review procedures and disclosure obligations shall be re-executed every three years in accordance with the provisions of these Measures. The Company shall disclose the implementation of the continuing related party transaction agreement in the annual report and the interim report and explain whether it complies with the provisions of the agreement.
- (II) For a continuing related party transaction agreement that has been approved and implemented by the shareholders' general meeting or the board of directors, if there is a major change in the main terms of the implementation process or the renewal of the agreement, the Company shall submit the newly revised or renewed continuing related party transaction agreement to the board of directors or the shareholders' general meeting for consideration and approval based on the agreement term according to the classification criteria of the Hong Kong Listing Rules.
- (III) The content of the continuing related party transaction agreement shall include at least such main terms as the principles and basis of pricing, the transaction price, the total amount of the transaction or the specific method of determining the total amount, the time and method of payment.
- (IV) The independent directors/independent non-executive directors shall review the continuing related party transactions annually and confirm following issues in the annual report:
- (1) These transactions are conducted in the daily business of the Company;
 - (2) These transactions are conducted on normal commercial terms, or if the comparable transactions are not sufficient to determine whether the terms of the transactions are on normal commercial terms, then for the Company, the terms of such transactions are no less favourable than those available to independent third parties, as the case may be; and
 - (3) These transactions are conducted in accordance with the terms of the agreement in relation to the transaction, and the terms of the transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole.

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(V) The auditors of the Company are required to write to the board of directors each year (and copy to the Hong Kong Stock Exchange at least 10 business days prior to the delivery for printing the annual report of the Company) to confirm the relevant continuing related party transactions that are:

- (1) Subject to the approval by the board of directors of the Company;
- (2) (If the transactions involve the provision of goods or services) Carried out in accordance with the pricing policy;
- (3) Pursuant to the terms of the agreement; and
- (4) Not exceeding the number of years disclosed in the announcement.

Article 24 The Company and responsible persons of all subsidiaries shall submit the Application for Review on Related Party Transactions (please refer to Appendix III) and relevant materials prior to conducting related party transactions.

After accepting the review application, the secretariat of the board of directors should conduct tests on the proportion of transactions and review the argumentation opinions on normal commercial terms to determine the procedures to be performed for such transaction. It feeds back to the review opinions in the form of the Review Opinion on Related Party Transactions (please refer to Appendix IV).

Various factors shall be comprehensively considered in normal commercial terms, including market data, opinions of independent third parties or other evidence proving that the counterparties also conduct transactions of similar size with the Company based on same terms, the counterparties also conduct transactions with other parties based on same terms, the transactions are beneficial to the business development of the Company and the transactions are determined based on their respective and independent interests.

Article 25 After the secretariat of the board of directors of the Company review the application materials without mistakes, it shall arrange and submit to the board of directors for consideration in appropriate manners. For related party transactions to be further approved, the secretariat of the board of directors of the Company shall arrange and submit to the board of directors and the shareholders' general meeting (if required) for consideration or approval.

Article 26 For related party transactions to be disclosed in regular reports or temporary reports, the secretariat of the board of directors of the Company shall arrange the disclosure in accordance with relevant requirements after completing the approval procedures.

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Article 27 For the setting of the annual limit, the secretariat of the board of directors of the Company shall be responsible for leading the argumentation and putting forward proposals and plans on the setting of the limit to senior management and submit to the board of directors for consideration after being approved. The secretariat of the board of directors of the Company shall arrange and submit to the board of directors and the shareholders' general meeting (if required) for consideration or approval.

The secretariat of the board of directors of the Company shall communicate with the Hong Kong Stock Exchange on relevant issues on the limit and its approval and announcement and arrange the disclosure.

Section III Voting Procedures for Consideration of Related Party Transactions by the Board of Directors

Article 28 When the board of directors of the Company considers and votes on related party transactions, the directors with associated relationship in the related party transactions shall abstain from voting. The abstaining and voting procedures implemented at the relevant meetings of the board of directors are as follows:

- (I) Related directors shall voluntarily declare their interests and apply for abstaining, otherwise other directors have the right to request their abstaining;
- (II) Unless otherwise specified, related directors shall not participate in the consideration of related party transactions, nor shall they exercise voting rights on behalf of other directors;
- (III) The meeting of the board of directors may be held if more than half of the non-related directors are present, and the resolutions made at the meeting of the board of directors shall be passed by more than half of the non-related directors.
- (IV) If the number of non-related directors present at the meeting of the board of directors is less than three, the Company shall submit the matter to the shareholders' general meeting for consideration.

Related directors include the following directors or directors under any of the following circumstances:

- (I) The counterparty;
- (II) Having direct or indirect control over the counterparty;

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- (III) Holding a position in the counterparty, or in any legal person or other organization that can directly or indirectly control the counterparty, or any legal person or other organization that can be directly or indirectly controlled by the counterparty;
- (IV) Close family member of the counterparty or its direct or indirect controller;
- (V) Close family members of the counterparty or its direct or indirect controller or its directors, supervisors and senior management;

Section IV Voting Procedures for Consideration of Related Party Transactions at the Shareholders' General Meeting

Article 29 When the shareholders' general meeting of the Company reviews on related party transactions, the related shareholders shall withdraw from voting and shall not exercise their voting rights on behalf of other shareholders.

Related shareholders include the following shareholders or shareholders under any of the following circumstances:

- (I) The counterparty;
- (II) Having direct or indirect control over the counterparty;
- (III) Being directly or indirectly controlled by the counterparty;
- (IV) The shareholder and the counterparty directly or indirectly controlled by the same legal person, or other organization or natural person;
- (V) Holding a position in the counterparty, or holding a position in a legal person or other organization that can directly or indirectly control the counterparty, or in a legal person or other organization that is directly or indirectly controlled by the counterparty;
- (VI) Closely family member of the counterparty or its direct or indirect controller;
- (VII) Shareholders whose voting rights are restricted and affected due to any unfinished equity transfer agreements or other agreements with the counterparty or its related parties;
- (VIII) Shareholders identified by the CSRC, the Stock Exchange or the SSE that may cause the Company's interests to tilt towards them.

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CHAPTER V MANAGEMENT OF RELATED PARTY TRANSACTIONS

Article 30 The shareholders' general meeting of the Company is the highest organ for the approval of related party transactions and is responsible for the review and approval of related party transactions and relevant matters to be approved by the shareholders' general meeting and independent shareholders in accordance with regulatory requirements.

Article 31 The board of directors of the Company is responsible for the supervision and management of related party transactions, and its responsibilities include:

- (I) To collect and organize the list and information of related parties of the Company;
- (II) To formulate the Company's related party transaction policies and related regulations;
- (III) To inspect and supervise the control of the Company's related party transactions, and the implementation of the Company's related party transaction control system by the directors, senior management personnel and related parties of the Company;
- (IV) To approve the related party transactions and continuing related party transactions that are subject to review and approval by the board of directors as stipulated in Articles 11 and 12 of these Measures, and submit (if applicable) related party transactions approved by the general meeting;
- (V) Information disclosure of related party transactions and other powers and responsibilities authorized by the shareholders' general meeting.

Article 32 Independent non-executive directors of the Company shall express opinions on the fairness of related party transactions partially exempted from disclosure. For related party transactions strictly required to be disclosed, the Company shall set up the Independent Board Committee comprising all the independent non-executive directors and it shall express opinions on whether the terms of the related party transactions or arrangements are fair and reasonable and whether it is in the interests of the Company and its shareholders as a whole, and after considering the opinions of the independent financial adviser, voice its opinion on how the shareholders vote on them.

Article 33 The senior management of the Company and all subsidiaries shall undertake the following responsibilities in the management of related party transactions:

- (I) To provide relevant data and documents;
- (II) To strictly review and control risks on related party transactions in formulating various business rules, selecting counterparties and conducting operating activities;

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- (III) To order all departments and subsidiaries to declare transactions and related parties in timely, accurate and complete manners;
- (IV) To strictly abide by the related party transaction management and control processes;
- (V) To accept the supervision, inspection and inquiry of the board of directors;
- (VI) To implement the resolutions and orders of the board of directors.

Article 34 The secretariat of the board of directors of the Company is the lead management department for related party transactions of the Company and is responsible for formulating and maintaining the management systems on related party transactions, monitoring the implementation of the management systems on related party transactions, carrying out trainings and inspections on related party transactions and reporting the management of related party transactions to the management of the Company.

Article 35 The secretariat of the board of directors of the Company is the lead management department for the disclosure of related party transactions of the Company and is responsible for leading the arrangement on the disclosure or announcement of related party transactions and the liaison and communications with the SSE and the Hong Kong Stock Exchange as well as relevant regulatory authorities on the interpretation and application of regulatory rules on related party transactions.

CHAPTER VI MANAGEMENT OF RELATED PARTIES

Article 36 The Company, all branches and subsidiaries shall conduct the declaration of related parties and the monitoring on equity transactions according to the requirements of these Measures, establish the list of related parties of the Company through including them into the list database of related parties and conduct real-time updates on the list of related parties.

The secretariat of the board of directors of the Company shall submit the list of related parties of the Company to the board of directors for confirmation each year.

Article 37 Related natural persons of the Company are the declaration obligors on the related parties of the Company. They shall actively fill in the declaration form of related parties within ten working days from the date of appointment and actively update the declaration form within ten working days after changes in matters for declaration.

The Company and responsible persons of all branches and subsidiaries shall urge the declarants to actively perform the declaration obligation based on their terms of reference and input the declaration information into the list database of related parties within ten working days after receiving the declaration form.

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Article 38 The secretariat of the board of directors of the Company shall organize and conduct regular declaration of related parties once a year, including sending and collecting the declaration form to and from the declarants, to ensure the accuracy of the list of related parties and relevant materials.

Article 39 For any proposed equity transactions, including but not limited to the sale of equities directly or indirectly owned in any subsidiaries of the Company, the disposal or purchase of equities in other companies or accepting them as pledge, resulting in a company holding close to or over 10% equities in any subsidiaries of the Company, relevant transaction institutes, which may bring in new related parties to the Company, shall report to the secretariat of the board of directors of the Company at least 30 days before reaching the transactions. The secretariat of the board of directors of the Company shall evaluate issues of related party transactions arising from the equity transactions, putting forward handling proposals and submit to the board of directors for review and approval.

Where equity transactions finally result in increase in the related parties of the Company, relevant transaction institutes shall complete the input in the list database of related parties within ten working days after reaching the transactions.

Article 40 The secretariat of the board of directors of the Company shall regularly release the calculation results under the standards of “insignificant subsidiaries” under the Hong Kong Listing Rules each year. Relevant subsidiaries shall conduct comparison calculation within ten working days and report the results to the secretariat of the board of directors of the Company for filing. If there are significant changes in the business scale of any non-wholly-owned subsidiaries and it may affect the results of the identification of “insignificant subsidiaries”, they shall be reported to the secretariat of the board of directors of the Company for filing.

CHAPTER VII PENALTY PROVISIONS

Article 41 Where the shareholders, directors, supervisors and senior management of the Company violate the provisions of these Measures, the board of directors shall order them to make correction within a time limit. If they fail to make correction after the time limit or the circumstance is serious, relevant responsibilities will be investigated in accordance with relevant laws and regulations.

CHAPTER VIII SUPPLEMENTARY PROVISIONS

Article 42 All “over” and “within” in these Measures include the numbers themselves; “less than” and “more than” does not include the numbers themselves.

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Article 43 These Measures shall be considered and approved at the shareholders' general meeting of the Company and shall take effect and come into force from the date of the Company's initial public issuance of domestic listed RMB ordinary shares and listing on the Shanghai Stock Exchange.

Article 44 For matters not covered in these Measures or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association shall prevail.

Article 45 The board of directors shall be responsible for the interpretation and revision of these Measures.

**APPENDIX XI ADMINISTRATIVE MEASURES FOR RELATED PARTY
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**APPENDIX I
DEFINITION AND SCOPE OF RELATED PARTIES UNDER
THE HONG KONG LISTING RULES**

Note: To facilitate the understanding of the concept of related parties, the following sets out the scope and definition of related parties complied in plain language. There may be differences between the plain language and the scope of related parties under the Hong Kong Listing Rules, the Hong Kong Listing Rules shall prevail.

In accordance with the Hong Kong Listing Rules, the “related parties” refer related natural persons, related legal persons and their associates of the Company.

I. Related natural persons of the Company shall refer to:

- (I) Directors, supervisors and general manager of the Company; and directors shall include directors of the Company in the preceding 12 months from the date of the transaction;
- (II) Directors, supervisors and general manager of any subsidiaries of the Company; and directors shall include persons acted as directors of any subsidiaries of the Company in the preceding 12 months from the date of the transaction;

Note: If relevant subsidiaries are insignificant subsidiaries (please refer to the definitions for the definition of insignificant subsidiaries), such transactions shall be related party transactions fully exempted from disclosure.

- (III) Substantial natural person shareholders of the Company; and substantial natural person shareholders refer to natural person shareholders holding or controlling 10% or above of the voting rights of the Company;
- (IV) Substantial natural person shareholders of any subsidiaries of the Company; and the definition of substantial natural person shareholder is set out in paragraph above;
- (V) Associates of the above related natural person; and an associate refers to:
 - (1) (a) his/her immediate family member (please refer to the definitions for specific scope of immediate family member); (b) trustee (refers to trustee of a trust in which such related natural person or his/her immediate family member is beneficiary); or (c) any company or its subsidiary in which such related natural person, his/her immediate family member or trustee individually or jointly hold 30% or more of voting power (including joint venture or associate);

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- (2) (a) his/her family member (please refer to the definitions for specific scope of family member); (b) trustee (refers to trustee of a trust in which such related natural person or his/her family member is beneficiary); or (c) any company or its subsidiary in which such related natural person, his/her family member or trustee individually or jointly hold 50% or more of voting power;
- (3) (a) his/her relative (please refer to the definitions for specific scope of relative), being considered as a related party due to the relationship with such related natural person; (b) trustee (refers to trustee of a trust in which such related natural person or his/her relative is beneficiary); or (c) any company or its subsidiary in which such natural person, his/her relative or trustee individually or jointly hold 50% or more of voting power.

II. The Company's related legal person refers to:

- (I) Substantial legal person shareholders of the Company; and substantial legal person shareholders refer to legal person shareholders holding or controlling 10% or above of the voting rights of the Company;
- (II) Substantial legal person shareholders of any subsidiary of the Company; and the definition of substantial legal person shareholder is set out in paragraph above;

Note: If relevant subsidiary is an insignificant subsidiary (definition of insignificant subsidiary is set out under the section headed "definitions"), relevant transactions shall be fully exempted related party transaction.

- (III) Associates of the above substantial legal person shareholders; and an associate refers to:
 - (1) its subsidiary or holding company or a fellow subsidiary of its holding company (collectively referred to as the "group of companies");
 - (2) the trustees of the trust with the Company as a beneficiary;
 - (3) any company or its subsidiary in which such substantial legal person shareholders, any member of its group company, and/or trustee individually or jointly hold more than 30% of voting power;

III. Related subsidiaries (please refer to the definitions for the definition of related subsidiaries) of the Company or any of their subsidiaries.

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IV. Definitions:

- (I) Immediate family members refer to the spouse of the natural person, his/her minor children (natural or adopted) or step-children;
- (II) Family members refer to the person cohabiting with the natural person as a spouse, or his/her child (step) parent (step), brother (step) and sister (step);
- (III) Relatives refer to the parent of spouse, the spouse of children, grandparents, grandchildren, siblings of the parent, cousins, spouse of sister, siblings of spouse and children of siblings;
- (IV) Related subsidiary refers to the subsidiary of the Company in which the related party at the Company's level can exercise or control the exercise of 10% or more of voting power;
- (V) Insignificant subsidiaries refer to any subsidiaries of the Company whose percentage ratios of total assets, profits and revenue (calculated under the Hong Kong Listing Rules) is under 10% for the three financial years or under 5% for the latest financial year.

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**APPENDIX II
RELEVANT PROVISIONS OF THE HONG KONG LISTING RULES**

According to the Hong Kong Listing Rules, “percentage ratios” are the figures, expressed as percentages resulting from each of the following calculations, if applicable:

- (a) Total assets test:
$$\frac{\text{Total book value of assets which are the subject of the transaction}}{\text{Total consolidated assets of the Company (including intangible assets)}}$$
- (b) Revenue test:
$$\frac{\text{Revenue generated from the assets which are the subject of the transaction}}{\text{Consolidated revenue of the Company}}$$
- (c) Consideration to total market capitalization test:
$$\frac{\text{Total consideration to be paid}}{\text{Total market capitalization of the Company}^{\text{note}}}$$

Note: The total market capitalisation is the average closing price of the Company’s securities as stated in the Exchange’s daily quotations sheets for the five business days immediately preceding the date of the related party transaction.

Value of share capital to be issued by the Company as consideration for the transaction:

- (d) Equity capital test^{note}:
$$\frac{\text{Book value of share capital to be issued by the Company as consideration}}{\text{Book value of the Company’s issued shares capital}}$$

Note: Solely applicable to certain transactions involved issuance of shares as the payment of consideration

Disclosure standards—Please refer to the table below for specific regulatory requirements on related party transactions:

Percentage ratios (other than profit ratio)	Notifying the Hong Kong Stock Exchange	Publication of announcement	Publication of circular	Approval of independent shareholders	Disclosure in annual report
Each of the percentage ratios is below 0.1% (transactions with related parties at the level of the Company) or 1% (transactions with related parties at the level of the subsidiary of the Company)	X	X	X	X	X
Each of the percentage ratios is below 5%	√	√	X	X	√
Any of the percentage ratios is above 5%	√	√	√	√	√

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**APPENDIX III
APPLICATION FOR REVIEW ON RELATED PARTY TRANSACTIONS**

Ordinary Urgent Extremely urgent

Review department		Contact person, telephone and address	
Type of transaction		Name of counterparty	
Time of transaction		Amount of transaction	
Structure of transaction		Current conditions of transaction	
Major terms of transaction		Satisfying normal commercial terms or not (please explain the reasons if no)	
Other normal terms of transaction			
Amount of same type of transactions of the Company and/or its members with such related parties in the last 12 months (Please attach a detailed list)			
List of relevant explanation materials to be submitted	<ol style="list-style-type: none"> 1. Transaction contract proposed to be entered into; 2. List of same type of transactions of the Company and/or its members with such related parties in the last 12 months (if any); 3. Materials proving that they are normal commercial terms; 4. Internal approval documents on transactions; 5. Other materials to be submitted. 		
Signature of department leaders:		Date	
Time of receipt by the handling department (to be filled by the Compliance and Legal Department):			

**APPENDIX XI ADMINISTRATIVE MEASURES FOR RELATED PARTY
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**APPENDIX IV
REVIEW OPINION ON RELATED PARTY TRANSACTIONS**

Review department:		Contact person and telephone:
Name of transaction for review:		
Handling team:	Preliminarily review by: Telephone:	Reviewed by:
Issued by:	Date:	
Review opinions on ordinary commercial terms:		
Results of test on proportion:		
Handling opinions:		
Statements:		
We have made the following assumptions upon issuing this opinion:		
<p>(1) All information provided in the Review on Related Party Transactions is truthful and we can conduct review and make judgments based on it;</p> <p>(2) All materials provided to us are truthful and the electronic files and photocopies are consistent with original copies.</p>		

CHAPTER I GENERAL PROVISIONS

Article 1 To regulate the guarantees of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Company”), prevent guarantee risks and safeguard the asset security, these Measures are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Civil Code of the People’s Republic of China (hereinafter referred to as the “Civil Code”), the Securities Law of the People’s Republic of China (hereinafter referred to as the “Securities Law”), the Guidelines for the Supervision of Listed Companies No. 8 – Supervision Requirements for Fund Transactions and External Guarantees of Listed Companies, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “Listing Rules”) and other relevant laws, administrative regulations and normative documents, as well as the requirements of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Articles of Association”) in combination with the actual conditions of the Company.

Article 2 The guarantee in these Measures shall include but not be limited to warranty, mortgage, pledge and other forms of guarantees provided by the Company and its controlling or actually controlled subsidiaries (hereinafter referred to as the “Controlling Subsidiary(ies)”) for other entities and individuals with their own assets or credit, including guarantees between the Company and its subsidiaries and guarantees among subsidiaries. Specific types include, but are not limited to, loan guarantees, guarantees for letters of credit issued by banks and bank acceptance bills as well as guarantees for letters of guarantee issued. The “total external guarantees by the Company and its Controlling Subsidiaries” in these Measures refer to the sum of the total amount of external guarantees by the Company (including guarantees provided by the Company for its Controlling Subsidiaries) and the amount of external guarantees by its Controlling Subsidiaries.

Article 3 Where a Controlling Subsidiary of the Company provides guarantees for legal persons or other organizations within the scope of the Company’s consolidated statements, the Company shall disclose the same in a timely manner after the Controlling Subsidiary has fulfilled the consideration procedures, guarantee matters which should be submitted to the general meeting of the Company for consideration according to the Listing Rules are excluded.

If a Controlling Subsidiary of the Company provides a guarantee for an entity other than the one specified in the preceding paragraph, it shall be deemed to be a guarantee provided by the Company and shall comply with the relevant provisions of these Measures.

CHAPTER II GUARANTEE OBJECTS AND PRINCIPLES

Article 4 The provision of guarantees shall follow the principle of strict control and prudent handling. It is prohibited to provide guarantees in the name of departments, branches, project departments or other branch offices. The guarantee shall be under the unified management of the Company and guarantees of subsidiaries shall be strictly controlled.

Article 5 The guaranteed main contract businesses shall meet the requirements on legal compliance and the strategies, budget, internal control, assessment and other management requirements of the Company.

Article 6 The guarantee objects to which the Company can provide guarantees include: wholly-owned subsidiaries, Controlling Subsidiaries, joint-stock companies or external entities with material interests in the Company.

Article 7 The Company shall not provide guarantees to third or lower-tier subsidiaries in principle. Where the Company is required to provide guarantees for special reasons, second-tier subsidiaries shall make applications to the Company.

Article 8 Guarantees to the Controlling Subsidiaries shall be provided based on the shareholding proportions of the Company in principle (except the provision of separate guarantees to the Controlling Subsidiaries). If it has to exceed certain part under particular circumstances, other shareholders (or related entities of shareholders) with equities in subsidiaries shall provide counter-guarantees to the Company.

Article 9 Guarantees to the joint-stock companies shall be provided based on the shareholding proportions of the Company in principle.

Article 10 Where the Company provides guarantees to controlling shareholders, actual controllers and their related parties, it shall require counter-guarantee offered by the counterparty and the provider of the counter-guarantee shall have the actual capability in offering such counter-guarantee.

If relevant shareholders fail to provide the same proportion of guarantees or counter-guarantees and other risk control measures to the Controlling Subsidiaries or joint-stock companies of the Company in proportion to their capital contributions, the board of directors of the Company shall disclose the main reasons and fully explain whether the guarantee risk is controllable and damages the interests of the Company based on the analysis of the operation and solvency of the guarantee objects.

Article 11 Where the Company provides guarantees for its Controlling Subsidiaries, if there is a large number of transactions each year, and it is difficult to submit to the board of directors or the shareholders' general meeting for consideration due to the need of entering into

guarantee agreement on a recurring basis, the Company may estimate the total amount of new guarantees for the next 12 months of the two types of subsidiaries with a gearing ratio of over 70% and that of below 70%, and submit the estimation to the shareholders' general meeting for consideration.

When the aforesaid guarantee matter actually takes place, the Company shall make disclosures in a timely manner, and the balance of the guarantee at any time shall not exceed the amount of guarantee considered and approved at the general meeting.

Article 12 When the Company provides external guarantees, it shall take necessary measures to check the credit and financial standing of the guaranteed parties, and shall decide whether to provide guarantees after assessing the repayment ability of guaranteed parties in a prudent manner.

CHAPTER III APPLICATION AND APPROVAL OF GUARANTEES

Article 13 Where subsidiaries or joint-stock companies apply for guarantees from the Company, they shall issue a written application report, which shall set out the following basic contents: reasons of guarantees, amount of guarantees, term of guarantees, form of guarantees and basic information of the creditors of guarantees and shall attach the following relevant materials:

- (I) Resolutions of the board of directors of the Company.
- (II) Basic introduction to the project, construction plan, profit forecast, risk analysis and other materials (if they are related to the project).
- (III) Income and expenses forecast of the Company for the following period.

Article 14 For the provision of guarantees to joint-stock companies or entities with material interests in the Company, relevant department of the Company shall be responsible for providing the guarantee proposal and relevant documents and materials of the guaranteed parties and shall be responsible for assisting the Finance Department of the Company in the qualification review, analysis and tracking management on the guaranteed parties. When necessary, it shall appoint third-party institutes to review the subject creditability and financial conditions of the guaranteed parties, guarantees as well as the contents of relevant contracts and issue the risk assessment report (except guarantees to consolidated joint-stock companies).

Article 15 Application documents for guarantee shall be uniformly accepted by the Finance Department of the Company. After internal review and analysis, the Finance Department shall submit such documents to the Party committee, the manager office and the

board of directors of the Company for study and consideration and guarantees can be provided after their consideration and approval. Where the Company provides guarantees to its shareholders or actual controllers, it shall be resolved at the shareholders' general meeting.

Article 16 The following external guarantees shall be submitted to the shareholders' general meeting for review and approval after being considered and approved by the board of directors of the Company:

- (I) any guarantees provided after the total external guarantees by the Company and its Controlling Subsidiaries exceeds 50% of the latest audited net assets of the Company;
- (II) any guarantees provided after the total external guarantees by the Company and its Controlling Subsidiaries exceeds 30% of the latest audited total assets of the Company;
- (III) guarantees provided after the guarantees by the Company within one year exceeds 30% of the latest audited total assets of the Company;
- (IV) guarantees provided to a guarantee object whose asset to liability ratio is over 70%;
- (V) a single guarantee with the amount exceeding 10% of the latest audited net assets;
- (VI) guarantees provided to shareholders, actual controllers and their related parties;
- (VII) guarantees provided to related parties; and
- (VIII) other external guarantees provided by laws, administrative regulations, departmental rules, the regulatory rules of the places where the Company's shares are listed and the Articles of Association.

Article 17 External guarantees except those to be considered and approved at the shareholders' general meeting as provided in Article 16 of these Measures shall be reviewed and approved by the board of directors. Guarantee matters within the scope of authority of the board of directors shall be subject to the approval of more than half of all the directors and more than two thirds of the attending directors. For guarantees in item (III) of the preceding paragraph, they shall be approved by more than two thirds of voting rights held by the attending shareholders.

When a shareholders' general meeting considers a guarantee proposal for any shareholder, actual controller and their related parties, such shareholder or the shareholders controlled by the actual controller provided in the preceding paragraph shall not vote on such matter.

Article 18 If the debt guaranteed by the Company needs to be extended after maturity and the guarantee needs to be continued, it should be regarded as a new external guarantee and the guarantee approval procedure should be performed again.

Article 19 Prior to the provision of guarantees, the Company shall take precautionary measures such as requiring counter-guarantee offered by the counterparty. The provider of the counter-guarantee shall have the actual capability in offering such counter-guarantee.

Article 20 Wholly-owned subsidiaries and Controlling Subsidiaries shall be prohibited to provide external guarantees in principle. Where they have to provide guarantees for particular reasons, they shall make an application to the Company and perform the review and approval procedures of the Company.

Article 21 After the research and consideration of the Party committee, the manager office and the board of directors, the Company may provide guarantees to subsidiaries and consolidated joint-stock companies in multiple handling of the letters of guarantee business within the authorization of the board of directors. When subsidiaries and consolidated joint-stock companies handle the letters of guarantee business, they shall strictly implement the review and approval procedures of the Company on letters of guarantee and provide relevant bidding documents, letters of award, format text of letters of guarantee, application for the letters of guarantee business, agreement of separate letters of guarantee and other relevant materials to the Finance Department. General application and approval procedures for letters of guarantee shall not be performed in principle.

CHAPTER IV DAILY MANAGEMENT OF GUARANTEES

Article 22 For guarantees provided based on the shareholding proportion, the Company shall fill in the monthly guarantee statistics of the superior competent department. For other guarantees, it shall submit complete decision-making materials to the internal bank of the superior competent department for filing within ten working days after completing the decision-making procedures of the Company.

Article 23 The Finance Department shall be competent department for guarantees of the Company and shall be responsible for the application for approval, filing, counting and archives management on guarantees; and responsible for the tracking management of the guarantee business. In case of guarantee risks, the Finance Department work together with relevant departments and report to leaders of the Company in a timely manner and adopt measures to prevent risks.

Article 24 The Legal Audit Department shall be responsible for the compliance review on various guarantee contracts and documents and propose legal opinions; responsible for assisting the Finance Department in the review on the qualifications of applicants and the effectiveness of counter-guarantees; and responsible for assisting in adopting measures to prevent risks in case of guarantee risks.

Article 25 The Company shall perform the information disclosure obligation on guarantees in accordance with the listing rules of the places where the Company's shares are listed, the Articles of Association, the Administrative Measures on Information Disclosure of Beijing Urban Construction Design & Development Group Co., Limited and other relevant regulations.

Article 26 The secretariat of the board of directors of the Company shall be responsible for handling matters related to information disclosure and announcement of guarantees.

Article 27 The Company shall continuously monitor the financial position and solvency of the guaranteed parties. The board of directors of the Company shall adopt effective measures in a timely manner once any significant issues such as serious deterioration in the operating conditions, dissolution or division of the guaranteed parties are identified to minimize the losses.

After the guaranteed debts come due, the Company shall urge the guaranteed parties to repay its debts within a specified period. If the guaranteed parties fail to perform their obligations on time, the Company shall take necessary countermeasures in a timely manner.

CHAPTER V COUNTER-GUARANTEES

Article 28 The forms of counter-guarantees may be credit counter-guarantees, mortgage counter-guarantees, pledge counter-guarantees, letters of undertaking of the management on unlimited joint liability and letters of undertaking of shareholders. The Company shall determine the form of counter-guarantees based on the degree of guarantee risk and the financial conditions and performance capability of the guaranteed parties.

Article 29 Guarantors of credit counter-guarantees shall meet the following conditions:

- (I) They are under sound operating conditions and maintained continuous operation in recent two years without operating losses; and
- (II) They have no material non-compliance of laws or contracts in recent two years and maintained good credit.

Article 30 Mortgage counter-guarantees shall meet the following conditions:

- (I) The collateral can be transferred according to laws;
- (II) It has handled the mortgage registration procedures with relevant competent departments according to laws; and
- (III) If it has not handled mortgage registration for the collateral, the maximum amount of the effective guarantee shall be 70% of the appraised value of the collateral. If it has handled mortgage registration on the same collateral, the maximum amount of the effective guarantee shall be 70% of the difference between the appraised value of the collateral and the guaranteed amount in the previous mortgage registration.

Article 31 For pledge counter-guarantees provided with bank deposits, bonds and bills, the original copy of the document of title shall be submitted to the group of companies and the amount set out in the document of title shall be the maximum amount of the effective guarantee. For pledge counter-guarantees provided with equity, they shall meet the following conditions:

- (I) The equity can be transferred according to laws;
- (II) For the pledge with the equity of listed companies, it shall handle the pledge registration procedures with securities registration authorities for the pledged equity. For the pledge with the equity of non-listed companies, it shall enter into the equity pledge contract and handle the pledge registration procedures with competent departments for the pledged equity; and
- (III) If it has not handled pledge registration for the equity, the maximum amount of the effective guarantee shall be 70% of the carrying value of the equity. If it has handled pledge registration on the same equity, the maximum amount of the effective guarantee shall be 70% of the difference between the carrying value of the equity and the guaranteed amount in the previous pledge registration.

CHAPTER VI SUPPLEMENTARY PROVISIONS

Article 32 The “over” in these Measures includes the numbers themselves; “more than” does not include the numbers themselves.

Article 33 For matters not covered in these Measures or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company’s shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company’s shares are listed or the Articles of Association shall prevail.

Article 34 These Measures shall be considered and approved at the shareholders’ general meeting of the Company and shall take effect and come into force from the date of the Company’s initial public issuance of domestic listed RMB ordinary shares and listing on the Shanghai Stock Exchange.

Article 35 The board of directors shall be responsible for the interpretation and revision of these Measures.

CHAPTER I GENERAL PROVISIONS

Article 1 To strengthen the investment management of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Company”), regulate investment behaviors, prevent investment risk, safeguard investment security and improve investment benefits, these Measures are formulated in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as the “Company Law”), the Administrative Measures for Supervision on Investment of State-owned Enterprises in Beijing (Jing Guo Zi Fa [2017] No. 29), the Administrative Measures for Supervision on Overseas Investment of State-owned Enterprises in Beijing (Jing Guo Zi Fa [2017] No. 30), the Interim Measures for Post-investment Assessment and Management of Investment Projects of State-owned Enterprises in Beijing (Jing Guo Zi Fa [2012] No. 11), the Certain Opinions on Adhering to the Party’s Leadership and Strengthening Party Building in the Reform of Municipal State-owned Enterprises (Jing Ban Fa [2016] No. 16), the Notice of the Party Organization Committee of the Beijing SASAC on Reaffirming the Further Strengthening the Strict Implementation of the Decision-making Systems on “Three Keys and One Large Amount” Projects in Enterprises under Municipal Administration (Jing Guo Zi Dang Fa [2019] No. 8, the Notice on Issuing the List of Significant Matters for Advance Study and Discussion by Party Organization Committees of State-owned Enterprises and the Demonstration Text of Procedures (Trial) (Jing Zu Tong [2020] No. 24), the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange Listing Rules”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “SSE Listing Rules”) and relevant provisions of other laws, regulations, departmental rules and normative documents, as well as relevant provisions of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Articles of Association”), the Administrative Measures for Investment of Beijing Urban Construction Group Co., Ltd. (Revised in 2018) and the Notice on Further Specifying the Decision-making Process on Investment Matters of Groups (Cheng Jian Zi Yun Fa [2020] No. 42).

Article 2 External investment in these Measures refers to various investment activities through the establishment, merger and acquisition of enterprises (including new establishment, holding shares, M&As, equity swap, shareholding increase or decrease, etc.), equity investment, entrusted management and other forms permitted by national laws and regulations by making contributions in cash, physical assets and intangible assets.

- (I) Investment in establishment of new enterprises (including all domestic and overseas wholly-owned or joint-stock enterprises, joint ventures, cooperatives, associated enterprises and other branches, etc.);

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- (II) Additional investment in subsidiaries with various forms of assets;
- (III) Merger, acquisition and reorganization of enterprises;
- (IV) Investment in stocks, funds, bonds, foreign exchange, futures, gold and various financial derivatives;
- (V) Investment in new industrial production lines and technological transformation projects;
- (VI) Investment in basic construction projects (including joint construction projects with contribution of land use right);
- (VII) Investment in the PPP (including BOT, etc.) model;
- (VIII) Investment involved in debt restructuring and asset restructuring;
- (IX) Other investments permitted by laws and regulations.

Article 3 All external investments of the Company shall comply with relevant national laws, regulations and industrial policies, conform to the long-term development plan and strategy of the Company, be conducive to the expansion of principal businesses and reproduction and beneficial to the sustainable development of the Company, enhancing the core competitiveness of enterprises and fostering new profit growth points.

Article 4 All external investments of the Company shall follow the following principles: conforming to strategies, scientific decision-making, conducting standard operation, highlighting efficiency, controlling risks and maintaining appropriate scales.

Article 5 To promote the integration of the Party's leadership with corporate governance, it shall fully display the core leading role of the Party committee of the Company, improve the corporate governance of the Company and promote the sustainable development of the Company. All external investments involving "three keys and one large amount" (i.e. decision on key matters, appointment and removal of key cadres, investment decision for key projects, utilization of a large amount of funds) shall be discussed by the Party committee of the Company in advance and collective decisions shall be made in accordance with relevant rules of procedure of the Company.

Article 6 When the Company makes external investments with fixed assets, intangible assets and other non-monetary assets, it shall handle the corresponding registration and transfer procedures in accordance with relevant laws and administrative regulations.

Article 7 The Company shall exercise the shareholder's rights according to laws and procure its subsidiaries (including wholly-owned subsidiaries and controlling subsidiaries of the Company) to regulate their external investments with reference to relevant provisions of these Measures.

CHAPTER II ORGANIZATIONS AND DIVISION OF DUTIES ON EXTERNAL INVESTMENT MANAGEMENT

Article 8 The decision-making bodies for external investment of the Company shall be the shareholders' general meeting or the board of directors. They shall make decisions on external investment of the Company within their respective scope of authority.

Article 9 Prior to the consideration on external investments by the board of directors or the shareholders' general meeting, the Company shall provide the feasibility study reports and relevant materials on the proposed investment projects to all directors or shareholders to facilitate their decision-making.

Article 10 The strategy and investment committee under the board of directors of the Company is a specialized working body under the board of directors of the Company and is responsible for conducting researches and proposing suggestions on external investment projects and conducting inspections in the implementation of plans. The working group under the strategy and investment committee is responsible for carrying out preliminary preparations for the decision-making by the strategy and investment committee and providing materials on relevant aspects of the Company. The strategy and investment committee convenes meeting and conducts discussions based on the proposals of the working group under it. It submits the discussion results to the board of directors and gives feedbacks to the working group under it.

Article 11 The Investment and Financing Department, the Corporate Management Department, the Finance Department, the Legal Audit Department and other departments of the Company shall respectively perform their relevant duties according to the provisions of these Measures and be responsible for the operation and management of external investment projects of the Company.

Article 12 The Investment and Financing Department of the Company is the lead department or the centralized management department for external investments of the Company and its subsidiaries and its duties shall include:

- (I) to be responsible for the formulation of the annual external investment plan of the Company;
- (II) to be responsible for the centralized management of external investment projects of the Company and its subsidiaries;

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- (III) to organize the preliminary inspection and planning on relevant external investment projects, the formulation of the feasibility study report on external investment projects and other work;
- (IV) to organize the review and approval on external investment projects;
- (V) to be responsible for drafting negotiation and revision of contracts on external investment projects;
- (VI) to participate in the management of acquisitions, mergers and other external equity investments;
- (VII) to organize post-investment assessment on external investment projects;
- (VIII) to cooperate in the appraisal and evaluation on external investment projects; and
- (IX) to participate in the management of finance, production and operation of investment projects.

Article 13 The duties of the Corporate Management Department of the Company shall include:

- (I) to be responsible for proposing audit opinions on the matching of external investment projects with the strategic development plans, investment plans and operation plans of the Company;
- (II) to be responsible for the management of acquisitions, mergers and other external equity investments;
- (III) to participate in the feasibility study on relevant external investment projects of the Company;
- (IV) to be responsible for filing at the corporate level and the registration of state-owned property rights involved in external investment projects; and
- (V) to formulate the appraisal and evaluation measures for index management of external investment projects (wholly-owned and controlled) and to be responsible for organizing the appraisal and evaluation.

Article 14 The duties of the Finance Department of the Company shall include:

- (I) to be responsible for organizing, planning and implementing the banking credit loan business of the Company;

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- (II) to participate in the formulation of the annual external investment plan of the Company;
- (III) to participate in the feasibility study on external investment projects of the Company, assist in the pre-planning on taxation for external investment projects and conduct appraisal and argumentation on the impacts of external investment projects on the asset and liability matching management and cash flow management of the Company;
- (IV) to be responsible for filing at the enterprise level and registration of state-owned property rights involved in external investment projects;
- (V) to participate in the post-investment assessment and operation analysis on external investment projects of the Company; and
- (VI) to participate in the appraisal and evaluation on external investment projects.

Article 15 The duties of the Legal Audit Department of the Company shall include:

- (I) to be responsible for the legal compliance review on plans, contracts and other documents of external investment projects and to issue the legal opinions or the legal audit opinions;
- (II) to provide subsequent legal supports to external investment projects; and
- (III) to be responsible for guiding and monitoring the risk management of external investment projects.

Article 16 Other departments of the Company shall be responsible for relevant matters on external investments based on their respective duties.

CHAPTER III INVESTMENT PLANS ON EXTERNAL INVESTMENT MANAGEMENT

Article 17 The Company implements planning management on investments. Departments and entities with an investment intention shall formulate the investment plan for the next year at the end of each year and submit it to the Investment and Financing Department of the Company for filing.

Article 18 The Investment and Financing Department of the Company shall be responsible for summarizing and formulating the annual investment plan of the Company and submit it to the board of directors of the Company for consideration.

Article 19 For projects included in the investment plan, the Company will give priority in consideration and approval. The funds required for investment projects shall be included in the financial revenue and expenditure plan of the enterprise for the corresponding year.

Article 20 No investment shall be made in project not included in the annual investment plan in principle. Where it has to add investment projects, the annual investment plan shall be adjusted correspondingly.

CHAPTER IV APPROVAL PROCEDURES OF EXTERNAL INVESTMENTS

Article 21 For external investment projects of the Company involving “three keys and one large amount” or the implementation of advance procedures by the Party committee according to relevant national regulations, they shall be studied and discussed by the Party committee of the Company before the board of directors and the manager office make decisions. Where the Listing Rules or the Articles of Association requires, it shall convene the shareholders’ general meeting for voting in due course.

Article 22 Where external investment projects of the Company require explicit opinions of superior competent departments, the application documents shall be summarized and submitted to the Investment and Financing Department of the Company at least 15 working days before the implementation (before bidding).

Article 23 The Company shall conduct sufficient and scientific argumentation on each investment project and prepare the feasibility study report. It may appoint experts or intermediary agencies to conduct due diligence and argumentation when necessary. The contents of the feasibility study report shall mainly include:

- (I) Overview on investment projects; investment method and purpose; and the impacts on the enterprise;
- (II) Analysis on national policies as well as macro and micro market environment;
- (III) Analysis on the necessity for the implementation of investment projects;
- (IV) For joint venture and cooperation projects, it shall state the credit rating, operation capability, technological level and benefit of cooperative entities;
- (V) Investment estimation and analysis on sources and uses of funds;
- (VI) Analysis on investment benefits and sensitivity analysis;
- (VII) Risk analysis and control measures; and
- (VIII) Conclusion and suggestions.

Article 24 For projects included in the prohibited items on the negative list of investment projects of the municipal SASAC, the Company shall not invest in them. For those included in the items under particular regulation on the negative list of investment projects of the municipal SASAC, the Company shall report to the superior competent department for review and approval.

Article 25 If the Company invests in projects out of its principal businesses, makes remote or overseas investments or proposes to conduct stock, futures, securities and other businesses, it shall file with the municipal SASAC within ten working days after the board of directors of the Company made the decisions.

Article 26 For the following external investments, the Company shall submit them to the board of directors of the Company for consideration and shall fulfill the information disclosure obligation in a timely manner:

- (I) the total assets involved in the transaction (if both the carrying value and the appraised value exist, whichever is higher) account for more than 10% of the latest audited total assets of the Company;
- (II) the net assets involved in the subject of the transaction (such as equity) (if both the carrying value and the appraised value exist, whichever is higher) account for more than 10% of the latest audited net assets of the Company with an absolute amount exceeding RMB10 million;
- (III) the transaction amount of the transaction (including the debts and expenses) account for more than 10% of the latest audited net assets of the Company with an absolute amount exceeding RMB10 million;
- (IV) the profit generated from the transaction account for more than 10% of the audited net profit of the Company for the latest accounting year with an absolute amount exceeding RMB1 million;
- (V) the operating revenue related to the subject of the transaction (such as equity) for the latest accounting year accounts for more than 10% of the audited operating revenue of the Company for the latest accounting year with an absolute amount exceeding RMB10 million;
- (VI) the net profit related to the subject of the transaction (such as equity) for the latest accounting year accounts for more than 10% of the audited net profit of the Company for the latest accounting year with an absolute amount exceeding RMB1 million;

- (VII) According to the provisions of the Stock Exchange Listing Rules which may be amended from time to time, based on tests implemented, any of the asset ratio, profit ratio, revenue ratio, consideration ratio and equity capital ratio (specific details are based on the Stock Exchange Listing Rules which may be amended from time to time) of such transaction or the aggregate of relevant transactions is equivalent to or higher than 5%; and ratio which is lower than 5% but involving share transaction with issue of the Company's shares as the transaction price (if such transactions constitute related party transactions under the Stock Exchange Listing Rules or the SSE Listing Rules, they shall be implemented with reference to the Administrative Measures for Related Party Transactions of the Company and the regulatory rules of the stock exchanges of the places where the Company's shares are listed);
- (VIII) External equity investments failed to meet the standard for consideration at the shareholders' general meeting in accordance with the laws and regulations as well as relevant listing rules of the places where the Company's shares are listed and the Articles of Association; and
- (IX) Other transactions exceeding the authority of the general manager but not requiring approval at the shareholders' general meeting in accordance with the laws and regulations as well as relevant listing rules of the places where the Company's shares are listed and the Articles of Association or those to be determined by the board of directors with the authorization at the shareholders' general meeting.

In case the figure involved in the above items (I) to (VI) is negative, the absolute value thereof shall be taken for calculation.

Article 27 For the following external investments, the Company shall submit them to the shareholders' general meeting for consideration after being considered by the board of directors of the Company and shall fulfill the information disclosure obligation in a timely manner:

- (I) the total assets involved in the transaction (if both the carrying value and the appraised value exist, whichever is higher) account for more than 50% of the latest audited total assets of the Company;
- (II) the net assets involved in the subject of the transaction (such as equity) (if both the carrying value and the appraised value exist, whichever is higher) account for more than 50% of the latest audited net assets of the Company with an absolute amount exceeding RMB50 million;
- (III) the transaction amount of the transaction (including the debts and expenses) account for more than 50% of the latest audited net assets of the Company with an absolute amount exceeding RMB50 million;

- (IV) the profit generated from the transaction account for more than 50% of the audited net profit of the Company for the latest accounting year with an absolute amount exceeding RMB5 million;
- (V) the operating revenue related to the subject of the transaction (such as equity) for the latest accounting year accounts for more than 50% of the audited operating revenue of the Company for the latest accounting year with an absolute amount exceeding RMB50 million;
- (VI) the net profit related to the subject of the transaction (such as equity) for the latest accounting year accounts for more than 50% of the audited net profit of the Company for the latest accounting year with an absolute amount exceeding RMB5 million;
- (VII) Transactions to be approved at the shareholders' general meeting according to the provisions of the Stock Exchange Listing Rules. Specifically, based on tests implemented, any of the asset ratio, profit ratio, revenue ratio, consideration ratio and equity capital ratio of such transaction or the aggregate of relevant transactions (the principles for aggregate calculation are based on the Stock Exchange Listing Rules which may be amended from time to time) is equivalent to or higher than 25% (if such transactions constitute related party transactions under the Stock Exchange Listing Rules or the SSE Listing Rules, they shall be implemented with reference to the Administrative Measures for Related Party Transactions of the Company and the regulatory rules of the stock exchanges of the places where the Company's shares are listed);
- (VIII) Other investment projects required to be approved at the shareholders' general meeting in accordance with the laws and regulations as well as relevant listing rules of the places where the Company's shares are listed and the Articles of Association.

In case the figure involved in the above items (I) to (VI) is negative, the absolute value thereof shall be taken for calculation.

Article 28 Under the SSE Listing Rules, if the transaction subject is equity and a purchase or disposal of equity will result in a change in the scope of the consolidated statement of the Company, the total assets and operating income of the subject company attributable to such equity shall be deemed to be the total assets involved in such transaction and the operating income related to the subject matter of such transaction, respectively.

Article 29 When an investment matter of the Company only meets the standards as set out in the item (IV) or item (VI) of Article 27 of these Measures, and the absolute value of the earnings per share in the latest financial year of the Company is less than RMB0.05, the Company may apply to the Shanghai Stock Exchange for waiver from the consideration at the shareholders' general meeting for such transaction provided that it shall still perform the information disclosure obligation according to relevant regulations.

Article 30 When the transaction satisfies the standard provided in Article 27 of these Measures and if the subject matter of such transactions is the Company's equity, the Company shall appoint an accounting firm with relevant qualifications to conduct securities and futures business to issue an audit report in respect of the financial accounting report of the subject matter of such transactions for the latest year and period prepared under the Accounting Standards for Business Enterprises. The audit opinion issued by the accounting firm shall be a standard unqualified opinion, and the period between the cut-off date of the audit and the date on which a general meeting is convened in respect of the audit of such transaction shall be no more than 6 months. If the subject matter of such transactions is other asset other than equity, the Company shall provide a valuation report issued by an asset valuer with relevant qualifications to conduct securities and futures business. The period between the benchmark date of evaluation and the date on which a general meeting is convened for consideration of such matter shall be no more than 1 year.

For the transaction failing to meet the standard provided in Article 27 of these Measures and if the chairman or the general manager of the Company deems necessary, the Company shall also appoint an accounting firm or an asset valuer to audit or appraise based on the provisions of the preceding paragraph.

Article 31 Under the SSE Listing Rules, if the Company invests to establish a company and pays its contribution in installments, the provisions of Articles 26 and 27 of these Measures shall be applied to the full amount of capital contribution stipulated under the agreement.

Article 32 Under the SSE Listing Rules, when the Company conducts investment matters such as the provision of financial assistance and entrusted wealth management, the amount incurred shall be used as the calculation standard and shall be cumulatively calculated within 12 consecutive months according to the transaction category. The provisions of Articles 26 and 27 of these Measures shall be applied to the cumulatively calculated amount. If the relevant obligations have been fulfilled in accordance with the foregoing provisions, they shall not be included in the relevant accumulative calculation scope.

Article 33 Under the SSE Listing Rules, when the Company conducts other external investments other than those provided in Article 32 of these Measures, all transactions of the same category related to the subject shall be cumulatively calculated within 12 consecutive months and shall be applied to the provisions of Articles 26 and 27 of these Measures, respectively. If the relevant obligations have been fulfilled in accordance with the foregoing provisions, they shall not be included in the relevant accumulative calculation scope.

In addition to the foregoing provisions, when the Company conducts the investment matter of “purchasing assets” and no matter if the transaction subjects are related, if the total asset amount or the transaction amount involved exceed 30% of the latest audited total assets of the Company after being cumulatively calculated within 12 consecutive months, they shall also be submitted to the shareholders’ general meeting for consideration and approval as a special resolution in addition to disclosure and the audit or appraisal conducted according to relevant provisions of these Measures.

CHAPTER V TRACKING MANAGEMENT OF EXTERNAL INVESTMENTS

Article 34 To facilitate the achievement of the investment targets, relevant departments on external investment management shall conduct full-process and all-dimensional tracking management on investment activities to fully master the real-time conditions of investment projects and provide truthful and reliable project information to the decision-making bodies.

Article 35 The decision-making bodies shall regularly listen to reports on the implementation of projects and conduct correction and adjustment to problems arising from the implementation process in a timely manner.

Article 36 It shall prepare the capital revenue and expenditure plan on investment projects based on the feasibility study report on investment projects and strictly control the use and appropriation of capitals based on the capital revenue and expenditure plan.

Article 37 If the actual amount of investment projects exceeds the investment budget by 20%, it shall perform the investment decision-making procedures again and explain the reasons for exceeding the budget. It shall be submitted to the decision-making bodies for confirmation.

Article 38 When the Company conducts equity investments, it shall specify dividend policies in the investment agreement or the articles of association of the new company and arrange necessary measures to guarantee the effective implementation of dividend policies and practically obtain stable dividend income.

Article 39 Post-investment assessment refers to the assessment conducted after the completion of investment in projects. It is a systematic investigation and overall review on the implementation process, results and impacts of projects. Through comparison with the targets determined upon the decision-making on the projects as well as technological, economic, environmental and social indicators, it identifies differences and changes, analyzes reasons, summarizes experiences and lessons and proposes solutions and suggestions to refine the investment management of enterprises, improve the decision-making and achieve the purpose of increasing investment benefits.

Article 40 All investment projects requiring the preparation of the feasibility study report shall conduct post-investment assessment in principle.

Article 41 The post-investment assessment report on investment projects shall be drafted and prepared by the entities responsible for their specific implementation or prepared by the intermediary agency with the corresponding qualifications and capabilities appointed.

Article 42 The contents of the post-investment assessment mainly include the implementation processes and results of projects and the summary on the projects. They may be differentiated, highlighted and simplified based on the size, type, appointment requirements and assessment time of projects.

Article 43 For investment projects to conduct post-investment assessment and if they have been put into normal operation, they shall have been under continuous operation for no less than one complete accounting year. The Post-investment Assessment Report on Projects shall be completed within 24 months after the projects started operation.

Article 44 For investment projects on financial products, the post-investment assessment shall be conducted once a half year.

CHAPTER VI RECOVERY AND TRANSFER OF EXTERNAL INVESTMENTS

Article 45 For external investment assets to be recovered, they shall be collected in time with sufficient amount.

Article 46 The Company shall regularly dispose external investment projects. The Company may withdraw investments if any of the following circumstances occurs or happens:

- (I) the term of operation of the investment project (enterprise) expires in accordance with the provisions of the Articles of Association;
- (II) the investment project (enterprise) is operated poorly and is unable to repay debts due, and becomes bankrupt according to law;
- (III) the project (enterprise) is unable to continue its operation due to force majeure;
- (IV) other circumstances under which the investment is terminated as stipulated in the contract occur or happen.

Article 47 The Company may transfer investment if any of the following circumstances occurs or happens:

- (I) The investment projects (enterprises) are obviously contrary to the operation direction of the Company;

APPENDIX XIII ADMINISTRATIVE MEASURES FOR EXTERNAL INVESTMENT OF BEIJING URBAN CONSTRUCTION DESIGN & DEVELOPMENT GROUP CO., LIMITED

- (II) The investment projects (enterprises) have been loss-making for three consecutive years and there is no prospect of turning around;
- (III) The investment projects (enterprises) have not declared dividends for three consecutive years and the Company cannot actually control the investment projects (enterprises); and
- (IV) Other circumstances which the Company considers necessary.

Article 48 For the transfer of investment projects, it shall conduct appraisal on investment projects and complete the transactions through listing on the property exchange based on relevant regulations on the management of state-owned assets.

Article 49 The disposal of investments (including recovery and transfer) shall comply with relevant laws, regulations, departmental rules, normative documents and relevant requirements of the stock exchanges of the places where the Company's shares are listed.

Article 50 The Audit Department and Finance Department of the Company shall be responsible for asset audit and appraisal of investment recovery and transfer to prevent the loss of the Company's assets.

CHAPTER VII RISK MANAGEMENT ON EXTERNAL INVESTMENTS

Article 51 The principles of risk management on external investments shall be:

- (I) Principle of comprehensiveness: It shall integrate management and control before, during and after investment and conduct risk management in the whole process;
- (II) Principle of continuity: Risk management is a dynamic and cyclic management process comprising the setting of investment targets, risk identification, risk appraisal, risk response, monitoring and feedbacks and other processes;
- (III) Principle of effectiveness: The Company shall carry out investment work in strict compliance with relevant provisions of these Measures and shall not exceed and violate them to ensure the effectiveness and authoritativeness of systems; and
- (IV) Principle of prudence: The core of risk management is to effectively prevent various risks and it shall consider prudent investment as the basic starting point.

Article 52 The Company shall comprehensively implement risk management and strengthen the prevention and control of integrity risks.

Article 53 The Company shall conduct research, argumentation and risk management on the whole process covering financing, investment, management and exit. In combination with the internal control systems of enterprises, it shall strengthen preliminary risk appraisal on investment and the formulation of risk control plans, carry out risk monitoring, alarming and disposal in the implementation process and prevent risks on the operation and integration of projects after investment. It shall make arrangements on the time and method for exit.

CHAPTER VIII CONFIDENTIALITY OF INFORMATION

Article 54 Relevant persons involved in external investment projects shall perform the responsibility of confidentiality. They shall strictly abide by laws and regulations and relevant provisions of the Company and shall not disclose any information about investment projects. Any person shall not deliberately obtain inside information on investment projects and shall not conduct transactions with inside information.

Article 55 Prior to conducting external investment projects, the Company shall enter into confidentiality agreements with target enterprises and related parties to ensure the confidentiality of information.

CHAPTER IX SUPPLEMENTARY PROVISIONS

Article 56 For matters not covered in these Measures or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association shall prevail. In case of adjustments to relevant national policies in the implementation of these Measures, corresponding adjustments shall be made to these Measures.

Article 57 The "over" in these Measures includes the numbers themselves; "less than" and "more than" does not include the numbers themselves.

Article 58 These Measures shall be considered and approved at the shareholders' general meeting of the Company and shall take effect and come into force from the date of the Company's initial public issuance of domestic listed RMB ordinary shares and listing on the Shanghai Stock Exchange.

Article 59 The board of directors of the Company shall be responsible for the interpretation of these Measures.

**APPENDIX XIV MANAGEMENT RULES FOR GOVERNING THE TRANSFER
OF FUNDS WITH RELATED PARTIES OF BEIJING URBAN
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CHAPTER I GENERAL PROVISIONS

Article 1 To regulate the transfer of funds between Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Company”) and its controlling shareholders, actual controllers and other related parties, prevent the appropriation of the Company’s funds by related parties, safeguard the legitimate interests of the Company, the shareholders and other stakeholders and establish a long-term mechanism on preventing the appropriation of the Company’s funds by related parties, these Rules are formulated in accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Guidelines for the Supervision of Listed Companies No. 8 – Supervision Requirements for Fund Transactions and External Guarantees of Listed Companies, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “Listing Rules”), the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardized Operation (hereinafter referred to as the “SSE Guidelines on Standardized Operation”) and other relevant laws, regulations and normative documents, as well as relevant requirements of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Articles of Association”) and the Administrative Measures for Related Party Transactions of Beijing Urban Construction Design & Development Group Co., Limited (hereinafter referred to as the “Administrative Measures for Related Party Transactions”) in combination with the actual conditions of the Company.

Article 2 These rules shall apply to all transfer of funds between the Company and its controlling subsidiaries with the controlling shareholders, actual controllers and other related parties of the Company.

Article 3 Appropriation of funds referred to in these Rules includes appropriation of operating funds and appropriation of non-operating funds.

Appropriation of operating funds: appropriation of funds by the related parties of the Company through related party transactions arising from purchases, sales and other activities relating to production and operation.

Appropriation of non-operating funds: advances provided by the Company for such expenses as wages, welfares, insurance, advertisement fees, etc. and other expenditures for the related parties of the Company; repayments of debts on behalf of the related parties; loans advanced directly or indirectly to the related parties of the Company with or without cost; liabilities arising from the guarantee provided by the Company for its related parties; and other funds provided to the related parties of the Company without the provision of goods and labor services.

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Article 4 The Company shall strictly perform the relevant consideration procedures and fulfill information disclosure obligations when having operating fund transactions with directors, supervisors, senior management, controlling shareholders, actual controllers and other related parties, and specify the settlement period as regards the transactions of operating funds. The Company shall not provide financial assistance such as funds for directors, supervisors, senior management, controlling shareholders, actual controllers and other related parties in the form of transfers of operating funds.

The directors, supervisors and senior management of the Company shall pay attention to whether there are appropriations of funds by related parties or potential related parties and other circumstances where the Company's interests have been infringed. In case of any abnormalities, they shall report to the board of directors of the Company to adopt corresponding measures and disclose them in a timely manner.

Where losses are caused or may be caused to the Company due to the appropriation or transfer of the Company's funds, assets or other resources by related parties, the board of directors of the Company shall promptly take protective measures such as litigation and property preservation to avoid or reduce losses, and hold relevant personnel accountable.

CHAPTER II BASIC REGULATION ON TRANSFER OF FUNDS WITH RELATED PARTIES

Article 5 Transfer of funds between the Company and its related parties shall be conducted based on actual and fair transactions. The related party transactions between the Company and its related parties shall comply with the requirements of relevant laws, regulations and normative documents and be conducted based on the decision-making procedures as stipulated in the Articles of Association and the Administrative Measures for Related Party Transactions. Obligations of reporting and information disclosure shall also be performed for such matter according to the Listing Rules and other rules and regulations.

Article 6 The Company shall prohibit the appropriation of funds of the Company in transfer of operating funds with controlling shareholders, actual controllers and other related parties.

Article 7 The Company shall not provide funds, directly or indirectly, to controlling shareholders, actual controllers and other related parties for their use by the following means:

- (I) advancing wages, benefits, insurance, advertising and other expenses and bearing costs and other expenses for controlling shareholders, actual controllers and other related parties;
- (II) lending the Company's funds (including entrusted loans) to controlling shareholders, actual controllers and other related parties with or without compensation, except when other shareholders of the Company's joint-stock companies provide funds in the same proportion. The aforementioned "joint-stock companies" do not include companies controlled by the Company's controlling shareholders or actual controllers;

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- (III) entrusting controlling shareholders, actual controllers and other related parties to carry out investment activities;
- (IV) issuing commercial acceptance bills to controlling shareholders, actual controllers and other related parties without a true underlying transaction, and financing purchases, asset transfer payments and prepayments without consideration for goods and services or in circumstances that not commercially reasonable;
- (V) repaying debts for controlling shareholders, actual controllers and other related parties; and
- (VI) other means determined by China Securities Regulatory Commissions or the Shanghai Stock Exchange.

Article 8 Related parties who are not senior management or employees of the Company shall not borrow or reimburse relevant fees from the Company, including but not limited to travelling expenses, communications and reception fees but excluding the travelling expenses, transportation and other fees of directors and supervisors arising from attending the meetings to perform the duties as directors and supervisors. When related parties who are senior management or employees of the Company handle the businesses of the Company in the capacity of senior management or employees of the Company, they may borrow and reimburse relevant fees according to the rules of the Company on the management of fees.

Article 9 When auditing the Company's annual financial and accounting reports, the certified public accountant employed by the Company shall issue a special statement on the existence of fund appropriation by controlling shareholders and other related parties, and the Company shall make an announcement in terms of the special statement.

CHAPTER III ORGANIZATIONS AND DIVISION OF DUTIES

Article 10 Directors, supervisors, senior management of the Company and the chairmen (or executive directors) and general managers of its subsidiaries shall have legal obligations and responsibilities for maintaining the security of the Company's funds and properties and shall perform their duties diligently in accordance with relevant laws, administrative regulations, normative documents and the Articles of Association.

Article 11 The board of directors of the Company is the responsible department on the transfer of funds between the Company and its related parties. The chairman of the Company is the first responsible person. The general manager of the Company is the directly responsible person, and the person-in-charge of finance is the person responsible for the work. Once the board of directors of the Company finds that the appropriation of funds by related parties exist in the Company, it shall take various measures to ensure related parties to settle the non-operating funds appropriated historically formed.

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The directors, supervisors and senior management personnel of the Company have the obligation of focusing on the issue of misappropriation of the Company's interest as a result of the appropriation of the Company's funds by related parties. The independent (non-executive) directors and supervisors of the Company shall review the transfer of funds between the Company and the related parties at least once every quarter and have understanding on whether the Company's funds, assets and other resources are appropriated or transferred by the controlling shareholders and its related parties. Anything abnormal found shall be reported to the board of directors of the Company to take relevant measures.

The general manager of the Company is responsible for the daily fund management of the Company. The person-in-charge of finance assists the general manager to strengthen the control over the Company's financial process and monitors the fund and business transactions between the Company's related parties and the Company. The person-in-charge of finance regularly reports the appropriation of non-operating funds by related parties of the Company to the general manager.

The finance department of the Company is the implementation department responsible for preventing the appropriation of funds by related parties on a daily basis, which shall regularly conduct self-inspections and report the transfer of non-operating funds between the Company and its related parties and eliminate the appropriation of non-operating funds by the related parties. The finance department of the Company shall carefully check and sort out the transfer of funds between the Company and its related parties, and establish special financial archives.

The internal audit department of the Company shall conduct regular internal audit on appropriation of funds by the related parties of the Company on a quarterly basis, carry out supervision and inspection on operating activities and implementation of internal control, assess on the subjects and matters under each inspection, provide improvement suggestion and solutions, and ensure the implementation of internal control and the normal operation of production and operating activities.

Article 12 When a transaction between the Company and a related party occurs and payment settlement is required, the finance department of the Company shall not only use the relevant agreements, contracts and other documents as the basis of payment, but also review whether the matters that constitute the basis of payment comply with the decision and approval procedures stipulated by the Articles of Association and other corporate governance standards, and file the resolutions of the shareholders' general meeting, the resolutions of the board of directors and other relevant decision documents.

Article 13 The finance department of the Company shall strictly abide by the Company's rules and systems and financial specifications when handling payment matters with related parties of the Company. The finance department of the Company shall regularly conduct inspection on the Company and its controlling subsidiaries and report to the board of directors the review of the transfers of non-operating funds with related parties of the Company, to prevent related parties of the Company from appropriating non-operating funds.

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Article 14 In the event of embezzlement of the Company's assets by the related parties in detriment to the interest of the Company and the public shareholders, the board of directors of the Company shall take effective measures to demand such related parties to stop the embezzlement, make compensation for the loss and investigate the legal responsibility of the relevant responsible person. If such related parties of the Company refuse to make rectification, it shall take legal actions against such related parties of the Company to safeguard the legitimate rights and interests of the Company and public shareholders.

CHAPTER IV ACCOUNTABILITY AND PENALTY

Article 15 When the controlling shareholders, actual controllers and other related parties appropriate the funds of the Company in violation of relevant laws and regulations or the Articles of Association, they shall undertake responsibilities correspondingly. Where it causes losses to the Company, they shall make corresponding compensations.

Article 16 When the directors, supervisors and other senior management of the Company violate these Rules and cause losses to the Company in deciding, reviewing, approving and handling the transfer of funds with the controlling shareholders, actual controllers and other related parties, they shall make corresponding compensations. If the losses caused are relatively serious, the Company shall also handle based on internal systems or investigate their legal responsibilities.

Article 17 If appropriation of non-operating funds between the Company or its controlling subsidiaries and the related parties of the Company adversely affects the Company, the Company will impose punishment on the relevant responsible persons according to relevant rules. If the situation is serious, it will investigate their legal responsibilities.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 18 For matters not covered in these Rules or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association shall prevail.

Article 19 These Rules shall be considered and approved at the shareholders' general meeting of the Company and shall take effect and come into force from the date of the Company's initial public issuance of domestic listed RMB ordinary shares and listing on the Shanghai Stock Exchange.

Article 20 The board of directors shall be responsible for the interpretation and revision of these Rules.

**APPENDIX XV MANAGEMENT RULES FOR THE PROVISION OF EXTERNAL
FINANCIAL ASSISTANCE OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

CHAPTER I GENERAL PROVISIONS

Article 1 To regulate the provision of external financial assistance, prevent financial risks, improve corporate governance and internal control and management, and ensure the sound and stable operation of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) according to laws, after considering the actual conditions of the Company, these Rules are formulated in accordance with the Securities Law of the People’s Republic of China (《中華人民共和國證券法》), the Administrative Measures for the Disclosure of Information of Listed Companies (《上市公司信息披露管理辦法》), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (the “Listing Rules”), the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No.1 – Standardized Operation (《上海證券交易所上市公司自律監管指引第1號–規範運作》) and the relevant provisions of other laws, regulations, regulatory documents, as well as the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (the “Articles of Association”).

Article 2 The “Provision of External Financial Assistance” referred to in the Rules means the actions of the Company and its controlling subsidiaries to provide funds or entrusted loans to third parties, with or without consideration, except for the following:

- (I) the principal business of the Company is to provide external borrowings, loans and other financing business;
- (II) the target of financial assistance is a holding subsidiary within the scope of consolidated statement of the listed company, and the other shareholders of such holding subsidiary do not include the controlling shareholders, actual controllers of the listed company and their associates;
- (III) other circumstances specified by the China Securities Regulatory Commission and the Shanghai Stock Exchange.

**CHAPTER II AUTHORITY AND PROCEDURES FOR APPROVING THE PROVISION
OF EXTERNAL FINANCIAL ASSISTANCE**

Article 3 The transaction matter of “financial assistance” occurred in the Company requires not only the approval of the majority of all the directors, but also the consideration and approval of more than two thirds of the directors attending the Board meeting and be disclosed in a timely manner.

**APPENDIX XV MANAGEMENT RULES FOR THE PROVISION OF EXTERNAL
FINANCIAL ASSISTANCE OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

The external financial assistance provided by the Company shall be submitted to the shareholders' general meeting for consideration after considered and approved by the board of directors if it falls under any of the following circumstances:

- (I) the latest audited gearing ratio of the financial assistance target exceeds 70%;
- (II) the amount of a single financial assistance or the aggregated amount of financial assistance provided in 12 consecutive months exceeds 10% of the Company's latest audited net assets;
- (III) other circumstances specified by the Shanghai Stock Exchange and the Articles of Association.

Article 4 When the board of directors considers the provision of external financial assistance to related parties, the related directors shall abstain from voting. When there are less than three non-related directors, such external financial assistance shall be submitted to the shareholders' general meeting for consideration.

When the board of directors of the Company considers the financial assistance, the independent (non-executive) directors and independent financial advisor (if any) shall express independent opinion on the legality and compliance of such matter, the effect on the Company and the risks exist, etc.

Article 5 The Company shall not provide financial assistance to any related party as defined under the Listing Rules of Shanghai Stock Exchange, except for financial assistance provided to an affiliated joint-stock company not controlled by the controlling shareholders and de factor controllers of the Company whose other shareholders will provide financial assistance on the same conditions in proportion to their capital contributions.

Where the Company provides financial assistance to any affiliated joint-stock company as defined under the preceding paragraph, the assistance shall be passed by the majority of all non-related directors and more than two-thirds of non-related directors attending the board of directors meeting and shall be subject to the approval of the shareholder's general meeting.

Article 6 For the purpose of providing financial assistance, the Company shall enter into agreements with the financial assistance target and other relevant parties, stipulating the conditions to be observed by the target, amount of financial assistance, duration, liabilities for breach of agreement and other matters.

**APPENDIX XV MANAGEMENT RULES FOR THE PROVISION OF EXTERNAL
FINANCIAL ASSISTANCE OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

Article 7 For any previously disclosed financial assistance, the Company shall disclose the relevant information, the adopted remedy measures and the proposed actions in a timely manner, and explain the judgement of board of directors on the solvency of the financial assistance target and any risks of recovering such financial assistance in any of the following circumstances:

- (I) the financial assistance target fails to make repayment which falls due in a timely manner;
- (II) the financial assistance target or the third party which provides guarantee in respect of such financial assistance faces financial difficulties, insolvency, lack of liquidity, bankruptcy, liquidation and other events that materially affect its repayment ability;
- (III) other circumstances specified by the Shanghai Stock Exchange

The Company shall not provide additional financial assistance to the same target until the amount of financial assistance that falls due was recovered.

CHAPTER III DUTY AND WORK ALLOCATION ON THE PROVISION OF EXTERNAL FINANCIAL ASSISTANCE

Article 8 Prior to the provision of external financial assistance, the financial department and securities department of the Company shall be responsible for the risks investigation of asset quality, operation conditions, industry prospect, insolvency, credit and other aspects of the financial assistance target.

Article 9 The securities department of the Company shall be responsible for the information disclosure on matters concerning the provision of external financial assistance after it has been reviewed and approved under the approval procedures stipulated in the Rules.

Article 10 The financial department of the Company shall handle the procedures for the provision of external financial assistance after it has been considered and approved at the board meeting or the shareholders' general meeting.

Article 11 The financial department of the Company shall be responsible for the follow-up tracking, supervision and other related work of the financial assistance target. If the financial assistance target fails to make settlement in a timely manner after the agreed financial assistance period expires, or if any financial difficulties, insolvency or bankruptcy occurred seriously affect its solvency, the financial department of the Company shall promptly formulate remedial measures and report the relevant situation to the board of directors and the securities department of the Company, and shall fulfill the information disclosure obligations in accordance with the law.

**APPENDIX XV MANAGEMENT RULES FOR THE PROVISION OF EXTERNAL
FINANCIAL ASSISTANCE OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

Article 12 The internal audit department of the Company shall be responsible for supervision and inspection of the compliance for financial assistance.

CHAPTER IV PUNISHMENT PROVISIONS

Article 13 If any provision of external financial assistance in violation of the Rules causes losses to or has adverse effects on the Company, the Company shall hold the relevant personnel accountable for economic responsibility. The case shall be submitted to the judicial authority according to the relevant laws if it is serious and constitutes a crime.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 14 All “over” in the Rules include the number itself; and “more than” does not include the number itself.

Article 15 For matters not covered in these Rules or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company’s shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company’s shares are listed or the Articles of Association shall prevail.

Article 16 The Rules shall be considered and passed at the shareholders’ general meeting of the Company, and shall take effect and implement from the date of the initial public offering of domestic listed Renminbi ordinary shares by the Company and listing on the Shanghai Stock Exchange.

Article 17 The Rules shall be construed by the board of directors of the Company.

**APPENDIX XVI IMPLEMENTATION MEASURES FOR CUMULATIVE
VOTING OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

CHAPTER I GENERAL PROVISIONS

Article 1 In order to safeguard the interests of minority shareholders of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”), improve the corporate governance structure of the Company and regulate the election of directors and supervisors of the Company, after considering the actual conditions of the Company, these Implementation Measures are hereby formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China, the Code on Corporate Governance of Listed Companies, the Shanghai Stock Exchange Self-Regulatory Supervision Guidelines for Listed Companies No. 1 – Standardized Operation, and other relevant laws, regulations and normative documents as well as relevant requirements of the Articles of Association of Beijing Urban Construction Design & Development Group Co., Limited (the “Articles of Association”).

Article 2 The term “Cumulative Voting System” stated in these Implementation Measures refers to that when a director or supervisor is to be elected at the shareholders’ general meeting, each share shall have the same number of voting rights as the number of directors or supervisors to be elected. Any shareholder may cast all of its voting rights held by the shareholder on one candidate for director or supervisor, or allocate the voting rights to two or more candidates for director or supervisor. The candidates for director or supervisor shall be determined according to the number of votes received by them.

Article 3 These Implementation Measures shall apply to the election or change of two or more directors or supervisors.

Article 4 If the controlling shareholder of the Company holds more than 30% of the shares, the Company shall implement the cumulative voting system when electing directors; if required by relevant laws, regulations, departmental rules, normative documents or relevant systems such as the Articles of Association to be followed by the Company, the Company shall implement the cumulative voting system when electing directors and supervisors; in addition, the Company may implement the cumulative voting system when electing directors and supervisors in accordance with the resolution of the shareholders’ general meeting.

When the cumulative voting system is required for the election of directors or supervisors at a shareholders’ general meeting, the Board of Directors shall specify in the notice of the shareholders’ general meeting that the election of directors and supervisors shall be subject to the cumulative voting system.

**APPENDIX XVI IMPLEMENTATION MEASURES FOR CUMULATIVE
VOTING OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

Article 5 The term “director” described in these Implementation Measures includes independent (non-executive) directors and directors other than independent (non-executive) directors, and the term “supervisor” refers to a supervisor who is not an employee representative. The supervisors who are employee representatives shall be democratically elected and removed by the employees of the Company through employee representative meetings, employee conferences or other forms, and the relevant provisions of these Implementation Measures shall not apply to them.

Article 6 The number and structure of directors and supervisors elected at the shareholders’ general meeting shall comply with the provisions of the Articles of Association.

Article 7 The staggered term system shall not apply to the service term of directors and supervisors elected under the cumulative voting system at the shareholders’ general meeting. That is, the term of the directors and supervisors elected due to the vacancy shall be the remaining term of the present Board of Directors and the present Board of Supervisors, which shall not be crossed.

CHAPTER II NOMINATION OF CANDIDATES FOR DIRECTORS AND SUPERVISORS

Article 8 Within the number of directors specified in the Articles of Association, the candidates for directors other than independent (non-executive) directors shall be nominated by the Board of Directors, Board of Supervisors and shareholders who individually or collectively hold more than 3% of the issued shares of the Company according to the number of directors to be elected. The candidates for independent (non-executive) directors shall be nominated by the Board of Directors, Board of Supervisors and shareholders who individually or collectively hold more than 1% of the issued shares of the Company. The qualification of the directors in the nomination and recommendation list shall be reviewed by the nomination committee of the Board of Directors.

Article 9 Within the headcount limit specified in the Articles of Association, the candidates for supervisors who are not employee representatives shall be nominated by the Board of Directors, Board of Supervisors and shareholders who individually or collectively hold more than 3% of the issued shares of the Company according to the number of supervisors proposed to be elected. The qualification of the supervisors in the nomination and recommendation list shall be reviewed by the Board of Supervisors of the Company.

Article 10 The nominator shall get the consent from the nominee prior to the nomination.

Article 11 The nominee shall submit its personal details to the Board of Directors and the Board of Supervisors of the Company, including but not limited to: name, gender, age, nationality, educational background, work experience, part-time jobs, the relationship with the nominator, whether any connected relationship exists between him/her and the Company or the

**APPENDIX XVI IMPLEMENTATION MEASURES FOR CUMULATIVE
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controlling shareholder and the actual controller of the Company, the number of shares held in the Company, and whether there are any circumstances under which the nominee is inappropriate to serve as a director or supervisor.

Article 12 The nominees satisfying the qualification requirements after review may become the candidates for directors or supervisors, and shall be finally subject to the election at the shareholders' general meeting in the form of proposals. The candidates for directors or supervisors may be more than the number of directors or supervisors specified in the Articles of Association.

Article 13 Any candidate for director or supervisor shall make a written commitment before the shareholders' general meeting is held, agree to accept the nomination and disclose his/her personal information, undertake that the information disclosed by the candidate is true and complete, and guarantee that he/she can effectively perform the duties as a director or supervisor after being elected.

In addition, any candidate for independent (non-executive) director shall also make a public statement that no relationship between himself/herself and the Company would affect his/her independent and objective judgment.

CHAPTER III VOTING PRINCIPLES OF THE CUMULATIVE VOTING SYSTEM

Article 14 Before votes are cast on the candidates for directors or supervisors at the shareholders' general meeting, the chairman of the meeting shall definitely inform the shareholders present that the cumulative voting method shall be adopted at the meeting, and the Board of Directors shall prepare votes suitable for the cumulative voting method, and the secretary of the Board shall make oral or written instructions to the measures of cumulative voting and the method of filling in votes so as to ensure that shareholders can appropriately exercise their voting rights.

Article 15 In case of multiple rounds of elections at the shareholders' general meeting, the cumulative votes of shareholders shall be recalculated according to the number of directors or supervisors to be elected in each round.

Article 16 When the cumulative voting system is taken, directors other than independent (non-executive) directors, independent (non-executive) directors and supervisors shall be subject to the separate election in different proposal groups according to different items, and the cumulative votes for one item shall not be used for another item, as follows:

1. For the election of independent (non-executive) directors, the voting rights held by shareholders present at the meeting shall be equal to the product of the total number of shares they hold multiplied by the number of independent (non-executive) directors to be elected at the shareholders' general meeting, and such voting rights shall be only cast to the candidates for independent (non-executive) director at the shareholders' general meeting;

**APPENDIX XVI IMPLEMENTATION MEASURES FOR CUMULATIVE
VOTING OF BEIJING URBAN CONSTRUCTION
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2. For the election of directors other than independent (non-executive) directors, the voting rights held by shareholders present at the meeting shall be equal to the product of the total number of shares they hold multiplied by the number of directors other than independent (non-executive) directors to be elected at the shareholders' general meeting, and such voting rights shall be only cast to the candidates for directors other than independent (non-executive) directors at the shareholders' general meeting;
3. For the election of supervisors, the voting rights held by shareholders present at the meeting shall be equal to the product of the total number of shares they hold multiplied by the number of supervisors to be elected at the shareholders' general meeting, and such voting rights shall be only cast to the supervisor candidates at the shareholders' general meeting.

Article 17 The principle and the methods of voting under the cumulative voting system are as follows:

1. When the cumulative voting system is chosen for voting on candidates for directors and supervisors at the shareholders' general meeting, all shareholders shall have the right to assign the cumulative votes held by them to one or more candidates for directors and supervisors according to their own will (proxies shall follow the instructions of the principal as indicated in the power of attorney), but the number of candidates for directors or supervisors finally voted in the election shall not exceed the number of directors or supervisors to be elected. If so, all votes of the shareholder shall become invalid;
2. If the total number of voting rights exercised by a shareholder for one or several director or supervisor candidates in a centralized or decentralized manner is more than the total number of election votes held by the shareholder, then all the votes of the shareholder shall become invalid;
3. If the total number of voting rights exercised by a shareholder for one or several director or supervisor candidates is less than the total number of election votes held by the shareholder, the votes of the shareholder shall remain valid, and the unexercised votes of the shareholder shall be deemed as abstention.

CHAPTER IV PRINCIPLES OF ELECTION OF DIRECTORS AND SUPERVISORS

Article 18 The candidates for director or supervisor shall be ranked in descending order according to the total votes they receive. The candidates for directors or supervisors topping the ranking list of the number of directors or supervisors to be elected (including the number) shall be elected, but the total votes received by the elected directors or supervisors shall reach one half of the total voting rights held by shareholders present at the shareholders' general meeting (based on the number of the shares not accumulated).

**APPENDIX XVI IMPLEMENTATION MEASURES FOR CUMULATIVE
VOTING OF BEIJING URBAN CONSTRUCTION
DESIGN & DEVELOPMENT GROUP CO., LIMITED**

Article 19 If the number of elected directors or supervisors is less than the number of directors or supervisors to be elected but the number of all the elected directors or supervisors of the Company reaches the quorum and the two-thirds of the members of the Board of Directors or the Board of Supervisors stipulated in the Articles of Association, the vacant members shall be elected at the next shareholders' general meeting.

Article 20 If the number of elected directors or supervisors is less than the number of directors or supervisors to be elected, and the number of all the elected directors or supervisors of the Company is below the quorum or two-thirds of the members of the Board of Directors or the Board of Supervisors stipulated in the Articles of Association, a second round of election shall be held for candidates not elected as directors or supervisors. If the above-mentioned requirements are still not met after the second round of elections, the shareholders' general meeting shall be convened again within two months after the end of the current shareholders' general meeting, so as to elect the vacant directors or supervisors.

Article 21 If two or more candidates have the same smallest number of total votes of the candidates to be elected, and if they are elected, thus leading the number of elected candidates to exceed the number of members to be elected, the shareholders' general meeting shall hold a second round of election for the candidates with equal votes as mentioned above according to the prescribed procedures. If the second round of election still fails to determine the winning candidate, another election shall be held at the next shareholders' general meeting. If this leads the number of all the elected directors or supervisors is below the quorum or two-thirds of the members of the Board of Directors or the Board of Supervisors or prescribed in the Articles of Association, the shareholders' general meeting shall be convened again within two months after the end of the current shareholders' general meeting, so as to elect the vacant directors or supervisors.

Article 22 Upon the completion of the final voting by the shareholders present the meeting, the relevant vote-tellers of the shareholders' general meeting shall count and publish the total votes received by each candidate. The meeting chairman shall announce the list of the elected directors and supervisors on the spot.

CHAPTER V SUPPLEMENTARY PROVISIONS

Article 23 For matters not covered in these Implementation Measures or in case of any inconsistency with the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association, the laws, regulations, departmental rules or normative documents of the places where the Company's shares are listed or the Articles of Association shall prevail.

Article 24 If any situation not described in these Implementation Measures occurs at the shareholders' general meeting in the election process, it shall be settled by the shareholders present at the meeting through consultation. If the consultation fails, it shall be dealt with according to the opinions of the shareholders present representing more than half of the total voting shares at the shareholders' general meeting.

Article 25 These Implementation Measures shall be interpreted and amended by the Board of Directors.

Article 26 These Implementation Measures shall be considered and approved at the shareholders' general meeting of the Company and shall take effect and be in force from the date of the Company's initial public issuance of domestic listed RMB ordinary shares and listing on the Shanghai Stock Exchange.

NOTICE OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 Second Extraordinary General Meeting (the “EGM”) of Beijing Urban Construction Design & Development Group Co., Limited (the “Company”) will be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC at 2:30 p.m. on Friday, 21 April 2023, to consider and, if thought fit, approve the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the Application for the Initial Public Offering of A Shares and Listing
2. To consider and approve the resolution on the Use of Proceeds of and Feasibility Analysis on Initial Public Offering of A Shares and Listing
3. To consider and approve the resolution on the Price Stabilizing Plan within Three Years upon Initial Public Offering of A Shares and Listing
4. To consider and approve the resolution on the Accumulated Profits Distribution Plan Prior to the Initial Public Offering of A Shares
5. To consider and approve the resolution on the Remedial Measures on Dilution of Current Returns by Initial Public Offering of A Shares and Listing and Undertakings of Relevant Undertaking Entities
6. To consider and approve the resolution on the Shareholder Dividend Distribution Plan for the Three Years after Initial Public Offering of A Shares and Listing
7. To consider and approve the resolution on the Issuance of Relevant Undertaking Matters in relation to the Initial Public Offering of A Shares and Listing
8. To consider and approve the resolution on the Amendments to the Articles of Association

NOTICE OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING

9. To consider and approve the resolution on the Amendments to the Rules of Procedure for the Shareholders' General Meeting
10. To consider and approve the resolution on the Amendments to the Rules of Procedure for the Board of Directors
11. To consider and approve the resolution on the Amendments to the Rules of Procedure for the Board of Supervisors
12. To consider and approve the resolution on the Authorization to the Board of Directors and Its Authorized Persons to Handle the Relevant Matters regarding the Application for Initial Public Offering of A Shares and Listing at Their Absolute Discretion

ORDINARY RESOLUTIONS

13. To consider and approve the resolution on the Amendments to the Working Rules for the Independent Directors of Beijing Urban Construction Design & Development Group Co., Limited and Other Rules
 - 13.01 To consider and approve the Working Rules for the Independent Directors of Beijing Urban Construction Design & Development Group Co., Limited
 - 13.02 To consider and approve the Management Measures on Connected Transactions of Beijing Urban Construction Design & Development Group Co., Limited
 - 13.03 To consider and approve the Management Measures on External Guarantees of Beijing Urban Construction Design & Development Group Co., Limited
 - 13.04 To consider and approve the Management Measures on External Investments of Beijing Urban Construction Design & Development Group Co., Limited
 - 13.05 To consider and approve the Management Systems for Regulating Fund Transfers with Related Parties of Beijing Urban Construction Design & Development Group Co., Limited
 - 13.06 To consider and approve the Management Systems for the Provision of Financial Assistance to External Parties of Beijing Urban Construction Design & Development Group Co., Limited

NOTICE OF THE 2023 SECOND EXTRAORDINARY GENERAL MEETING

13.07 To consider and approve the Implementation Measures for Cumulative Voting of Beijing Urban Construction Design & Development Group Co., Limited

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

Beijing, 30 March 2023

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 Pei Hongwei, Shi Huaxin, Peng Dongdong, Li Fei, Wang Tao and Tang Qimeng; and the independent non-executive directors of the Company are Wang Guofeng, Qin Guisheng, Ma Xufei and Xia Peng.

Notes:

1. The register of members of the Company will be closed from Tuesday, 18 April 2023 to Friday, 21 April 2023, 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 Friday, 21 April 2023 shall be entitled to attend and vote at the EGM. Holders of H Shares of the Company who intend to attend and vote at the EGM must lodge all transfer documents accompanied by the relevant H Share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 17 April 2023 for registration.
2. A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company but must attend the EGM in person to represent the relevant shareholder.
3. 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, the instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If the 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.
4. 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 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC 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 the EGM (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 the EGM (or any adjournment thereof). If no direction is given, the proxy will be entitled to vote or abstain as he or she thinks fit.
5. The EGM is estimated to last for about half a day. Shareholders or their proxies who attend the EGM (or any adjournment thereof) shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the EGM (or any adjournment thereof).

NOTICE OF THE 2023 FIRST DOMESTIC SHARES CLASS MEETING



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)

NOTICE OF THE 2023 FIRST DOMESTIC SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the 2023 First Domestic Shares Class Meeting (the “**Domestic Shares Class Meeting**”) of Beijing Urban Construction Design & Development Group Co., Limited (the “**Company**”) will be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC immediately after the 2023 Second Extraordinary General Meeting on Friday, 21 April 2023, to consider and, if thought fit, approve the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the Application for the Initial Public Offering of A Shares and Listing
2. To consider and approve the resolution on the Price Stabilizing Plan within Three Years upon Initial Public Offering of A Shares and Listing
3. To consider and approve the resolution on the Accumulated Profits Distribution Plan Prior to the Initial Public Offering of A Shares
4. To consider and approve the resolution on the Issuance of Relevant Undertaking Matters in relation to the Initial Public Offering of A Shares and Listing
5. To consider and approve the resolution on the Amendments to the Articles of Association
6. To consider and approve the resolution on the Amendments to the Rules of Procedure for the Shareholders' General Meeting
7. To consider and approve the resolution on the Authorization to the Board of Directors and Its Authorized Persons to Handle the Relevant Matters regarding the Application for Initial Public Offering of A Shares and Listing at Their Absolute Discretion

NOTICE OF THE 2023 FIRST DOMESTIC SHARES CLASS MEETING

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

Beijing, 30 March 2023

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 Pei Hongwei, Shi Huaxin, Peng Dongdong, Li Fei, Wang Tao and Tang Qimeng; and the independent non-executive directors of the Company are Wang Guofeng, Qin Guisheng, Ma Xufei and Xia Peng.

Notes:

1. Holders of domestic shares whose names appeared on the register of members of the Company as at Friday, 21 April 2023 shall be entitled to attend and vote at the Domestic Shares Class Meeting.
2. A shareholder entitled to attend and vote at the Domestic Shares Class Meeting may appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company but must attend the Domestic Shares Class Meeting in person to represent the relevant shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorised in writing. If the shareholder is a corporation, the instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If the 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.
4. 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 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC for holders of domestic shares not less than 24 hours before the time stipulated for convening the Domestic Shares Class Meeting (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 the Domestic Shares Class Meeting (or any adjournment thereof). If no direction is given, the proxy will be entitled to vote or abstain as he or she thinks fit.
5. The Domestic Shares Class Meeting is estimated to last for about half a day. Shareholders or their proxies who attend the Domestic Shares Class Meeting (or any adjournment thereof) shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the Domestic Shares Class Meeting (or any adjournment thereof).

NOTICE OF THE 2023 FIRST H SHARES CLASS MEETING



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)

NOTICE OF THE 2023 FIRST H SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the 2023 First H Shares Class Meeting (the “**H Shares Class Meeting**”) of Beijing Urban Construction Design & Development Group Co., Limited (the “**Company**”) will be held at Conference Room, 5 Fuchengmen North Street, Xicheng District, Beijing, the PRC immediately after the 2023 Second Extraordinary General Meeting and the 2023 First Domestic Shares Class Meeting on Friday, 21 April 2023, to consider and, if thought fit, approve the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the Application for the Initial Public Offering of A Shares and Listing
2. To consider and approve the resolution on the Price Stabilizing Plan within Three Years upon Initial Public Offering of A Shares and Listing
3. To consider and approve the resolution on the Accumulated Profits Distribution Plan Prior to the Initial Public Offering of A Shares
4. To consider and approve the resolution on the Issuance of Relevant Undertaking Matters in relation to the Initial Public Offering of A Shares and Listing
5. To consider and approve the resolution on the Amendments to the Articles of Association
6. To consider and approve the resolution on the Amendments to the Rules of Procedure for the Shareholders' General Meeting
7. To consider and approve the resolution on the Authorization to the Board of Directors and Its Authorized Persons to Handle the Relevant Matters regarding the Application for Initial Public Offering of A Shares and Listing at Their Absolute Discretion

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

Beijing, 30 March 2023

NOTICE OF THE 2023 FIRST H SHARES CLASS MEETING

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 Pei Hongwei, Shi Huaxin, Peng Dongdong, Li Fei, Wang Tao and Tang Qimeng; and the independent non-executive directors of the Company are Wang Guofeng, Qin Guisheng, Ma Xufei and Xia Peng.

Notes:

1. The register of members of the Company will be closed from Tuesday, 18 April 2023 to Friday, 21 April 2023, both days inclusive, during which period no transfer of shares will be registered. Holders of H shares whose names appeared on the register of members of the Company as at Friday, 21 April 2023 shall be entitled to attend and vote at the H Shares Class Meeting. Holders of H shares of the Company who intend to attend and vote at the H Shares Class Meeting must lodge all transfer documents accompanied by the relevant H Share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 17 April 2023 for registration.
2. A shareholder entitled to attend and vote at the H Shares Class Meeting may appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company but must attend the H Shares Class Meeting in person to represent the relevant shareholder.
3. The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorised in writing. If the shareholder is a corporation, the instrument must be executed either under its common seal or under the hand of its director(s) or duly authorised attorney. If the 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.
4. 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 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 the H Shares Class Meeting (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 the H Shares Class Meeting (or any adjournment thereof). If no direction is given, the proxy will be entitled to vote or abstain as he or she thinks fit.
5. The H Shares Class Meeting is estimated to last for about half a day. Shareholders or their proxies who attend the H Shares Class Meeting (or any adjournment thereof) shall bear their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the H Shares Class Meeting (or any adjournment thereof).