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**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)**

**PROPOSED A SHARE ISSUANCE**

The board of directors (the “**Board**”) of Beijing Urban Construction Design & Development Group Co., Limited (the “**Company**”) is pleased to announce that on the meeting of the Board held on 2 November 2022, the resolutions on the application for the initial public offering of A shares and listing and relevant matters are considered and approved. Such resolutions are conditional upon and are subject to the market conditions and approval by shareholders through ordinary resolutions or special resolutions (as the case may be) at the Shareholders’ General Meeting, Domestic Shares Class Meeting and H Shares Class Meeting (the “**Class Meetings**”) (as the case maybe) as well as obtaining the necessary approval from the China Securities Regulatory Commission (the “**CSRC**”) and other relevant regulatory authorities.

**PROPOSED A SHARE ISSUANCE**

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

In order to enhance the sustainable and stable development of the Company, meet the capital demand for future development of the Company, lead the Company to enter the new stage of development, and realize the sustainable growth in revenue and shareholder returns of the Company, the Company currently proposes to apply for initial public offering of Renminbi ordinary shares and listing. According to the requirements of relevant laws and regulations including the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Administrative Measures of Initial Public Offering of Shares and Listing (《首次公开发行股票并上市管理办法》) and relevant regulatory documents, as well as integrating the actual conditions of the Company, the issue plan of the public issuance to be proposed is specified as follows:

1. Type of shares: the shares to be issued are Renminbi ordinary shares (A shares).
2. Nominal value per share: the nominal value of each share to be issued amounts to RMB1.00.

3. The number of issuance: the number of new shares of proposed public issuance amounts to not less than 10% and not more than 20% of the total share capital after the issuance. The number of shares actually issued will be determined by the Board and its authorized persons as authorized by the Shareholders' General Meeting and Class Meetings 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.
4. Pricing method: the pricing method of the issuance is that after obtaining the approval of the CSRC, the Company and the lead underwriter shall organize an inquiry for issuance of shares and determine the issuance price according to the inquiry results, or by other methods recognized by the CSRC or the Shanghai Stock Exchange (the "SSE") at that time.
5. Issuance method: adopting the method of combining targeted placement to strategic investors, placement to offline investors who have registered with the Securities Association of China through offline price inquiry and issuance to public investors online at a fixed price, or other issuance methods recognized by the CSRC and the SSE.
6. Issuance targets: targets are qualified price inquiry targets and natural persons, legal persons and other institutional investors that have maintained Renminbi ordinary shares (A shares) holder accounts with the SSE (except those prohibited by the laws, administrative regulations, other applicable regulatory instruments of the People's Republic of China ("PRC") and other regulatory requirements to which the Company is subject). If the CSRC or the SSE has other provisions, such provisions shall prevail.
7. Undertaking of issuance fees: all fees incurred from the issuance shall be undertaken by the Company.
8. Underwriting method: standby commitment.
9. Place of listing: the place of listing of the A shares of the Company is the SSE.
10. Valid period of the resolutions: valid within 12 months from the date on which the resolutions are considered and approved at the Shareholders' General Meeting and Class Meetings.

## (2) The Use of Proceeds of Initial Public Offering of A Shares

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:

No.	Name of Project	Total Planned Investment in Projects (Unit: RMB '0000)	Amount of Proceeds Proposed to be Used (Unit: RMB '0000)
1	Production capacity improvement project	76,710.08	76,710.08
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 laboratory construction 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	14,785.68	14,785.68
5	Informatisation upgrade and construction project	15,441.06	15,441.06
6	Supplement to working capital	70,670.42	70,670.42
<b>Total</b>		<b>243,092.00</b>	<b>240,000.00</b>

Prior to receipt of the proceeds raised, the Company may contribute by self-raised funds and other methods in advance in accordance with the actual progress of each project. Upon receipt of the proceeds raised, the proceeds will be used for the payment of the remaining balance of the project and for replacement of advance payment. If the actual net proceeds raised (after deducting the issuance fees) can not satisfy the capital needs of the above investment projects, the shortfall shall be settled by the Company through other methods such as bank loans or self-raised funds; if the actual scale of proceeds raised exceeds the capital needs of the above investment projects, the Company will reasonably use such amount after conducting corresponding legal procedures in accordance with PRC laws and regulations as well as relevant provisions of the CSRC and the SSE.

**The A share issuance may or may not proceed to completion. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the H shares. Further details on the A share issuance will be disclosed by the Company in due course.**

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

Beijing, 2 November 2022

*As at the date of this announcement, the executive directors of the Company are Wang Hanjun and Li Guoqing; the non-executive directors of the Company are 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.*