北京首都國際機場股份有限公司
Beijing Capital International Airport Co.,Ltd.

(a sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00694)

2020 ANNUAL RESULTS ANNOUNCEMENT

FINANCIAL HIGHLIGHTS

- In 2020, the aircraft movements of Beijing Capital Airport reached 291,498 sorties, representing a decrease of 51.0% as compared with the previous year. The passenger throughput reached 34,513,827 person-times, representing a decrease of 65.5% as compared with the previous year. The cargo and mail throughput reached 1,210,441 tonnes, representing a decrease of 38.1% as compared with the previous year.

- In 2020, the revenues of the Company from principal operations were RMB3,587,136,000, representing a decrease of 66.8% as compared with the previous year.

- In 2020, the aeronautical revenues of the Company were RMB1,296,203,000, representing a decrease of 68.3% as compared with the previous year.

- In 2020, the non-aeronautical revenues of the Company were RMB2,290,933,000, representing a decrease of 65.9% as compared with the previous year.

- In 2020, the operating expenses of the Company were RMB5,968,746,000, representing a decrease of 18.8% as compared with the previous year.

- In 2020, the net loss after tax of the Company was RMB2,034,651,000 (the loss per share was RMB0.44), representing a decrease of 184.1% as compared with the net profit after tax of RMB2,419,373,000 from the previous year.

- The Board did not propose to distribute the final dividend for the year ended 31 December 2020.

The board of directors (the "**Board**") of Beijing Capital International Airport Company Limited (the "**Company**") hereby announces the audited results of the Company for the year ended 31 December 2020, together with the comparative figures of 2019, which have been prepared in accordance with the International Financial Reporting Standards ("**IFRSs**"), as below:

STATEMENT OF COMPREHENSIVE INCOME

	Note	**2020**	2019
		RMB'000	*RMB'000*
Revenues			
Aeronautical	*3*	**1,296,203**	4,088,745
Non-aeronautical	*3*	**2,290,933**	6,721,739
		3,587,136	10,810,484
Operating expenses			
Depreciation and amortisation		**(1,482,872)**	(1,404,509)
Repairs and maintenance		**(1,059,083)**	(1,067,769)
Aviation safety and security guard costs		**(716,508)**	(760,332)
Utilities and power		**(587,871)**	(613,936)
Staff costs		**(538,686)**	(703,180)
Operating contracted services		**(441,981)**	(563,601)
Greening and environmental maintenance		**(294,129)**	(304,664)
Real estate and other taxes		**(250,153)**	(259,010)
Concession management fees		**(233,014)**	(1,236,216)
Rental expenses		**(6,504)**	(19,815)
Other costs		**(357,945)**	(416,615)
	4	**(5,968,746)**	(7,349,647)
Impairment losses on financial assets		**(105,029)**	(97,880)
Other income		**27,076**	36,614
Waiver of fee receivables		**(265,921)**	–
Operating (loss)/profit		**(2,725,484)**	3,399,571
Finance income	*5*	**136,140**	27,133
Finance costs	*5*	**(120,776)**	(197,371)
		15,364	(170,238)
(Loss)/profit before income tax		**(2,710,120)**	3,229,333
Income tax credit/(expense)	*6*	**675,469**	(809,960)
(Loss)/profit for the year		**(2,034,651)**	2,419,373

	Note	**2020**	2019
		RMB'000	*RMB'000*
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of retirement benefit obligations		**23,633**	13,506
Other comprehensive income for the year, net of tax		**23,633**	13,506
Total comprehensive (loss)/income for the year		**(2,011,018)**	2,432,879
(Loss)/earnings per share, basic and diluted *(RMB)*	*7*	**(0.44)**	0.55

BALANCE SHEET

		As at 31 December	
		2020	2019
	Note	***RMB'000***	*RMB'000*
ASSETS			
Non-current assets			
Investment properties		**2,993,767**	–
Property, plant and equipment		**25,247,498**	26,644,577
Right-of-use assets		**2,361,289**	4,277,275
Intangible assets		**89,733**	71,905
Deferred income tax assets		**862,585**	194,993
Other non-current assets		**172,570**	172,570
		31,727,442	31,361,320
Current assets			
Inventories		**166,477**	157,374
Trade receivables	*9*	**871,558**	1,389,094
Prepayment		**24,798**	26,487
Other financial assets at amortised cost		**38,811**	50,750
Cash and cash equivalents		**2,296,801**	1,664,626
Other current assets		**297,029**	94,768
		3,695,474	3,383,099
Total assets		**35,422,916**	34,744,419
EQUITY			
Capital and reserves			
Share capital		**4,579,179**	4,579,179
Share premium		**6,300,867**	6,300,867
Capital reserve	*10*	**195,255**	204,913
Other reserve		**3,984**	(19,649)
Statutory and discretionary reserves		**6,809,588**	6,325,714
Retained earnings		**4,349,361**	7,569,874
Total equity		**22,238,234**	24,960,898

	Note	As at 31 December 2020 RMB'000	2019 RMB'000
LIABILITIES			
Non-current liabilities			
Bonds payable	*13*	**1,312,351**	–
Loans from the Parent Company	*14*	**1,353,433**	1,617,285
Lease liabilities		**777,941**	934,103
Retirement benefit obligations		**108,085**	140,566
Deferred income		**36,117**	41,310
		3,587,927	2,733,264
Current liabilities			
Short-term borrowings	*12*	**2,868,909**	500,000
Trade and other payables	*11*	**6,383,727**	6,104,456
Current income tax liabilities		**–**	75,343
Current portion of loans from the Parent Company	*14*	**159,227**	170,241
Current portion of lease liabilities		**176,497**	191,998
Current portion of retirement benefit obligations		**8,395**	8,219
		9,596,755	7,050,257
Total liabilities		**13,184,682**	9,783,521
Total equity and liabilities		**35,422,916**	34,744,419

STATEMENT OF CHANGES IN EQUITY

	Note	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Other reserve RMB'000	Statutory and discretionary reserves RMB'000	Retained earnings RMB'000	Total equity RMB'000
Balance at 1 January 2019		4,330,890	5,055,425	1,493,731	(33,155)	5,627,158	6,939,142	23,413,191
Profit for the year		–	–	–	–	–	2,419,373	2,419,373
Other comprehensive income for the year		–	–	–	13,506	–	–	13,506
Total comprehensive income for the year		–	–	–	13,506	–	2,419,373	2,432,879
Cash contribution from the Parent Company	*10*	–	–	204,913	–	–	–	204,913
New share issuance to Parent Company		248,289	1,245,442	(1,493,731)	–	–	–	–
2018 final dividend	*8*	–	–	–	–	–	(702,903)	(702,903)
2019 interim dividend	*8*	–	–	–	–	–	(387,182)	(387,182)
Transfer to statutory and discretionary reserves		–	–	–	–	698,556	(698,556)	–
Balance at 31 December 2019		4,579,179	6,300,867	204,913	(19,649)	6,325,714	7,569,874	24,960,898
Balance at 1 January 2020		**4,579,179**	**6,300,867**	**204,913**	**(19,649)**	**6,325,714**	**7,569,874**	**24,960,898**
Loss for the year		**–**	**–**	**–**	**–**	**–**	**(2,034,651)**	**(2,034,651)**
Other comprehensive income for the year		**–**	**–**	**–**	**23,633**	**–**	**–**	**23,633**
Total comprehensive (loss)/ income for the year		**–**	**–**	**–**	**23,633**	**–**	**(2,034,651)**	**(2,011,018)**
Others		**–**	**–**	**(9,658)**	**–**	**–**	**–**	**(9,658)**
2019 final dividend	*8*	**–**	**–**	**–**	**–**	**–**	**(701,988)**	**(701,988)**
Transfer to statutory and discretionary reserves		**–**	**–**	**–**	**–**	**483,874**	**(483,874)**	**–**
Balance at 31 December 2020		**4,579,179**	**6,300,867**	**195,255**	**3,984**	**6,809,588**	**4,349,361**	**22,238,234**

1 GENERAL INFORMATION

Beijing Capital International Airport Company Limited (the "**Company**") was incorporated as a joint stock company with limited liability in the People's Republic of China (the "**PRC**") on 15 October 1999 and has been listed on The Stock Exchange of Hong Kong Limited since 1 February 2000. The Company is majority owned by Capital Airports Holding Company ("**CAHC**" or the "**Parent Company**"), a state-owned enterprise established in the PRC under the control of the Civil Aviation Administration of China (the "**CAAC**").

The Company is principally engaged in the ownership and operation of the capital international airport in Beijing ("**Beijing Capital Airport**") and the provision of related services. The address of its registered office is Capital Airport, Beijing, the PRC.

Since early 2020, the epidemic of Coronavirus Disease 2019 (the "**COVID-19 outbreak**") has spread across China and other countries, and it brought about demanding challenges to the global civil aviation industry. Affected by the COVID-19 outbreak, the passenger throughput, aircraft movements and cargo and mail throughput of the Company during the year ended 31 December 2020 recorded a relatively substantial decrease as compared with last year, which resulted in a decrease in the aeronautical revenues and non-aeronautical revenues of the Company.

In view of the ongoing COVID-19 outbreak in 2021, the Company's operation will continue to be under pressure. The Company will pay close attention to the development of the COVID-19 outbreak, perform further assessment of its impact and take relevant measures.

2 BASIS OF PREPARATION

(a) Compliance with IFRS and HKCO

The financial statements of the Company have been prepared in accordance with all applicable International Financial Reporting Standards ("**IFRSs**") and requirement of the Hong Kong Companies Ordinance Cap.622.

(b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for defined benefit pension plans – plan assets measured at fair value.

(c) Going concern

As at 31 December 2020, the current liabilities of the Company exceeded the current assets by RMB5,901,281,000 (2019: RMB3,667,158,000). Given the debt obligations and working capital requirements, management has thoroughly considered the Company's available sources of funds as follows:

- The Company's continuous cash inflow from operating activities;
- Funds to be raised with National Association of Financial Market Institutional Investors; and
- Unutilised banking facilities.

Based on the above considerations, the Board of Directors is of the opinion that the Company has sufficient available financial resources to continue its operations and to repay its debts as and when they fall due. As a result, the financial statements of the Company for the year ended 31 December 2020 have been prepared on a going concern basis.

(d) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

- Definition of Material – amendments to IAS 1 and IAS 8
- Definition of a Business – amendments to IFRS 3
- Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7
- Revised Conceptual Framework for Financial Reporting

The amendments listed above did not have any significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(e) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 REVENUES AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board of Directors. The Board of Directors reviews the Company's internal reporting in order to assess performance and allocate resources.

The Company runs a single business of operating and managing an airport and provision of related services in the PRC and resources are allocated based on what is beneficial to the Company in enhancing the value as a whole rather than any special unit. The Board of Directors considers the performance assessment of the Company should be based on the results of the Company as a whole. Therefore, management considers there to be only one operating segment under the requirement of IFRS 8.

Analysis of revenues by category	**2020**	2019
	RMB'000	*RMB'000*
Aeronautical:		
Aircraft movement fees and related charges	**710,771**	2,083,754
Passenger charges	**585,432**	2,004,991
	1,296,203	4,088,745
Non-aeronautical:		
Concessions *(note a)*	**1,352,444**	5,207,212
Rentals	**914,707**	1,330,556
Car parking fees	**5,524**	160,533
Others	**18,258**	23,438
	2,290,933	6,721,739
Total revenues	**3,587,136**	10,810,484

(a) Concession revenues are recognised in respect of the following businesses:

	2020	2019
	RMB'000	*RMB'000*
Advertising	**853,494**	1,154,701
Retailing	**194,944**	3,585,577
Restaurants and food shops	**165,012**	278,812
VIP service	**51,768**	81,061
Car parking fees	**39,903**	–
Ground handling	**–**	56,674
Other	**47,323**	50,387
	1,352,444	5,207,212

As the Company is domiciled in the PRC from where all of its revenues from external customers for the years ended 31 December 2020 and 2019 are derived and in where all of its assets are located, no geographical segment information is shown.

For the year ended 31 December 2020, approximately 24% (2019: 24% and 17%) of the total revenues of the Company were derived from one (2019: two) single external customers.

All the above revenues are recognised over time by reference to the progress towards complete satisfaction of the performance obligation at the reporting date.

4 EXPENSES BY NATURE

Expenses included in depreciation and amortisation and other costs are further analysed as follows:

	2020	2019
	RMB'000	*RMB'000*
Depreciation on property, plant and equipment	**1,156,176**	1,171,177
Depreciation of rights-of-use assets	**202,552**	203,173
Depreciation on investment properties	**93,036**	–
Amortisation of intangible assets	**31,108**	30,159
Loss on disposal of property, plant and equipment	**15,866**	–
Auditor's remuneration	**3,450**	4,424
– Audit services	**3,450**	4,400
– Non-audit services	**–**	24

5 FINANCE INCOME/(COSTS)

	2020	2019
	RMB'000	*RMB'000*
Finance income		
Exchange gains, net	**109,043**	–
Interest income on bank deposits	**27,097**	27,133
	136,140	27,133
Finance costs		
Interest for lease liabilities	**(47,398)**	(40,958)
Interest for borrowings	**(36,242)**	(59,580)
Interest for loans from the Parent Company	**(20,241)**	(54,974)
Interest for bonds payable	**(15,469)**	–
Bank charges	**(1,426)**	(1,587)
Exchange losses, net	**–**	(40,272)
	(120,776)	(197,371)
Net finance income/(costs)	**15,364**	(170,238)

6 CORPORATE INCOME TAX

Taxation in the statement of comprehensive income represents provision for PRC corporate income tax.

The Company is subject to corporate income tax at a rate of 25% (2019: 25%) on its taxable income as determined in accordance with the relevant PRC income tax laws and regulations.

	2020	2019
	RMB'000	*RMB'000*
Current income tax	**–**	819,268
Deferred income tax	**(675,469)**	(9,308)
	(675,469)	809,960

The difference between the actual taxation (credit)/charge in the statement of comprehensive income and the amounts which would result from applying the enacted PRC corporate income tax rate to (loss)/profit before income tax can be reconciled as follows:

	2020	2019
	RMB'000	*RMB'000*
(Loss)/Profit before income tax	**(2,710,120)**	3,229,333
Tax calculated at a tax rate of 25% (2019: 25%)	**(677,530)**	807,333
Expenses not deductible for tax purpose	**2,061**	2,627
Tax (credit)/charge	**(675,469)**	809,960

According to Announcement No.8, 2020 of the Ministry of Finance and the State Administration of Taxation, the limit of carrying forward period of the losses of enterprises in difficult industries greatly affected by the COVID-19 outbreak in 2020, including transportation industry, will be extended from 5 years to 8 years.

7 (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of 4,579,178,977 (2019: 4,368,303,407) ordinary shares in issue during the year.

Diluted (loss)/earnings per share equals basic earnings per share as there were no potential dilutive ordinary shares outstanding during the years ended 31 December 2020 and 2019.

	2020	2019
(Loss)/Profit for the year *(RMB'000)*	**(2,034,651)**	2,419,373
Basic (loss)/earnings per share *(RMB per share)*	**(0.44)**	0.55

8 DIVIDENDS

	2020	2019
Dividend proposed		
Final dividend *(RMB'000)*	**–**	701,988
Final dividend per share *(RMB)*	**–**	0.1533
Interim dividend *(RMB'000)*	**–**	387,182
Interim dividend per share *(RMB)*	**–**	0.0894

9 TRADE RECEIVABLES

	2020	2019
	RMB'000	*RMB'000*
Trade receivables		
– CAHC's subsidiaries	**451,754**	389,299
– third parties	**854,368**	1,336,465
	1,306,122	1,725,764
Less: provision for impairment	**(434,564)**	(336,670)
	871,558	1,389,094

At 31 December 2020, the ageing analysis of the trade receivables based on invoice date were as follows:

	2020	2019
	RMB'000	*RMB'000*
Less than 3 months	**539,772**	1,066,000
4 – 6 months	**121,170**	78,253
7 – 12 months	**126,566**	161,084
1 – 2 years	**185,671**	179,353
2 – 3 years	**149,544**	60,628
Over 3 years	**183,399**	180,446
	1,306,122	1,725,764

10 CAPITAL RESERVES

Capital reserve represents equity contributions from CAHC in cash to which CAHC is fully entitled. In accordance with relevant government authorities' regulations, this amount is to be accounted for as capital reserve of the Company for the benefit of the Parent Company and it is not to be distributed as dividend. In future, when the Company increases its share capital, the capital reserve may be converted into ordinary shares of the Company to be held by CAHC, provided appropriate conditions are met. The conversion is however subject to obtaining prior approval from the relevant government authorities and shareholders.

11 TRADE AND OTHER PAYABLES

	2020	2019
	RMB'000	*RMB'000*
Trade payables		
Amounts due to related parties		
– CAHC	**–**	114,836
– CAHC's subsidiaries	**1,195,476**	881,655
	1,195,476	996,491
Repairs and maintenance charges payable	**583,980**	526,807
Accounts payable for purchases	**65,009**	61,754
Sub-contracting charges payable	**60,779**	145,834
Greening and environmental maintenance charges payable	**57,762**	96,281
Other	**276,639**	250,111
	2,239,645	2,077,278
Advance and other payables		
Amounts due to related parties		
– CAHC	**23,122**	48,784
– CAHC's subsidiaries	**93,040**	61,222
	116,162	110,006
Accrued liabilities for the title change of the GTC Assets*	**1,508,693**	1,508,693
Construction payable	**1,119,084**	873,933
Deed taxes in respect of the acquisition of the Phase III Assets**, the Building D of Terminal Three and Ancillary Assets and the GTC Assets	**465,948**	465,948
Payroll and welfare payable	**425,256**	485,374
Deposits received	**285,557**	296,149
Advance from customers	**130,624**	183,153
Receipts on behalf of concession operators	**44,119**	60,183
Other tax payable	**9,316**	22,468
Other	**39,323**	21,271
	4,144,082	4,027,178
	6,383,727	6,104,456

* In 2018, the Company acquired the Ground Traffic Centre and its relevant facilities, land and the relevant land use right from the Parent Company, which were collectively referred to as the GTC Assets.

** In 2008, the Company acquired the Airfield Assets, Terminal Three of the Beijing Capital Airport ("**T3**"), T3 related assets, roads within airport area, the driverless electric train system, commercial areas and other relevant equipment, machinery and facilities and the land use rights of the land on which T3 and other related construction is situated (collectively the "**Phase III Assets**").

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

The ageing analysis of the trade payables based on invoice date is as follows:

	2020	2019
	RMB'000	*RMB'000*
Less than 3 months	**1,185,240**	913,425
4 – 6 months	**304,369**	203,373
7 – 12 months	**170,049**	491,490
Over 12 months	**579,987**	468,990
	2,239,645	2,077,278

12 BORROWINGS

	2020	2019
	RMB'000	*RMB'000*
Short-term	**2,868,909**	500,000

The movement in borrowings is analysed as follows:

	2020	2019
	RMB'000	*RMB'000*
Opening amount as at 1 January	**500,000**	2,980,000
Proceeds of new borrowings	**2,868,909**	1,980,000
Repayments of borrowings	**(500,000)**	(4,460,000)
Closing amount as at 31 December	**2,868,909**	500,000

13 BONDS PAYABLE

	2020	2019
	RMB'000	*RMB'000*
Principal amount	**1,300,000**	–
Bonds issuance cost	**(3,092)**	–
Proceeds received	**1,296,908**	–
Interest payable	**15,126**	–
Accumulated amortisation amounts of bonds issuance cost	**317**	–
	1,312,351	–
Less: current portion	**–**	–
Non-current portion	**1,312,351**	–

On 19 August 2020, The Company has received the approval from the National Association of Financial Market Institutional Investors for the registration of medium-term notes in an aggregate amount of no more than RMB6,000,000,000 to be issued in multiple tranches. On 11 September 2020, the Company issued bonds with a principal amount of RMB1,300,000,000 with maturity period of 3 years. The bonds are interest-bearing at 3.74% per annum. The interest is payable annually and the principal amount is repayable in 2023.

14 LOANS FROM THE PARENT COMPANY

As part of the acquisition of the Phase III Assets, the Company entered into agreements with the Parent Company to assume the following long-term borrowings which were previously obtained by the Parent Company with same terms from European Investment Bank. The borrowings were not reassigned into the name of the Company.

	2020	2019
	RMB'000	*RMB'000*
Loans from the Parent Company	**1,512,660**	1,787,526
Less: current portion	**(159,227)**	(170,241)
	1,353,433	1,617,285

	2020	2019
	RMB'000	*RMB'000*
Opening amount as at 1 January	**1,787,526**	1,926,055
Repayments of borrowings	**(169,556)**	(170,150)
Currency translation differences	**(105,310)**	31,621
Closing amount as at 31 December	**1,512,660**	1,787,526

As at 31 December 2020, the Company's loans from the Parent Company are repayable as follows:

	2020	2019
	RMB'000	*RMB'000*
Within 1 year	**159,227**	170,241
Between 1 and 2 years	**159,227**	170,241
Between 2 and 5 years	**477,681**	510,723
Over 5 years	**716,525**	936,321
	1,512,660	1,787,526

This loan is denominated in US dollar, unsecured and interest bearing at LIBOR plus 0.4% per annum. The interest is payable semi-annually. The principal amount is repayable by instalments semi-annually commencing on 15 December 2010 with maturity through 15 June 2030.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

In 2020, the Company's business performance faced great challenges. As for the revenues, the revenues from principal operations were RMB3,587,136,000, representing a decrease of 66.8% from the previous year. In particular, as affected by the outbreak of the novel coronavirus pandemic (the "**COVID-19 outbreak**") and related policies, the aeronautical revenues declined significantly to RMB1,296,203,000, representing a decrease of 68.3% as compared with the previous year. Given the COVID-19 outbreak and the drastic decline in passenger throughput, the non-aeronautical revenues amounted to RMB2,290,933,000, representing a decrease of 65.9% as compared with the previous year. As for the costs, the non-aeronautical concession revenues were reduced due to the COVID-19 outbreak, which resulted in the decrease in the corresponding management fees. Coupled with the decline in staff costs and operating contracted services costs, the operating expenses of the Company in 2020 were RMB5,968,746,000, representing a decrease of 18.8% from the previous year.

Overview of Aeronautical Business

In 2020, as affected by the COVID-19 outbreak and transfer of certain flights, the air traffic volumes of Beijing Capital Airport have been hit hard. During the year, the cumulative aircraft movements in Beijing Capital Airport reached 291,498 sorties, representing a decrease of 51.0% as compared with the previous year. The cumulative passenger throughput reached 34,513,827 person-times, representing a decrease of 65.5% as compared with the previous year. The cumulative cargo and mail throughput reached 1,210,441 tonnes, representing a decrease of 38.1% as compared with the previous year. Detailed information is set out in the table below:

	2020	2019	Change
Aircraft Movements *(unit: sorties)*	**291,498**	594,329	-51.0%
Domestic	**254,463**	466,245 (Note)	-45.4%
Including: Hong Kong, Macau & Taiwan	**5,660**	21,396	-73.6%
International	**37,035**	128,084 (Note)	-71.1%
Passenger Throughput *(unit: person-times)*	**34,513,827**	100,013,642 (Note)	-65.5%
Domestic	**31,979,863**	76,103,087 (Note)	-58.0%
Including: Hong Kong, Macau & Taiwan	**358,124**	3,664,815	-90.2%
International	**2,533,964**	23,910,555 (Note)	-89.4%
Cargo and mail Throughput *(unit: tonnes)*	**1,210,441**	1,955,286 (Note)	-38.1%
Domestic	**664,835**	1,050,230 (Note)	-36.7%
Including: Hong Kong, Macau & Taiwan	**65,649**	90,774	-27.7%
International	**545,606**	905,056	-39.7%

Note: The above figures of aircraft movements, passenger throughput and cargo and mail throughput were arrived at after adjustment at the end of 2020.

Aeronautical Revenues

	2020 *RMB'000*	2019 *RMB'000*	Change
Aircraft movement fees and related charges	**710,771**	2,083,754	-65.9%
Passenger charges	**585,432**	2,004,991	-70.8%
Total aeronautical revenues	**1,296,203**	4,088,745	-68.3%

In 2020, the total aeronautical revenues of the Company were RMB1,296,203,000, representing a decrease of 68.3% as compared with the previous year. In particular, the revenues from aircraft movement fees and related charges were RMB710,771,000, representing a decrease of 65.9% as compared with the previous year, which was primarily due to the impact of the decrease in business volume and the fact that pursuant to the relevant requirements of the Notice of CAAC on Policies Supporting Active Response to COVID-19 Outbreak (《民航局關於積極應對新冠肺炎疫情有關支持政策的通知》), the Company lowered the benchmark price of the charging standards for aircraft movement fees by 10% and waived the parking fees with effect from 23 January 2020 until the end of the COVID-19 outbreak. The revenues from passenger charges were RMB585,432,000, representing a decrease of 70.8% as compared with the previous year, which basically remained consistent with the decline in passenger throughput.

Non-Aeronautical Revenues

	2020 *RMB'000*	2019 *RMB'000*	**Change**
Concessions	**1,352,444**	5,207,212	-74.0%
Including: Advertising	**853,494**	1,154,701	-26.1%
Retailing	**194,944**	3,585,577	-94.6%
Restaurants and food shops	**165,012**	278,812	-40.8%
VIP services	**51,768**	81,061	-36.1%
Car Parking	**39,903**	–	100.0%
Ground handling	**–**	56,674	-100.0%
Other concessions	**47,323**	50,387	-6.1%
Rentals	**914,707**	1,330,556	-31.3%
Car parking fees	**5,524**	160,533	-96.6%
Others	**18,258**	23,438	-22.1%
Total non-aeronautical revenues	**2,290,933**	6,721,739	-65.9%

In 2020, the total non-aeronautical revenues of the Company were RMB2,290,933,000, representing a decrease of 65.9% as compared with the previous year. In 2020, the concession revenues of the Company were RMB1,352,444,000, representing a decrease of 74.0% as compared with the previous year. Among these, the revenues from advertising were RMB853,494,000, representing a decrease of 26.1% as compared with the previous year. This was mainly attributable to the fact that the Company waived the operating costs from certain advertisers after taking into account the impact of the COVID-19 outbreak and the adjustment of passengers processing procedures at terminals due to the pandemic, which resulted in the decline in the related revenue. The revenues from retailing were RMB194,944,000, representing a decrease of 94.6% as compared with the previous year, which was mainly attributable to a sharp decline in the related revenues as a result of the significant decrease in international passenger throughput as affected by the COVID-19 outbreak. The revenues from restaurants and food shops were RMB165,012,000, representing a decrease of 40.8% as compared with the previous year, which was mainly due to the rental waiver granted to certain tenants considering the impact of the COVID-19 outbreak and the fact that certain vacant restaurant resources had not yet attracted investment as affected by the COVID-19 outbreak. The revenues from VIP services were RMB51,768,000, representing a decrease of 36.1% as compared with the previous year. This was attributable to, on the one hand, the adjustment and reduction of operating areas due to the closure of certain premises resources for renovation and upgrade, which led to a corresponding decrease in revenue, and on the other hand, the waiver for related fees granted by the Company in proportion to the decline in business volume as affected by the COVID-19 outbreak. The revenues from car parking services were RMB39,903,000, representing an increase of 100.0% as compared with the previous year, which was mainly due to the fact that since 1 January 2020, the Company has transferred the operation rights of most car parking areas including the Ground Traffic Centre (the "**GTC**") pursuant to the Agreement for Transferring Operation Rights of Car Parking Buildings (Spaces) of Beijing Capital Airport (《北京首都機場停車樓（場）經營權轉讓合同》), resulting in an increase in revenues from car parking services. No revenue from ground handling services was recorded during the year, which was mainly due to the fact that new contracts had not yet been executed as a result of the changes in the external environment. The revenues from other concessions were RMB47,323,000, representing a decrease of 6.1% as compared with the previous year.

In 2020, the rental revenues of the Company were RMB914,707,000, representing a decrease of 31.3% as compared with the previous year, which was mainly due to the grant of rental waivers by the Company to certain tenants as affected by the COVID-19 outbreak and the transfer and diversion of flights to Beijing Daxing International Airport ("**Daxing Airport**"), as well as a significant decline in aircraft movements and passenger throughput, leading to a decrease in the rentals of relevant equipment, system and commercial premises.

In 2020, the car-parking fees of the Company were RMB5,524,000, representing a decrease of 96.6% as compared with the previous year, which was mainly due to the fact that the Company has transferred the operation rights of car parking areas and only retained a small portion of areas for self-operation, hence leading to a significant decrease in car-parking fees.

In 2020, other revenues of the Company were RMB18,258,000, representing a decrease of 22.1% as compared with the previous year, which was mainly due to the adjustment to the scopes of business of certain contracts as a result of the COVID-19 outbreak.

Operating Expenses

	2020 ***RMB'000***	2019 *RMB'000*	**Change**
Depreciation and amortisation	**1,482,872**	1,404,509	5.6%
Repair and maintenance	**1,059,083**	1,067,769	-0.8%
Aviation safety and security guard costs	**716,508**	760,332	-5.8%
Utilities and power	**587,871**	613,936	-4.2%
Staff costs	**538,686**	703,180	-23.4%
Operating contracted services	**441,981**	563,601	-21.6%
Greening and environmental maintenance	**294,129**	304,664	-3.5%
Real estate and other taxes	**250,153**	259,010	-3.4%
Concession management fees	**233,014**	1,236,216	-81.2%
Rental expenses	**6,504**	19,815	-67.2%
General, administrative and other costs	**357,945**	416,615	-14.1%
Operating expenses	**5,968,746**	7,349,647	-18.8%

In 2020, the operating expenses of the Company were RMB5,968,746,000, representing a decrease of 18.8% as compared with the previous year.

In 2020, the depreciation and amortisation expenses of the Company were RMB1,482,872,000, representing an increase of 5.6% as compared with the previous year, which is mainly due to the addition of certain assets, as a result of which corresponding depreciation expenses were accrued.

In 2020, the repair and maintenance expenses of the Company were RMB1,059,083,000, representing a decrease of 0.8% as compared with the previous year.

In 2020, the aviation safety and security guard costs of the Company were RMB716,508,000, representing a decrease of 5.8% as compared with the previous year, which was mainly due to the decrease in safety and security guard costs related to the passenger throughput as affected by the COVID-19 outbreak.

In 2020, the utilities and power expenses of the Company were RMB587,871,000, representing a decrease of 4.2% as compared with the previous year, which was mainly due to the decline in the unit price of certain types of energy and the decrease in the frequency of related energy utilization as a result of the partial closure of terminals and the decrease in passenger throughput.

In 2020, staff costs of the Company were RMB538,686,000, representing a decrease of 23.4% as compared with the previous year, which was mainly due to the corresponding decrease in the staff costs of the Company as affected by the COVID-19 outbreak, and the decline in social security contribution by certain business units under the relevant policies.

In 2020, the operating contracted services costs of the Company were RMB441,981,000, representing a decrease of 21.6% as compared with the previous year, which was mainly due to the fact that the related costs were no longer incurred as a result of the termination of certain operating contracted service projects.

In 2020, the greening and environmental maintenance expenses of the Company were RMB294,129,000, representing a decrease of 3.5% as compared with the previous year.

In 2020, the real estate and other taxes of the Company were RMB250,153,000, representing a decrease of 3.4% as compared with the previous year.

In 2020, the concession management fees of the Company were RMB233,014,000, representing a decrease of 81.2% as compared with the previous year. This was mainly attributable to the significant decrease in passenger throughput due to the COVID-19 outbreak, which led to the significant decrease in concession revenues from retailing and restaurants and food shops and hence the corresponding decline in the management fees that were charged proportionally.

In 2020, the rental expenses of the Company were RMB6,504,000, representing a decrease of 67.2% as compared with the previous year, which was mainly due to the decrease in utilization rate of certain low-value and short-term leases as affected by the COVID-19 outbreak, which led to a corresponding decrease in rental expenses.

In 2020, the general, administrative and other costs of the Company were RMB357,945,000, representing a decrease of 14.1% as compared with the previous year, which was mainly due to the waiver of trademark licence fees pursuant to the relevant agreement as the Company incurred a loss from operation during the year.

OTHER ITEMS IN THE STATEMENT OF COMPREHENSIVE INCOME

In 2020, the other income of the Company was RMB27,076,000, representing a decrease of 26.1% as compared with the previous year, which was mainly due to the decrease in government grants.

In 2020, the Company granted waivers of fee receivables amounted to RMB265,921,000, representing an increase of 100% as compared with the previous year, which was mainly due to the waivers for certain receivables from advertising and restaurant tenants considering the impact of the COVID-19 outbreak.

In 2020, the net financial income of the Company after netting off the financial costs was RMB15,364,000 as compared with the net financial costs of RMB170,238,000 in 2019, which was mainly due to the fact that the exchange rate of US dollar against RMB decreased in 2020 and increased in 2019, thus generating exchange gains for the liabilities denominated in US dollar in 2020. In addition, the average balance of the borrowings in 2020 was lower than that in the previous year.

In 2020, the income tax credit of the Company was RMB675,469,000 as compared with the income tax expense of the Company of RMB809,960,000 in 2019.

PROFIT FOR THE YEAR

For the financial year ended 31 December 2020, the net loss after tax of the Company amounted to RMB2,034,651,000, representing a decrease of 184.1% as compared with net profit after tax of RMB2,419,373,000 for the previous year.

DIVIDEND

In 2020, the Company recorded a loss from operations as affected by the COVID-19 outbreak. The Board did not propose to distribute the final dividend for the year ended 31 December 2020.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Company's businesses are principally denominated in RMB, except for payment of part of intermediaries fees, repayment of the loans from the Parent Company and distribution of dividends to the shareholders of H shares, which are paid in US dollars and HK dollars.

According to the overall plan of the acquisition of the Phase III Assets (Note), the Company assumed the US dollar denominated loans from the European Investment Bank in respect of the Phase III Assets and the interest thereof as at 31 December 2020. Therefore, the fluctuation of RMB exchange rate against the US dollar will affect the financial results of the Company.

Note: In 2008, the Company acquired the airfield assets (including runway, taxiways, aprons, road non-asphalt layers, lighting and other airfield facilities), Terminal Three of the Beijing Capital Airport ("**T3**") and relevant facilities, roads within the airport area, the driverless electric train system, commercial areas and other relevant facilities and equipment, and the land use rights of the land on which T3 and other related buildings are situated, collectively referred as the Phase III Assets.

As at 31 December 2020, the assets and liabilities of the Company denominated in USD included cash and cash equivalents of approximately RMB23,776,000 (2019: RMB126,088,000), no trade and other receivables (2019: RMB40,000), trade and other payables of approximately RMB8,379,000 (2019: RMB10,837,000), and loans from the Parent Company of approximately RMB1,512,660,000 (2019: RMB1,787,526,000). During 2020, the Company recorded a net exchange gain of RMB109,043,000.

EXPOSURE TO FLUCTUATIONS IN INTEREST RATES

The total amount of the non-current portion and current portion of the Company's loans from the Parent Company was RMB1,512,660,000, which was the borrowings from the European Investment Bank which was assumed from the Parent Company at an interest rate of six-month LIBOR plus 0.4%. The total amount of the Company's short-term borrowings was RMB2,868,909,000, and its interest rates were determined with reference to the benchmark interest rates announced by the People's Bank of China. As such, any change in LIBOR and interest rates of the People's Bank of China will affect the interest expenses and financial results of the Company.

RISKS ARISING FROM THE COVID-19 OUTBREAK

In early 2020, the unexpected outbreak of the COVID-19 pandemic has brought unprecedented challenges to the global economy and society, with the civil aviation industry being severely stricken. Under the impact of the pandemic, the business volume of Beijing Capital Airport was hard hit, which led to a significant decrease in revenue and hence a loss was recorded. During the year, the Company deeply explored its internal strengths and actively responded to the adverse impacts of the COVID-19 pandemic through various means, including striving to control its costs, curbing unnecessary expenses, optimizing the settlement process of aviation charges and enhancing the management of recovery of receivables, increasing the efficiency of capital turnover to ensure the collection of all revenues receivable, securing support from national preferential financial policies, putting efforts in minimizing financing costs; and securing support from government subsidy policies. Currently, the Company's operation and funding remain relatively stable. In view of the ongoing COVID-19 pandemic, the rebound of the number of international passengers at Beijing Capital Airport is not optimistic. The Company expects to encounter certain difficulties and challenges for its future operation, while its capital conditions will continue to be under pressure. However, the Company believes that Beijing Capital Airport will be able to overcome these challenges and continue to grow by implementing the above measures on a continuous basis.

CONTINGENT LIABILITIES

As at 31 December 2020, the Company had no significant contingent liabilities.

LIQUIDITY AND FINANCIAL RESOURCES

In 2020, the Company's net cash used in operating activities amounted to RMB986,883,000, representing a decrease of RMB4,898,326,000 as compared with RMB3,911,443,000 generated from operating activities for the year of 2019. In 2020, the Company's net cash outflow from investing activities amounted to RMB909,687,000. In 2020, the Company's net cash generated from financing activities amounted to RMB2,525,580,000.

As at 31 December 2020, the Company had cash and cash equivalents amounting to the total sum of RMB2,296,801,000, while the cash and cash equivalents of the Company amounted to RMB1,664,626,000 as at 31 December 2019.

As at 31 December 2020, the Company's short-term borrowings were RMB2,868,909,000 and the loans from the Parent Company were RMB1,512,660,000.

As at 31 December 2020, the current ratio of the Company was 0.39, while the current ratio of the Company was 0.48 as at 31 December 2019. Such ratios were computed by dividing the amount of the total current assets by the amount of the total current liabilities as at those respective dates.

As at 31 December 2020, the gearing ratio of the Company was 37.22%, while the gearing ratio of the Company was 28.16% as at 31 December 2019. Such ratios were computed by dividing the total amount of liabilities by the amount of total assets as at those respective dates.

As at 31 December 2020, the capital and reserves of the Company were RMB22,238,234,000, while the capital and reserves of the Company were RMB24,960,898,000 as at 31 December 2019.

EMPLOYEES AND EMPLOYEE WELFARE

1. The number of employees of the Company is set out as follows, together with a comparison with that in the previous year:

	2020	2019
Total number of employees	**1,556**	1,583

The remuneration policy of employees of the Company is determined by the management based on market practice. The Company adopted a position performance-based salary system, which was based on the value of the position with performance appraisal as its core. Such remuneration system took into account the external competition and internal fairness under dynamic management, with which the increase in employee's salaries could be in line with the Company's economic development and the increase of labor remuneration could be in line with the increase of labour productivity.

2. Employees' basic medical insurance and commercial medical insurance

Since 1 January 2003, the Company has complied with the regulations of the Beijing Municipal Government for basic medical insurance. According to the regulations, the Company pays the basic medical insurance and mutual insurance for large sum medical expenses for its employees at 9% and 1%, respectively, of the average monthly salaries of its employees in the previous year.

Pursuant to the Notice on the Phased Reduction of Employees' Payment on Basic Medical Insurance (Jing Yi Bao Fa [2020] No. 11), the payment on medical insurance was halved during the period from February 2020 to June 2020.

In addition, the Company may on a voluntary basis provide supplemental medical insurance benefits to its employees with an amount within 4% of the average monthly salaries of its employees in the previous year. Meanwhile, the Company no longer pays medical subsidies or medical compensations in cash to its employees. As such, the implementation of the aforesaid basic medical insurance regulations did not have any material impact on the balance sheet or statement of comprehensive income of the Company.

3. **Staff retirement scheme**

In 2011, the Company implemented the corporate pension scheme according to the relevant policies of the state. Pursuant to the corporate pension scheme, the Company and the staff who participates in the scheme shall make monthly contributions to the corporate pension funds according to a certain proportion.

CHARGE ON ASSETS

During the year ended 31 December 2020, there was no charge or pledge on the assets of the Company.

MERGER, ACQUISITION AND DISPOSAL

During the year ended 31 December 2020, the Company did not conduct any merger, acquisition or disposal.

MATERIAL SUBSEQUENT EVENT

During the period from 1 January 2021 to 24 March 2021, the Company did not have any material subsequent event.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2020, the Company did not redeem, purchase or sell any of its listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board confirmed that the Company has always strictly complied with all the provisions of the Corporate Governance Code (the "**Code**") under Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") during the period from 1 January 2020 to 31 December 2020.

PROSPECTS FOR 2021

In 2020, the world's economy was hard hit by the COVID-19 outbreak. Amidst unprecedented complexity, the recovery of global economic growth remained sluggish, and the rebound of the civil aviation industry faced headwinds in general. Nonetheless, China adopted decisive measures to contain the pandemic and its national economy became the first to return to positive growth, which led to the steady improvement of the domestic civil aviation market. Despite the impact of the pandemic, Beijing Capital Airport successfully prevented the importation of COVID-19 cases under immense pressure during this period. It fulfilled its responsibility in pandemic prevention and control as "China's First Gateway" with the most stringent measures, the highest standards and the greatest efforts.

In 2020, the Civil Aviation Administration of China advanced the plan for flight transfer and the operation of Daxing Airport. As more flight capacity was allocated to Daxing Airport gradually, Beijing has entered the era of "dual-hub". As affected by the COVID-19 outbreak and the "one city, two airports" diversion, the business volume of Beijing Capital Airport declined significantly, imposing great pressure and challenges on the operational efficiency of the Company.

As shown by preliminary statistics, for the first two months of 2021, Beijing Capital Airport's aircraft movements have decreased by 39.5% as compared with the previous year, of which domestic routes (including Hong Kong, Macau and Taiwan) decreased by 30.8% and international routes decreased by 70.2% as compared with the previous year. Its passenger throughput has decreased by 63.4% as compared with the previous year, of which domestic passenger throughput (including Hong Kong, Macau and Taiwan) decreased by 50.3% and international passenger throughput decreased by 99.0% as compared with the previous year. As the prospects for the resumption of international travel are not yet optimistic, the pace of recovery for the international business volume of Beijing Capital Airport remains uncertain for a certain period of time in the future. Thus, the operational efficiency of the Company will continue to be under great pressure in 2021. In view of this, the Company will move on to a new phase of development and pursue new development philosophy. By precisely grasping the latest trend and proactively responding to changes in the external environment, it will keep abreast of time and take the initiative to create the new development pattern.

In line with the new development pattern that "takes the domestic market as the mainstay while enabling the domestic and foreign markets to boost each other", the Company will actively support the flight schedule allocation policy of the Civil Aviation Administration of China in 2021. It will tap into the potential of the domestic market and seize the opportunities as China eases its flight restrictions, with the aim of increasing the frequency of flights for core domestic routes at Beijing Capital Airport and promoting the recovery of the aviation industry. The Company will continue to conduct research on inter-airline flights and differentiated aviation products. It will also trace the development of the international market by monitoring the resumption of direct passenger flights to overseas destinations. In addition, it will continuously strengthen the communication and collaboration with airline partners at Beijing Capital Airport, constantly optimize the structure of the route network and proactively enhance the security capacity at East and West Zones at the same pace.

In 2021, the Company will capitalize on the changes in the market to accelerate the upgrade and renovation of facilities and equipment, promote the application of new technology, strengthen the empowerment of new infrastructure and boost operational efficiency. In support of the hub construction and development of Beijing Capital Airport, it will induce and create new demand with high-quality offerings. Meanwhile, in terms of relieving operating pressure, it will proactively explore ways to increase revenue and efficiency, reduce expenses and costs, and improve operating quality, so as to counter the impact of the COVID-19 outbreak. In order to drive commercial vibrancy and potential revenue, it will also develop new business models and enhance marketing efforts, thereby maximizing the value of resources and creating new sources of revenue growth for the airport business.

In 2021, the Company will take into account the overall business plan of Beijing Capital Airport to explore and optimize the response mechanism against the COVID-19 outbreak in different operational scenarios. With the support of technology, it will design a public health protection system for the airport that safeguards the national gateway and serves the world, so as to enhance its ability to respond to sudden public health emergencies. The Company has always attached great importance to safety-first, sustainable development, technology innovation and sincere services. It aims to continuously improve corporate management and governance, promote the development of the safe, green, intelligent and humanistic airport and strives to achieve industry-leading safety performance, maintaining its flight on-time ratio at a high level and raising its service quality to new heights.

Looking back to 2020, Beijing Capital Airport faced unprecedented operational challenges as it recorded a significant decline in passenger throughput and incurred a loss in financial results due to the COVID-19 outbreak and the transfer of flights. The Company would like to express its sincere gratitude to all shareholders for their understanding and trust, as well as to various government departments, airlines and partners at Beijing Capital Airport for their tremendous support to us. We would also like to thank all of our employees for their diligent contribution throughout the year. In the future, the Company will actively cope with challenges and pressure while pursuing innovation and changes. It will strive to create new prospects and seek breakthroughs to achieve high-quality growth.

THE ANNUAL RESULTS ANNOUNCEMENT, ANNUAL REPORT AND AGM

The annual results of the Company have been reviewed by the audit committee of the Company. The financial figures in respect of this annual results announcement have been agreed by the Company's international auditor, PricewaterhouseCoopers, to the amounts set out in the Company's financial statements for the year ended 31 December 2020. This announcement is published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk), IR Asia (http://www.irasia.com.hk) and the Company (http://www.bcia.com.cn).

The annual report for the year ended 31 December 2020 containing all the relevant information required by Appendix 16 to the Listing Rules and the Notice of 2020 AGM will be despatched to shareholders and will be available on the abovementioned websites in due course.

By order of the Board
Liu Xuesong
Chairman

Beijing, the PRC, 24 March 2021

As at the date of this announcement, the directors of the Company are:

Executive directors:	*Mr. Liu Xuesong, Mr. Han Zhiliang and Mr. Zhang Guoliang*
Non-executive directors:	*Mr. Gao Shiqing, Mr. Jia Jianqing and Mr. Song Kun*
Independent Non-executive directors:	*Mr. Jiang Ruiming, Mr. Liu Guibin, Mr. Zhang Jiali and Mr. Stanley Hui Hon-chung*