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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)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS

(I) SUPPLEMENTAL AGREEMENT IN RELATION TO THE FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT AND (II) SUPPLEMENTAL AGREEMENT IN RELATION TO THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT

(I) SUPPLEMENTAL AGREEMENT IN RELATION TO THE FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

Reference is made to (i) the 2020 F&B Resources Usage Announcement; (ii) the 2021 F&B Resources Usage Announcement; (iii) the 2021 F&B Resources Usage Circular; and (iv) the 2021 Inside Information Announcement.

As disclosed in the 2020 F&B Resources Usage Announcement, on 29 December 2020, the Company entered into the 2020 F&B Resources Usage Agreement with Beijing Airport Food Management, pursuant to which the Company permitted Beijing Airport Food Management to use the designated food and beverage resources at Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023. On 13 August 2021, certain terms of the 2020 F&B Resources Usage Agreement were revised as a result of the Flexible Retail and F&B Resources Usage Agreement, details of which were disclosed in the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular.

On 29 December 2021, in view of the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area as disclosed in the 2021 Inside Information Announcement, the Company and Beijing Airport Food Management entered into the 2021 Supplemental F&B Resources Usage Agreement, pursuant to which the guaranteed resources usage fee payable by Beijing Airport Food Management to the Company for the year ending 31 December 2021 under the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) shall be reduced.

(II) SUPPLEMENTAL AGREEMENT IN RELATION TO THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT

Reference is made to (i) the 2020 Traveller Services Resources Usage Announcement and (ii) the 2021 Inside Information Announcement.

As disclosed in the 2020 Traveller Services Resources Usage Announcement, the Company entered into the 2020 Traveller Services Resources Usage Agreement with CAVIP, pursuant to which the Company agreed to permit CAVIP to use certain areas and resources in the terminals of Beijing Capital Airport for the provision of various VIP travellers' services to the VIP travellers of Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023.

On 29 December 2021, in view of the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area as disclosed in the 2021 Inside Information Announcement, the Company and CAVIP entered into the 2021 Supplemental Traveller Services Resources Usage Agreement, pursuant to which the resources usage fees payable by CAVIP to the Company for the year ending 31 December 2021 under the 2020 Traveller Services Resources Usage Agreement shall be reduced.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Parent Company is the controlling shareholder of the Company, holding approximately 58.96% of the issued share capital of the Company. Each of Beijing Airport Food Management and CAVIP is a wholly-owned subsidiary of the Parent Company. As such, Beijing Airport Food Management and CAVIP are connected persons of the Company. Accordingly, the 2021 Supplemental Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, as each of the 2021 Supplemental Agreements constitutes a material change to the terms of the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) and the 2020 Traveller Services Resources Usage Agreement, respectively, the Company will be required to re-comply with the relevant requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of the 2021 Supplemental Agreements is more than 0.1% but less than 5%, the 2021 Supplemental Agreements and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(I) SUPPLEMENTAL AGREEMENT IN RELATION TO THE FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

Reference is made to (i) the 2020 F&B Resources Usage Announcement; (ii) the 2021 F&B Resources Usage Announcement; (iii) the 2021 F&B Resources Usage Circular; and (iv) the 2021 Inside Information Announcement.

As disclosed in the 2020 F&B Resources Usage Announcement, on 29 December 2020, the Company entered into the 2020 F&B Resources Usage Agreement with Beijing Airport Food Management, pursuant to which the Company permitted Beijing Airport Food Management to use the designated food and beverage resources at Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023. On 13 August 2021, certain terms of the 2020 F&B Resources Usage Agreement were revised as a result of the Flexible Retail and F&B Resources Usage Agreement, details of which were disclosed in the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular.

On 29 December 2021, in view of the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area as disclosed in the 2021 Inside Information Announcement, the Company and Beijing Airport Food Management entered into the 2021 Supplemental F&B Resources Usage Agreement, pursuant to which the guaranteed resources usage fee payable by Beijing Airport Food Management to the Company for the year ending 31 December 2021 under the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) shall be reduced.

Set out below are the material terms of the 2021 Supplemental F&B Resources Usage Agreement:

Material terms of the 2021 Supplemental F&B Resources Usage Agreement

Date

29 December 2021

Parties

- (a) the Company; and
- (b) Beijing Airport Food Management.

Consideration and payment

In light of the ongoing impact of the COVID-19 pandemic and in view of the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area, Beijing Airport Food Management will waive certain amount of rentals of food and beverage tenants in

the international departure area at Beijing Capital Airport which are unable to continue normal operations for the period from 1 January 2021 to 31 December 2021. Accordingly, the Company agreed that Beijing Airport Food Management will reduce the rentals of the food and beverage tenants in the international departure area of T2 and T3 by adopting a tiered adjustment mechanism linked to the international passenger throughput at Beijing Capital Airport, which means that:

- (i) if the year-on-year decrease of the monthly international passenger throughput is 90% or above as compared with the relevant month in the year of 2019, no guaranteed rental will be charged and only commission from sales will be charged; and
- (ii) if the year-on-year decrease of the monthly international passenger throughput is below 90% as compared with the relevant month in the year of 2019, either the guaranteed rental, which will be calculated based on the actual extent of decrease, or the commission from sales (whichever is higher) will be charged.

The Company agreed to reduce the corresponding resources usage fee payable by Beijing Airport Food Management, which shall be calculated as follows:

Amount of rentals payable by the food and beverage tenants at Beijing Capital Airport waived by Beijing Airport Food Management for each relevant month in the year of 2021 <hr style="width: 100%;"/> Monthly average amount of total rentals from the food and beverage leasing business at Beijing Capital Airport for the year of 2019	X	Resources usage fee payable by Beijing Airport Food Management to the Company for each month in the year of 2021 <i>(Note)</i>
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Note: The resources usage fee payable by Beijing Airport Food Management to the Company for each month in the year of 2021 is equivalent to the estimated amount of total guaranteed resources usage fee payable by Beijing Airport Food Management to the Company for the year ending 31 December 2021 divided by 12 (months).

Based on the information available to the Company as at the date of this announcement, in respect of the waiver relating to the COVID-19 pandemic under the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area, it is anticipated that the total amount of guaranteed resources usage fee payable by Beijing Airport Food Management to the Company for the year ending 31 December 2021 will be reduced by approximately RMB3,970,000.

Save as disclosed above, the other terms of the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) remain unchanged. For the material terms of the 2020 F&B Resources Usage Agreement (as amended by the Flexible

Retail and F&B Resources Usage Agreement), please refer to the 2020 F&B Resources Usage Announcement, the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular.

As the amount of guaranteed resources usage fee payable by Beijing Airport Food Management to the Company for the year ending 31 December 2021 is reduced pursuant to the 2021 Supplemental F&B Resources Usage Agreement, the original annual caps of the continuing connected transactions contemplated under the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) remain the same as those disclosed in the 2020 F&B Resources Usage Announcement, the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular.

Reasons for and benefits of entering into the 2021 Supplemental F&B Resources Usage Agreement

In response to the ongoing impact of the COVID-19 pandemic and the security of the Winter Olympics, by taking into account the COVID-19 pandemic and the circumstances relating to the operations of food and beverage business operations at Beijing Capital Airport, the Company and Beijing Airport Food Management mutually agreed to adjust the amount of monthly guaranteed resources usage fee payable by Beijing Airport Food Management to the Company under the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) and enter into the 2021 Supplemental F&B Resources Usage Agreement.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the 2021 Supplemental F&B Resources Usage Agreement is entered into on normal commercial terms that are fair and reasonable and in the ordinary and usual course of business of the Company, and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole.

(II) SUPPLEMENTAL AGREEMENT IN RELATION TO THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT

Reference is made to (i) the 2020 Traveller Services Resources Usage Announcement and (ii) the 2021 Inside Information Announcement.

As disclosed in the 2020 Traveller Services Resources Usage Announcement, the Company entered into the 2020 Traveller Services Resources Usage Agreement with CAVIP, pursuant to which the Company agreed to permit CAVIP to use certain areas and resources in the terminals of Beijing Capital Airport for the provision of various VIP travellers' services to the VIP travellers of Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023.

On 29 December 2021, in view of the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area as disclosed in the 2021 Inside Information Announcement, the Company and CAVIP entered into the 2021 Supplemental Traveller Services Resources Usage Agreement, pursuant to which the resources usage fees payable by CAVIP to the Company for the year ending 31 December 2021 under the 2020 Traveller Services Resources Usage Agreement shall be reduced.

Set out below are the material terms of the 2021 Supplemental Traveller Services Resources Usage Agreement:

Material terms of the 2021 Supplemental Traveller Services Resources Usage Agreement

Date

29 December 2021

Parties

- (a) the Company; and
- (b) CAVIP.

Consideration and payment

Pursuant to the security requirements of the Winter Olympics, certain international travellers' departure service business at Beijing Capital Airport has been suspended since 30 September 2021. Taking into account the characteristics of the VIP business, both parties agreed upon negotiations to reduce the entire amount of resources usage fees of the guest (CIP) lounges in the isolated zone of the international departure area of T3E payable by CAVIP to the Company for the period from 30 September 2021 to the date of resumption of the departure process of international passengers in T3 by RMB85,462.14 per month, representing the monthly resources usage fee payable in respect of the above-mentioned guest (CIP) lounges. It is currently expected that the VIP business will resume normal operations by 31 March 2022.

Based on the information available to the Company as at the date of this announcement, in respect of the waiver in relation to security for the Winter Olympics pursuant to the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area, it is anticipated that the resources usage fees payable by CAVIP to the Company will be reduced by approximately RMB520,000 in total, among which RMB260,000 will be reduced for the period from 30 September 2021 to 31 December 2021.

Save as disclosed above, the other terms of the 2021 Supplemental Traveller Services Resources Usage Agreement shall remain the same as those of the 2020 Traveller Services Resources Usage Agreement. For the material terms of the 2020 Traveller Services Resources Usage Agreement, please refer to the 2020 Traveller Services Resources Usage Announcement.

As the amount of resources usage fees payable by CAVIP to the Company for the year of 2021 is reduced pursuant to the 2021 Supplemental Traveller Services Resources Usage Agreement, the original annual caps of the continuing connected transactions contemplated under the 2020 Traveller Services Resources Usage Agreement remain the same as those as disclosed in the 2020 Traveller Services Resources Usage Announcement.

Reasons for and benefits of entering into the 2021 Supplemental Traveller Services Resources Usage Agreement

In response to the ongoing impact of the COVID-19 pandemic and the security of the Winter Olympics by taking into account the COVID-19 pandemic and the circumstances relating to the VIP business operations at Beijing Capital Airport, the Company and CAVIP mutually agreed to adjust the amount of resources usage fees payable under the 2020 Traveller Services Resources Usage Agreement and enter into the 2021 Supplemental Traveller Services Franchise Agreement.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the 2021 Supplemental Traveller Services Resources Usage Agreement is entered into on normal commercial terms that are fair and reasonable and in the ordinary and usual course of business of the Company, and the transactions contemplated thereunder are in the interest of the Company and the Shareholders as a whole.

GENERAL

The Company is principally engaged in the operation of Beijing Capital Airport.

The Parent Company is principally engaged in the provision of ground support services for domestic and international aviation enterprises, and the provision of operation and management services, counter and premises rental services, car parking management, housing rental, property management, advertising agency services and other businesses to its subsidiaries.

Beijing Airport Food Management is principally engaged in restaurant and other food and beverage businesses.

CAVIP is principally engaged in the provision of professional customer services to VIP clients and other travellers in the terminals of Beijing Capital Airport and certain other domestic airports.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, each of Beijing Airport Food Management and CAVIP is a wholly-owned subsidiary of the Parent Company, and the ultimate beneficial owner of the Parent Company is the Civil Aviation Administration of China, which is a state bureau administered by the Ministry of Transport of the PRC.

BOARD'S APPROVAL

The 2021 Supplemental Agreements were approved by the Board.

As at the date of this announcement, there is no overlapping director between the Company and each of the Parent Company, Beijing Airport Food Management or CAVIP. Only one executive Director concurrently serves as the chairman of the Parent Company, one executive Director and three non-executive Directors concurrently serve as the deputy general managers of the Parent Company, and there is no overlapping senior management between the Company and each of Beijing Airport Food Management or CAVIP. Moreover, none of the Directors personally has any material interest in the transactions contemplated under any of the 2021 Supplemental Agreements. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the 2021 Supplemental Agreements and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Parent Company is the controlling shareholder of the Company, holding approximately 58.96% of the issued share capital of the Company. Each of Beijing Airport Food Management and CAVIP is a wholly-owned subsidiary of the Parent Company. As such, Beijing Airport Food Management and CAVIP are connected persons of the Company. Accordingly, the 2021 Supplemental Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54 of the Listing Rules, as each of the 2021 Supplemental Agreements constitutes a material change to the terms of the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement) and the 2020 Traveller Services Resources Usage Agreement, respectively, the Company will be required to re-comply with the relevant requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of the 2021 Supplemental Agreements is more than 0.1% but less than 5%, the 2021 Supplemental Agreements and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“2020 F&B Resources Usage Agreement”	the food and beverage resources usage agreement dated 29 December 2020 entered into between the Company and Beijing Airport Food Management, pursuant to which the Company agreed to permit Beijing Airport Food Management to use the designated food and beverage resources at Beijing Capital Airport and where the context requires, as varied by the Flexible Retail and F&B Resources Usage Agreement, details of which were disclosed in the 2020 F&B Resources Usage Announcement, the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular
“2020 F&B Resources Usage Announcement”	the announcement of the Company dated 29 December 2020 in respect of, among other things, the continuing connected transactions contemplated under the 2020 F&B Resources Usage Agreement
“2020 Traveller Services Resources Usage Agreement”	the traveller services resources usage agreement dated 28 December 2020 entered into between the Company and CAVIP in relation to the permission granted by the Company to CAVIP to use certain areas and resources in the terminals of Beijing Capital Airport for the provision of various VIP travellers’ services to the VIP travellers of Beijing Capital Airport, details of which were disclosed in the 2020 Traveller Services Resources Usage Announcement
“2020 Traveller Services Resources Usage Announcement”	the announcement of the Company dated 28 December 2020 in respect of the continuing connected transactions contemplated under the 2020 Traveller Services Resources Usage Agreement
“2021 F&B Resources Usage Announcement”	the announcement of the Company dated 13 August 2021 in respect of the continuing connected transactions contemplated under, among other things, variations to the terms of the 2020 F&B Resources Usage Agreement as a result of entering into the Flexible Retail and F&B Resources Usage Agreement

“2021 F&B Resources Usage Circular”	the circular of the Company dated 8 October 2021 in respect of continuing connected transactions contemplated under, among other things, variations to the terms of the 2020 F&B Resources Usage Agreement as a result of entering into the Flexible Retail and F&B Resources Usage Agreement
“2021 Inside Information Announcement”	the inside information announcement of the Company dated 13 December 2021 in relation to the Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area
“2021 Supplemental Agreements”	collectively, (i) the 2021 Supplemental F&B Resources Usage Agreement and (ii) the 2021 Supplemental Traveller Services Resources Usage Agreement
“2021 Supplemental F&B Resources Usage Agreement”	the supplemental agreement dated 29 December 2021 entered into between the Company and Beijing Airport Food Management to further amend certain terms of the 2020 F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement)
“2021 Supplemental Traveller Services Resources Usage Agreement”	the supplemental agreement dated 29 December 2021 entered into between the Company and CAVIP to amend certain terms of the 2020 Traveller Services Resources Usage Agreement
“associate(s)”	has the same meaning as ascribed to it in the Listing Rules
“Beijing Airport Commercial and Trading”	Beijing Capital Airport Commercial and Trading Company Limited* (北京首都機場商貿有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Parent Company
“Beijing Airport Food Management”	Beijing Capital Airport Food Management Company Limited* (北京首都機場餐飲發展有限公司), a sino-foreign joint stock limited company incorporated in the PRC and a wholly-owned subsidiary of the Parent Company
“Beijing Capital Airport”	Beijing Capital International Airport
“Board”	the board of Directors
“CAVIP”	Capital Airport VIP Services Management Co., Ltd.* (首都空港貴賓服務管理有限公司), a limited liability company established in the PRC and a wholly-owned subsidiary of the Parent Company

“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場有限公司), a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H-Shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it in the Listing Rules
“controlling shareholder”	has the same meaning as ascribed to it in the Listing Rules
“COVID-19”	novel coronavirus
“Director(s)”	the director(s) of the Company
“Fees Waiver Policy for Businesses in International Departure Area and Olympics Security Area”	the policy of the Company in relation to the waiver of rentals and operating fees for food and beverage business, advertising business, VIP business and convenience business at Beijing Capital Airport due to the impact of COVID-19 and the security for the Winter Olympics, details of which were disclosed in the 2021 Inside Information Announcement
“Flexible Retail and F&B Resources Usage Agreement”	the tripartite domestic retail and food and beverage resources usage agreement dated 13 August 2021 entered into among the Company, Beijing Airport Commercial and Trading and Beijing Airport Food Management, details of which were disclosed in the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular
“H-Share(s)”	the overseas listed foreign share(s) of the Company with a nominal value of RMB1.00 each in the registered capital of the Company
“Independent Shareholder(s)”	the Shareholder(s) other than the Parent Company, its associates and any other Shareholder who has a material interest in the transactions contemplated under any of the 2021 Supplemental Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parent Company”	Capital Airports Holdings Limited* (首都機場集團有限公司), (formerly known as Capital Airports Holding Company* (首都機場集團公司)), an enterprise established in the PRC and the controlling shareholder of the Company
“PRC”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of RMB1.00 each in the registered capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“T3E”	zone E of T3
“T2”	the passenger terminal numbered two which forms part of Beijing Capital Airport
“T3”	the passenger terminal numbered three which forms part of Beijing Capital Airport
“VIP(s)”	very important person(s)
“%”	per cent

By order of the Board
Meng Xianwei
Secretary to the Board

Beijing, the PRC
29 December 2021

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

Executive Directors: Mr. Wang Changyi, 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

An announcement containing details of the matter is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> under “Latest Listed Company Information”, the website of the Company at <http://www.bcia.com.cn> and the website of Irasia.com at <http://www.irasia.com/listco/hk/bcia>.

** For identification purposes only*