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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

SUPPLEMENTAL AGREEMENT IN RELATION TO

THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT

AND THE FREQUENT TRAVELLER PAID MEMBERSHIP

MANAGEMENT AGREEMENT

SUPPLEMENTAL AGREEMENT IN RELATION TO THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT AND THE FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT

References are made to (i) the 2020 Traveller Services Resources Usage Agreement Announcement; (ii) the 2021 Inside Information Announcement; and (iii) the 2021 Supplemental Traveller Services Resources Usage Agreement Announcement.

As disclosed in the 2020 Traveller Services Resources Usage Agreement Announcement, on 28 December 2020, 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 guaranteed resources usage fee payable by CAVIP to the Company for the year ended 31 December 2021 under the 2020 Traveller Services Resources Usage Agreement shall be reduced, details of which were disclosed in the 2021 Supplemental Traveller Services Resources Usage Agreement Announcement.

On 1 August 2022, in order to align with the development of the frequent traveller's paid membership business of Beijing Capital Airport and consolidate resources for such business with the business related to the VIP Travellers' Services, the Company and CAVIP entered into (i) the 2022 Supplemental Traveller Services Resources Usage Agreement, pursuant to which the existing business related to the VIP Travellers' Services and relevant resources in Beijing Capital Airport shall be excluded from the 2020 Traveller Services Resources Usage Agreement and the guaranteed annual resources usage fee payable by CAVIP to the Company thereunder shall be reduced accordingly; and (ii) the Frequent Traveller Paid Membership Management Agreement, pursuant to which the Company agreed to permit CAVIP to operate and manage the frequent traveller's paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources in Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025.

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. Since CAVIP is a wholly-owned subsidiary of the Parent Company, CAVIP is therefore a connected person of the Company. Accordingly, each of the 2022 Supplemental Traveller Services Resources Usage Agreement and the Frequent Traveller Paid Membership Management Agreement and the respective 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 the 2022 Supplemental Traveller Services Resources Usage Agreement constitutes a material change to the terms of the 2020 Traveller Services Resources Usage Agreement, the Company is required to re-comply with the relevant requirements of Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the 2022 Supplemental Traveller Services Resources Usage Agreement is more than 0.1% but less than 5%, the 2022 Supplemental Traveller Services Resources Usage Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Frequent Traveller Paid Membership Management Agreement is more than 0.1% but less than 5%, the Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

BACKGROUND

References are made to (i) the 2020 Traveller Services Resources Usage Agreement Announcement; (ii) the 2021 Inside Information Announcement; and (iii) the 2021 Supplemental Traveller Services Resources Usage Agreement Announcement.

As disclosed in the 2020 Traveller Services Resources Usage Agreement Announcement, on 28 December 2020, 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 guaranteed resources usage fee payable by CAVIP to the Company for the year ended 31 December 2021 under the 2020 Traveller Services Resources Usage Agreement shall be reduced, details of which were disclosed in the 2021 Supplemental Traveller Services Resources Usage Agreement Announcement.

On 1 August 2022, in order to align with the development of the frequent traveller's paid membership business of Beijing Capital Airport and consolidate resources for such business with the business related to the VIP Travellers' Services, the Company and CAVIP entered into (i) the 2022 Supplemental Traveller Services Resources Usage Agreement, pursuant to which the existing business related to the VIP Travellers' Services and relevant resources in Beijing Capital Airport shall be excluded from the 2020 Traveller Services Resources Usage Agreement and the guaranteed annual resources usage fee payable by CAVIP to the Company thereunder shall be reduced accordingly; and (ii) the Frequent Traveller Paid Membership Management Agreement, pursuant to which the Company agreed to permit CAVIP to operate and manage the frequent traveller's paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources in Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025.

SUPPLEMENTAL AGREEMENT IN RELATION TO THE TRAVELLER SERVICES RESOURCES USAGE AGREEMENT

Material terms of the 2022 Supplemental Traveller Services Resources Usage Agreement

Date

1 August 2022

Parties

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

Services

Pursuant to the 2022 Supplemental Traveller Services Resources Usage Agreement, the existing business related to the VIP Travellers' Services and relevant resources in Beijing Capital Airport shall be excluded from the 2020 Traveller Services Resources Usage Agreement.

Upon the Effective Date, the business operated by CAVIP under the 2020 Traveller Services Resources Usage Agreement (as amended by the 2022 Supplemental Traveller Services Resources Usage Agreement) will be the VIP travellers' services and other VIP-related services provided to government officials with a certain level of seniority and high-end business VIPs.

Effective Date

The 2022 Supplemental Traveller Services Resources Usage Agreement shall become effective on 1 August 2022 and shall remain in effect until 31 December 2023 (i.e. the expiry date of the 2020 Traveller Services Resources Usage Agreement).

Consideration and Payment

Pursuant to the 2022 Supplemental Traveller Services Resources Usage Agreement, the guaranteed annual resources usage fee payable by CAVIP to the Company under the 2020 Traveller Services Resources Usage Agreement (as amended by the 2022 Supplemental Traveller Services Resources Usage Agreement) shall be reduced to RMB47,691,399.92. Such guaranteed annual resources usage fee was determined with reference to the sum of the verified historical guaranteed usage fee for VIP resources at different locations, of different categories and with different sizes in the terminals of Beijing Capital Airport.

Save as disclosed above, the other terms of the 2020 Traveller Services Resources Usage Agreement (as amended by the 2022 Supplemental Traveller Services Resources Usage Agreement) remain unchanged. For the material terms of the 2020 Traveller Services Resources Usage Agreement, please refer to the 2020 Traveller Services Resources Usage Agreement Announcement.

Annual caps

Original annual caps and historical figures

The following table shows the historical figures of resources usage fees paid by CAVIP to the Company under the 2020 Traveller Services Resources Usage Agreement (as amended by the 2021 Supplemental Traveller Services Resources Usage Agreement):

	For the year ended 31 December 2021 <i>(RMB)</i>	For the year ending 31 December 2022 <i>(RMB)</i>
Resources usage fee paid by CAVIP to the Company pursuant to the 2020 Traveller Services Resources Usage Agreement (as amended by the 2021 Supplemental Traveller Services Resources Usage Agreement)	52,226,000	27,201,000 <i>(Note)</i>
Original annual caps	125,000,000	125,000,000

Note: The figure refers to the unaudited resources usage fee paid by CAVIP to the Company for the six months ended 30 June 2022. The Company expects that the resources usage fee payable by CAVIP to the Company for the year ending 31 December 2022 will not exceed its original annual cap as set out above or the revised annual cap as set out below.

Revised annual caps

In view of the variations to the terms of the 2020 Traveller Services Resources Usage Agreement brought about by the 2022 Supplemental Traveller Services Resources Usage Agreement, the original annual caps contemplated under the 2020 Traveller Services Resources Usage Agreement shall be revised as follows:

	For the year ending 31 December 2022 <i>(RMB)</i>	For the year ending 31 December 2023 <i>(RMB)</i>
Original annual caps	125,000,000	125,000,000
Revised annual caps	58,000,000	50,000,000

The above revised annual caps are determined based on the following factors:

- (i) the reduced historical transaction amounts of the travellers' services resources usage fee received by the Company from CAVIP under the 2020 Traveller Services Resources Usage Agreement (as amended by the 2021 Supplemental Traveller Services Resources Usage Agreement), resulting from the adjustment of resources for VIP travellers' services due to the impact of COVID-19; and
- (ii) the impact of the business integration and optimization and relevant operating resources adjustment of the VIP Travellers' Services in the terminals of Beijing Capital Airport, as a result of which the relevant resources usage fee is expected to decrease in the next two years.

Pricing policy

In determining the revised guaranteed annual resources usage fee payable by CAVIP to the Company and the revised annual caps under the 2022 Supplemental Traveller Services Resources Usage Agreement, the Company has applied the pricing policies considered under the 2020 Traveller Services Resources Usage Agreement. Further details of such pricing policies and the related internal control on pricing are available in the 2020 Traveller Services Resources Usage Agreement Announcement.

Internal control on pricing

The Company has implemented a management system to monitor the pricing standards for the transactions under the 2020 Traveller Services Resources Usage Agreement (as amended by the 2021 Supplemental Traveller Services Resources Usage Agreement and the 2022 Supplemental Traveller Services Resources Usage Agreement) to ensure that the terms are on normal commercial terms. Further details of such management system are available in the 2020 Traveller Services Resources Usage Agreement Announcement.

FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT

Material terms of the Frequent Traveller Paid Membership Management Agreement

Date

1 August 2022

Parties

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

Services

Pursuant to the Frequent Traveller Paid Membership Management Agreement, the Company agreed to permit CAVIP to operate and manage the frequent traveller's paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources in Beijing Capital Airport, details of which are as follows:

- (a) the resources to be managed by CAVIP include check-in area, security check area and lounges of Terminal 2 and Terminal 3; and
- (b) the businesses to be managed by CAVIP include product design, marketing, sales and door-to-door services for paid members; paid members' check-in services, security check services and services at lounges; paid members' parking and guiding services; corresponding free services for senior members of platinum level and above in the airport's point membership system.

Term

The Frequent Traveller Paid Membership Management Agreement is for a term of three years commencing from 1 August 2022 to 31 July 2025.

If CAVIP intends to renew the Frequent Traveller Paid Membership Management Agreement, it may submit the renewal application to the Company for assessment six months before the term expires. Subject to the Company's review of such application and compliance with the relevant Listing Rules, the Frequent Traveller Paid Membership Management Agreement may be renewed for a further three years.

Consideration and Payment

The method of calculating the annual entrusted management fee payable by the Company to CAVIP under the Frequent Traveller Paid Membership Management Agreement is set out as follows:

Base of annual entrusted management fee ^(Note 1) + (total revenue derived from the entrusted matters – base of incremental sharing) * 6% ^(Note 2)

Note 1: The actual base of annual entrusted management fee shall be approximately RMB21,083,300, which is determined with reference to the base of annual entrusted management fee of RMB23,000,000 and the one-month rent-free period for every year during the term of the Frequent Traveller Paid Membership Management Agreement.

Note 2: The base of incremental sharing shall be RMB69,420,000.

The Company shall pay the entrusted management fee to CAVIP on a quarterly basis in accordance with the above calculation method. CAVIP shall issue a written payment confirmation and breakdown to the Company in relation to the fee payable for the preceding quarter on or before the fifteenth working day of each quarter and the amount of such fee shall be confirmed by the Company. Within twenty working days from Parties's confirmation of the amount of the entrusted management fee, the Company shall pay such amount.

In the event that the passenger throughput is less than 30,000,000 person-times per year due to the pandemic or force majeure, any amendments to the entrusted management fee shall be negotiated and agreed by the Parties and third party operators in writing.

Other material terms

Pursuant to the Frequent Traveller Paid Membership Management Agreement, CAVIP is authorised by the Company to sign individual operation contracts with each of the operators selected through merchandising in relation to the resources under the Frequent Traveller Paid Membership Management Agreement, and the terms of such operation contracts shall not be in contradiction with the terms of the Frequent Traveller Paid Membership Management Agreement. CAVIP shall file such operation contracts with the Company. CAVIP is responsible for payment settlement, management of account receivables, operation analysis of the entrusted resources, preparation of accounts, safe-keep and submission of relevant information as well as other works requested by the Company. The operators will make all payments to the Company's designated bank account directly. The Company shall then pay the entrusted management fee to CAVIP, details of which are set out in the section headed "Consideration and Payment" in this announcement. The Company expects that the operators and their ultimate beneficial owners will be third parties independent of the Company and its connected persons.

In respect of the daily operation and management of the entrusted resources, CAVIP is entrusted by the Company to undertake daily operation and management of the frequent traveller's paid membership business and the existing business related to the VIP Travellers' Services, including safety, servicing, marketing, logistics, renovation and construction, as well as management of resources, premises and other related entrusted resources. CAVIP shall assist the operators with engineering projects reporting, project completion approval, management, business opening and the management of resources, premises and other related entrusted resources. In addition, CAVIP shall manage the operators and ensure that they strictly comply with the terms of the operation contracts and the management regulations of the Company. In executing the operation contracts, CAVIP shall request the operators to pay the contract performance bond or issue contract performance guarantee letter, which is to be collected, kept, managed and returned to the operators by CAVIP. In the event that any operator is in default, CAVIP shall forfeit the bond in part or in full in accordance with the contract as the case may be and pay such amount forfeited to the Company.

In respect of resources allocation and merchandising, the operators are selected through merchandising in accordance with the relevant management regulations of Beijing Capital Airport, whereby CAVIP is responsible for formulating merchandising proposals and their implementation. The merchandising proposals will be implemented after the Company has reviewed the appropriateness of resource allocation plans in the merchandising proposals. During the term of the Frequent Traveller Paid Membership Management Agreement, the Company is entitled to adjust the entrusted resources (including the cancellation of the resources) based on the resources adjustment of the airport operation and overall business planning and other reasons by thirty working days' prior notice to CAVIP.

In respect of the business marketing, the Company is responsible for the business's overall marketing and CAVIP shall (and procure the operators to) actively cooperate with the Company to carry out the relevant work. The Company agreed to strongly support various marketing and promotion activities initiated by the operators and CAVIP. Any marketing activities and promotion activities and plans in relation to the entrusted resources shall only be implemented upon written approval by the Company.

In respect of the services management, CAVIP shall ensure the operators establish a complete traveller services standard and services improvement, staff services training policy, relevant services supervision, training records and relevant management regulations, which are to be approved by CAVIP and filed with the Company. The Company is entitled to carry out spot checks on operation and services quality at the entrusted resources premises without prior notice and conduct appraisals on CAVIP in accordance with the airport's service standards and regulations. Penalties may be imposed and defaults may be deemed to occur based on the number of complaints on CAVIP or operators.

In respect of the advertising media resources management, any advertising media installation shall be filed with the Company. While the Company entrusts CAVIP to review the advertising photo samples, it is entitled to check and provide advice and CAVIP shall amend accordingly.

The Parties also agreed on their respective rights and responsibilities on protection of intellectual properties and safety management.

Annual cap

The Company expects that the annual caps payable by the Company to CAVIP under the Frequent Traveller Paid Membership Management Agreement are as follows:

	<i>(RMB)</i>
For the year ending 31 December 2022	10,000,000
For the year ending 31 December 2023	25,000,000
For the year ending 31 December 2024	25,000,000
For the year ending 31 December 2025	25,000,000

The above annual caps are determined based on the following factors:

- (i) the operating revenue that the Company expects to obtain from third-party operators;
- (ii) the operating revenue of such business is expected to remain stable in the next three years; and
- (iii) the relevant taxations.

Pricing policy

After receiving the quotation from CAVIP for the operation and management of the frequent traveller's paid membership business, the existing business related to the VIP Travellers' Services and the respective relevant resources, the Company has considered the following factors to assess the reasonableness and fairness of such quotation: (i) the costs of CAVIP in providing such operation and management services; (ii) the reasonable profit margin (approximately 10%) to be made by CAVIP for the provision of such operation and management services to the Company; and (iii) the relevant taxes.

CAVIP's profit margin of approximately 10% is considered by the Company as reasonable after the Company has compared it with the profit margin (which is in the range of approximately 8% to 15%) for the provision of other services, e.g. property management services, environmental and cleaning services, by other service providers in Beijing Capital Airport. Such service providers are selected based on tender results after the Company has assessed their quotations, qualifications, experience and service proposals, etc..

Further reference is made to management fees charged by relevant subsidiaries of the Parent Company for the provision of advertising and international retails services in Beijing Capital Airport under various existing management agreements entered into by the Company. The relevant management fees are in the range of 22% to 25% of the total revenue derived from the operation of the relevant resources. The rate of entrusted management fee payable by the Company to CAVIP under the Frequent Traveller Paid Membership Management Agreement, which represents approximately 23.94% of the total revenue derived from the entrusted matters thereunder, is within the aforesaid range.

Internal control on pricing

The Company has implemented a management system to monitor the pricing standards for the transactions under the Frequent Traveller Paid Membership Management Agreement to ensure that the terms are on normal commercial terms as follows:

1. Prior to entering into the Frequent Traveller Paid Membership Management Agreement, the commercial development department is responsible for gathering information on the (i) the cost and profit margin of CAVIP in providing the relevant operation and management services and the profit margin of other service providers in Beijing Capital Airport; and (ii) historical

transaction fees for other advertising and international retails services provided by relevant subsidiaries of the Parent Company to the Company in Beijing Capital Airport under various existing management agreements entered into by the Company. Thereafter, the commercial development department is responsible for the monitoring, assessment and ratings of the transactions contemplated under the Frequent Traveller Paid Membership Management Agreement. The finance department and the secretariat to the Board are responsible for gathering information on connected transactions and monitoring the implementation of connected transactions.

2. Prior to the signing of the definitive agreements and the implementation of the transactions contemplated under the Frequent Traveller Paid Membership Management Agreement, the principal officers in the commercial development department who handle the relevant matters shall lodge applications with the commercial development department, the finance department and the legal department of the Company and the secretariat to the Board. Such applications would only be approved upon a preliminary review conducted by the managers of the above respective departments of the Company, followed by a final review at the general manager office meeting in accordance with the internal control policies of the Company. Upon completion of the above internal review procedures based on different functions of various departments of the Company, the relevant definitive agreements will be considered and approved by the Board.
3. The independent non-executive Directors have reviewed and will continue to review the transactions contemplated under the Frequent Traveller Paid Membership Management Agreement to ensure that such transactions are entered into on normal commercial terms, fair and reasonable, and carried out pursuant to its contractual terms.
4. The auditors of the Company will conduct annual review on the transactions contemplated under the Frequent Traveller Paid Membership Management Agreement in relation to the pricing policy and annual caps contemplated thereunder in accordance with the Listing Rules.

Internal control on review of annual caps

The Company has implemented the following internal control measures to ensure that the annual caps for the transactions contemplated under the Frequent Traveller Paid Membership Management Agreement will not be exceeded:

1. The finance department of the Company provides the secretariat to the Board with information in relation to the actual transaction amounts on a monthly basis.
2. The secretariat to the Board is responsible for monitoring such transactions to ensure that the total amount of transactions does not exceed the annual caps.

3. If such amount of transactions is estimated to exceed the relevant annual cap, the person-in-charge of the relevant department of the Company will be notified so that the scale of transactions in the future may be re-estimated and arrangements may be made to issue announcements and/or to obtain the relevant approvals from the Board and the Independent Shareholders in accordance with the requirements of the Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2022 SUPPLEMENTAL TRAVELLER SERVICES RESOURCES USAGE AGREEMENT AND THE FREQUENT TRAVELLER PAID MEMBERSHIP MANAGEMENT AGREEMENT

Currently, the number of frequent travellers members of Beijing Capital Airport amounts to approximately 4.45 million, all of which are members of the point membership system. Paid membership is a more high-level membership model developed by commercial and travel organizations in recent years based on the point membership system as a beneficial supplement to the point membership system. The travellers are able to enjoy relevant benefits, such as personal check-in, personal security check and personal lounges services directly through payment.

To maximize the resources value in Beijing Capital Airport, stabilize the revenue of the Company during the current economic benefits downward period and enhance the quality of commercial development, the Company intends to consolidate resources for the frequent traveller business of Beijing Capital Airport with the existing business related to the VIP Travellers' Services so as to boost the development of frequent traveller's paid membership business in Beijing Capital Airport.

In view of the positive experience in the long-term cooperation between the Company and CAVIP and CAVIP's current operation of the existing business related to the VIP Travellers' Services in Beijing Capital Airport, it is expected that the continuing operation of Beijing Capital Airport in respect of the existing business related to the VIP Travellers' Services and the operation of the frequent traveller's paid membership business being carried out by CAVIP will be in favour of the better operation and development of such businesses.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that each of the 2022 Supplemental Traveller Services Resources Usage Agreement and the Frequent Traveller Paid Membership Management 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 respective 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. 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.

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, it is a wholly-owned subsidiary of the Parent Company.

BOARD'S APPROVAL

Each of the 2022 Supplemental Traveller Services Resources Usage Agreement and the Frequent Traveller Paid Membership Management Agreement was approved by the Board.

As at the date of this announcement, there is no overlapping directors between the Company and 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 CAVIP. Moreover, none of the Directors personally has any material interest in the transactions contemplated under the 2022 Supplemental Traveller Services Resources Usage Agreement or the Frequent Traveller Paid Membership Management Agreement. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the 2022 Supplemental Traveller Services Resources Usage Agreement, the Frequent Traveller Paid Membership Management Agreement and the respective 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. Since CAVIP is a wholly-owned subsidiary of the Parent Company, CAVIP is therefore a connected person of the Company. Accordingly, each of the 2022 Supplemental Traveller Services Resources Usage Agreement and the Frequent Traveller Paid Membership Management Agreement and the respective 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 the 2022 Supplemental Traveller Services Resources Usage Agreement constitutes a material change to the terms of the 2020 Traveller Services Resources Usage Agreement, the Company is required to re-comply with the relevant requirements of Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the 2022 Supplemental Traveller Services Resources Usage Agreement is more than 0.1% but less than 5%, the 2022 Supplemental Traveller Services Resources Usage Agreement and

the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Frequent Traveller Paid Membership Management Agreement is more than 0.1% but less than 5%, the Frequent Traveller Paid Membership Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review and announcement requirements, but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

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

“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 Agreement Announcement
“2020 Traveller Services Resources Usage Agreement 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 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 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

“2021 Supplemental Traveller Services Resources Usage Agreement Announcement”	the announcement of the Company dated 29 December 2021 in respect of the continuing connected transactions contemplated under, among other things, the 2021 Supplemental Traveller Services Resources Usage Agreement
“2022 Supplemental Traveller Services Resources Usage Agreement”	the supplemental agreement dated 1 August 2022 entered into between the Company and CAVIP to amend certain terms of the 2020 Traveller Services Resources Usage Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“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 which is a wholly-owned subsidiary of the Parent Company
“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場股份有限公司), 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 meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“COVID-19”	novel coronavirus
“Director(s)”	the director(s) of the Company
“Effective Date”	the effective date of the 2022 Supplemental Traveller Services Resources Usage Agreement
“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

“Frequent Traveller Paid Membership Management Agreement”	the frequent traveller paid membership management agreement dated 1 August 2022 entered into between the Company and CAVIP in relation to the permission granted by the Company to CAVIP to operate and manage the frequent traveller’s paid membership business, the existing business related to the VIP Travellers’ Services and the respective relevant resources in Beijing Capital Airport for a term of three years commencing from 1 August 2022 to 31 July 2025
“H Share(s)”	overseas listed foreign share(s) of 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 the 2022 Supplemental Traveller Services Resources Usage Agreement or the Frequent Traveller Paid Membership Management Agreement, as the case maybe
“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
“Parties”	the parties to the 2022 Supplemental Traveller Services Resources Usage Agreement, namely the Company and CAVIP
“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
“VIP(s)”	very important person(s)
“VIP Travellers’ Services”	existing VIP travellers’ services and other VIP-related services provided to the frequent travellers by CAVIP to the Company under the 2020 Traveller Services Resources Usage Agreement, which is to be excluded from the 2020 Traveller Services Resources Usage Agreement pursuant to the 2022 Supplemental Traveller Services Resources Usage Agreement and included in the Frequent Traveller Paid Membership Management Agreement
“%”	per cent

By order of the Board
Meng Xianwei
Secretary to the Board

Beijing, the PRC
1 August 2022

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. 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” and the website of the Company at <http://www.bcia.com.cn>.

** For identification purpose only*