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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)

MATERIAL VARIATION OF THE TERMS OF CONNECTED TRANSACTION IN RELATION TO THE CAPITAL CONTRIBUTION AGREEMENT

Reference is made to the announcement of the Company dated 23 September 2021 in respect of the connected transaction in relation to the Capital Contribution Agreement for the formation of the Joint Venture Company.

On 30 June 2023, the Company, the Inner Mongolia Airport Group, the Equipment Operation and Maintenance Company, the Guarantee Company, and the Technology Company entered into the Supplemental Agreement to amend certain terms of the Capital Contribution Agreement.

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 each of the Equipment Operation and Maintenance Company, the Guarantee Company and the Technology Company is a wholly-owned subsidiary of the Parent Company, the Equipment Operation and Maintenance Company, the Guarantee Company and the Technology Company are therefore connected persons of the Company. As such, each of the Capital Contribution Agreement and the Supplemental Agreement and the transaction contemplated thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms of a connected transaction, the listed issuer must announce this fact as soon as practicable and also comply with all other applicable provisions under the Listing Rules. Since the Supplemental Agreement constitutes material variation to certain terms of the Capital Contribution Agreement, the Supplemental Agreement is subject to announcement requirements under Rule 14A.35 of the Listing Rules.

As the Company's capital commitment to the Joint Venture Company under the Supplemental Agreement remains unchanged and the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the transaction contemplated thereunder is more than 0.1% but less than 5%, the transaction contemplated under the Supplemental Agreement is subject to the reporting and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Reference is made to the announcement of the Company dated 23 September 2021 (the "**Announcement**") in respect of the connected transaction in relation to the Capital Contribution Agreement for the formation of the Joint Venture Company.

Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

BACKGROUND

Pursuant to the Capital Contribution Agreement, the Joint Venture Company was established with its equity interests held by, on the one hand, the Company as to 31% and, on the other hand, by (i) the Equipment Operation and Maintenance Company; (ii) the Inner Mongolia Airport Group; and (iii) the Guarantee Company as to 31%, 31% and 7%, respectively.

In March 2023, the Equipment Operation and Maintenance Company and the Guarantee Company, which are wholly-owned subsidiaries of the Parent Company, had transferred all of their respective equity interests in the Joint Venture Company to Beijing Airport Group Technology Management Company Limited* (首都機場集團科技管理有限公司) (the "**Technology Company**"), a wholly-owned subsidiary of the Parent Company. As a result of such transfer of equity interests in the Joint Venture Company (the "**Transfer of Equity Interests**"), the respective equity interest held by each of the Company and the Inner Mongolia Airport Group in the Joint Venture Company remains as 31%, while the remaining 38% equity interest in the Joint Venture Company is held by the Technology Company.

As at the date of this announcement, no capital contribution has been made to the Joint Venture Company, whether in full or in part, by the Company, the Inner Mongolia Airport Group, the Equipment Operation and Maintenance Company, the Guarantee Company, or the Technology Company.

THE SUPPLEMENTAL AGREEMENT

In light of the Transfer of Equity Interests, on 30 June 2023, the Company, the Inner Mongolia Airport Group, the Equipment Operation and Maintenance Company, the Guarantee Company, and the Technology Company entered into a supplemental agreement (the “**Supplemental Agreement**”) in relation to the Capital Contribution Agreement to amend certain terms of the Capital Contribution Agreement.

The material amendments to the terms of the Capital Contribution Agreement as a result of the Supplemental Agreement are summarised below:

Capital contribution : Under the Capital Contribution Agreement, the total amount of capital contribution by all the shareholders of the Joint Venture Company shall be RMB130,687,700 of which each of the Company, the Inner Mongolia Airport Group, and the Equipment Operation and Maintenance Company shall contribute RMB40,513,200 and the Guarantee Company shall contribute RMB9,148,100. The capital contribution by each of the Company, the Equipment Operation and Maintenance Company, and the Guarantee Company shall be satisfied in cash, while the capital contribution by the Inner Mongolia Airport Group shall be made in the form of the entire equity interest of its subsidiary (i.e. Si Tuo Company).

Under the Supplemental Agreement, the total amount of capital contribution by all the shareholders of the Joint Venture Company remains unchanged. The amount of capital contribution from the Technology Company shall be RMB49,661,300, representing 38% of the registered capital of the Joint Venture Company, which is equivalent to the aggregate amount of capital contribution that would have been made by the Equipment Operation and Maintenance Company and the Guarantee Company under the Capital Contribution Agreement. The amount of capital contribution from each of the Company and the Inner Mongolia Airport Group remains the same as those set out in the Capital Contribution Agreement.

Payment terms : Under the Capital Contribution Agreement, each of the Company, the Equipment Operation and Maintenance Company, and the Guarantee Company shall pay their respective capital contributions in full before 31 December 2023 (the “**Latest Payment Date**”) and the Inner Mongolia Airport Group shall complete its equity contribution (i.e. complete the registration procedures for the changes in equity interest of Si Tuo Company) before 31 December 2023 (the “**Latest Equity Contribution Date**”).

Under the Supplemental Agreement, both the Latest Payment Date for the Company and the Technology Company and the Latest Equity Contribution Date for the Inner Mongolia Airport Group shall be changed to 30 June 2023. However, if, for reasons not attributable to the Company, the Inner Mongolia Airport Group and the Technology Company, the above three parties fail to make any of the respective capital contribution in full in accordance with the above agreed schedule, none of the above three parties shall be liable for breach of contract.

Management of the Joint Venture Company : Under the Capital Contribution Agreement, the board of directors of the Joint Venture Company shall comprise five members, with four directors to be nominated by the respective Parties and one staff representative director to be elected at the staff representatives’ meeting or the staff’s meeting. The chairman of the board of the Joint Venture Company shall be rotated once every three years between the representatives nominated by each of the Company, the Equipment Operation and Maintenance Company, and the Guarantee Company (the “**Chairman Rotation Arrangement**”).

Under the Supplemental Agreement, the board of directors of the Joint Venture Company shall comprise five members, with two directors to be nominated by the Technology Company, one director to be nominated by each of the Company and the Inner Mongolia Airport Group, and one staff representative director to be elected at the staff representatives’ meeting or the staff’s meeting. The Chairman Rotation Arrangement remains substantially the same except that it shall be between the representatives nominated by each of the Technology Company, the Company and the Inner Mongolia Airport Group.

Save as disclosed above, all other terms in the Capital Contribution Agreement remain unchanged in all material respect.

INFORMATION OF THE RELEVANT PARTIES

The Joint Venture Company

The Joint Venture Company is a company established in the PRC on 11 October 2021 with the registered name of Beijing Chuanglian Civil Aviation Technology Co., Ltd* (北京創聯民航技術有限公司), and is principally engaged in software development; integration services for computer system; information technology management and consulting services, as well as software services, etc.

The Company

The Company is principally engaged in the operation of the Beijing Capital Airport. It is a non-wholly owned subsidiary of the Parent Company.

The Inner Mongolia Airport Group

The Inner Mongolia Airport Group is principally engaged in airport and air traffic management and other ancillary activities of aviation transportation; internet and related services; software and information technology services; communication terminal equipment manufacturing; and retail sales of communication equipment, etc. The equity interest of the Inner Mongolia Airport Group is wholly-owned by Inner Mongolia State-owned Capital Management Co., Ltd.* (內蒙古國有資本運營有限公司), whose ultimate beneficial owner is the State-owned Assets Supervision and Administration Commission of the People's Government of the Inner Mongolia Autonomous Region.

The Equipment Operation and Maintenance Company

The Equipment Operation and Maintenance Company is principally engaged in the maintenance, development, installation and supply of spare parts of equipment as well as the provision of technical consulting services at airports; airport equipment manufacturing; computer system integration; and internet information services, etc. The Equipment Operation and Maintenance Company is a wholly-owned subsidiary of the Parent Company.

The Guarantee Company

The Guarantee Company is principally engaged in the provision of guarantees of loans, finance leases and other economic contracts for small and medium-sized enterprises, etc. The Guarantee Company is a wholly-owned subsidiary of the Parent Company.

The Technology Company

The Technology Company is principally engaged in the development, consulting and transfer of technology; software development; computer system integration, as well as basic software and applied software services, etc. The Technology Company is a wholly-owned subsidiary of the Parent Company.

The Parent Company

The Parent Company is principally engaged in the provision of ground handling 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.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL AGREEMENT

The amendments to the terms of the Capital Contribution Agreement as set out in the Supplemental Agreement are intended to reflect the new shareholding structure in the Joint Venture Company as well as the changes to its operation and management as a result of the Transfer of Equity Interests.

In view of the above, the Directors are of the view that the terms of the Supplemental Agreement are fair and reasonable, have been entered into after arm's length negotiations and determined on normal commercial terms, and are in the interests of the Company and its Shareholders as a whole.

BOARD'S APPROVAL

The Supplemental Agreement has been approved by the Board.

As at the date of this announcement, there are no overlapping directors and senior management between the Company on one hand, and the Inner Mongolia Airport Group, the Equipment Operation and Maintenance Company, the Guarantee Company or the Technology Company on the other hand. Moreover, while certain executive and non-executive Directors concurrently serve as director or senior management of the Parent Company, none of the Directors personally has any material interest in the transaction contemplated under the Supplemental Agreement. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the Supplemental Agreement and the transaction 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 each of the Equipment Operation and Maintenance Company, the Guarantee Company and the Technology Company is a wholly-owned subsidiary of the Parent Company, the Equipment Operation and Maintenance Company, the Guarantee Company and the Technology Company are therefore connected persons of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Inner Mongolia Airport Group and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons. As such, each of the Capital Contribution Agreement and the Supplemental Agreement and the transaction contemplated thereunder constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

Pursuant to the note to Rule 14A.35 of the Listing Rules, if there is any material variation of the terms of a connected transaction, the listed issuer must announce this fact as soon as practicable and also comply with all other applicable provisions under the Listing Rules. Since the Supplemental Agreement constitutes material variation to certain terms of the Capital Contribution Agreement, the Supplemental Agreement is subject to announcement requirements under Rule 14A.35 of the Listing Rules.

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By order of the Board
Meng Xianwei
Secretary to the Board

Beijing, the PRC
30 June 2023

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

Executive Directors: Mr. Wang Changyi and Mr. Han Zhiliang

Non-executive Directors: Mr. Jia Jianqing, Mr. Song Kun and Mr. Du Qiang

Independent non-executive Directors: Mr. Zhang Jiali, Mr. Stanley Hui Hon-chung, Mr. Wang Huacheng and Ms. Duan Donghui

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