



Beijing Capital International Airport Company Limited

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)
Stock Code: 00694



Interim Report
2023

The board of directors (the “Board”) of Beijing Capital International Airport Company Limited (the “Company”) announces the operating results and unaudited financial results of the Company for the first half of 2023 which have been reviewed by the Audit and Risk Management Committee of the Company (the “Audit and Risk Management Committee”) and the prospects for the second half of 2023 as follows:

SUMMARY OF FINANCIAL RESULTS

(All amounts are expressed in thousands of Renminbi (“RMB”) except loss per share data)

	For the six months ended 30 June (Unaudited)		
	2023	2022	Change
Revenues	1,985,073	1,101,321	80.2%
Operating expenses	(2,757,714)	(2,764,795)	-0.3%
LBITDA	(83,066)	(973,928)	-91.5%
Loss attributable to shareholders	(1,041,495)	(1,404,644)	-25.9%
Loss per share (basic and diluted) (RMB)	(0.227)	(0.307)	-26.1%
	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)	Change
Total assets	33,055,646	33,483,400	-1.3%
Total liabilities	17,487,621	16,878,480	3.6%
Shareholders’ equity	15,568,025	16,604,920	-6.2%



MANAGEMENT DISCUSSION AND ANALYSIS

Overview of Aeronautical Business

In the first half of 2023, the domestic aviation market recovered gradually, while the recovery of the international aviation market remained relatively sluggish as affected by the global environment, geopolitical tensions and other factors. Beijing Capital Airport witnessed a steady recovery in air traffic volumes.

In the first half of 2023, the air traffic volumes of domestic routes (excluding Hong Kong, Macau and Taiwan) of Beijing Capital Airport rebounded steadily. In respect of the air traffic volumes of international routes, international aircraft movements grew slightly as compared with the same period of the previous year by virtue of the continuous relaxation of travel restrictions and the increasing international mobility. Meanwhile, due to the larger base figure of international cargo flights for the corresponding period of the previous year, coupled with the decrease in international cargo demand and increase in passenger demand during the current period, the growth in international passenger throughput over the same period of the previous year far exceeded that of international aircraft movements. In respect of the air traffic volumes of Hong Kong, Macau and Taiwan routes, both the aircraft movements and passenger throughput of Hong Kong, Macau and Taiwan routes recovered significantly as compared with the same period of the previous year, which have similarly benefited from the recovery of the aircraft movements and passenger throughput in the regions of Hong Kong, Macau and Taiwan.

Overall, the cumulative aircraft movements at Beijing Capital Airport reached 175,937 sorties, representing an increase of approximately 133.4% as compared with the same period of the previous year. The cumulative passenger throughput reached 23,100,384 person-times, representing an increase of approximately 318.3% as compared with the same period of the previous year. The cumulative cargo and mail throughput reached 473,326 tonnes, representing a decrease of approximately 16.5% as compared with the same period of the previous year. Detailed information is set out in the table below:

	For the six months ended 30 June		
	2023	2022	Change
Aircraft Movements (<i>unit: sorties</i>)	175,937	75,387	133.4%
Domestic	161,577	62,748	157.5%
Including: Hong Kong, Macau & Taiwan	4,391	2,575	70.5%
International	14,360	12,639	13.6%
Passenger Throughput (<i>unit: person-times</i>)	23,100,384	5,522,779	318.3%
Domestic	21,353,013	5,441,237	292.4%
Including: Hong Kong, Macau & Taiwan	586,827	80,214	631.6%
International	1,747,371	81,542	2,042.9%
Cargo and Mail Throughput (<i>unit: tonnes</i>)	473,326	566,975	-16.5%
Domestic	289,150	274,110	5.5%
Including: Hong Kong, Macau & Taiwan	33,288	36,309	-8.3%
International	184,176	292,865	-37.1%

Aeronautical Revenues

	Unaudited		
	For the six months ended 30 June		
	2023	2022	Change
	<i>RMB'000</i>	<i>RMB'000</i>	
Aircraft movement fees and related income	514,511	258,278	99.2%
Passenger service income	395,560	90,584	336.7%
Total aeronautical revenues	910,071	348,862	160.9%

In the first half of 2023, benefiting from the steady recovery of the air traffic volumes of Beijing Capital Airport, the aeronautical business revenues of the Company increased significantly to a total amount of RMB910,071,000, representing an increase of approximately 160.9% as compared with the same period of the previous year.

In the first half of 2023, revenues from aircraft movement fees and related income of the Company were RMB514,511,000, representing an increase of approximately 99.2% as compared with the same period of the previous year, which was mainly attributable to the rebound of aircraft movements of Beijing Capital Airport during the current period. However, pursuant to the Notice on Issues Concerning Airport Charges Related to International Passenger Flights (Min Hang Han [2023] No. 297) (《關於國際客運航班機場收費有關問題的通知》(民航函[2023]297號)), the 10% upward adjustment policy on charging standards of movement fees for international passenger flights of domestic and foreign airlines at Category I and Category II airports has been suspended from 1 May 2023 to 31 December 2023. As a result of this policy, the extent of increase in revenues from aircraft movement fees and related income of the Company was smaller than the extent of increase in aircraft movements. Revenues from passenger service income were RMB395,560,000, representing an increase of approximately 336.7% as compared with the same period of the previous year, which was substantially in line with the increase in passenger throughput.

Non-Aeronautical Revenues

	Unaudited		
	For the six months ended 30 June		
	2023	2022	Change
	RMB'000	RMB'000	
Concession revenues	597,260	350,835	70.2%
Including: Advertising	309,727	264,959	16.9%
Retailing	155,442	39,074	297.8%
VIP services	47,408	–	100%
Restaurants and food shops	42,356	24,191	75.1%
Car parking services	24,413	7,101	243.8%
Other concessions	17,914	15,510	15.5%
Rental income	414,906	359,172	15.5%
Resources usage income	56,971	33,345	70.9%
Others	5,865	9,107	-35.6%
Total non-aeronautical revenues	1,075,002	752,459	42.9%

In the first half of 2023, the non-aeronautical business, which is closely related to the air traffic volumes of Beijing Capital Airport, showed a trend of recovery. The non-aeronautical revenues of the Company were RMB1,075,002,000, representing an increase of approximately 42.9% as compared with the same period of the previous year.

In the first half of 2023, the concession revenues of the Company were RMB597,260,000, representing an increase of approximately 70.2% as compared with the same period of the previous year. Among these, the revenues from advertising were RMB309,727,000, representing an increase of approximately 16.9% as compared with the same period of the previous year, which was mainly caused by the combined effects of the growth in the passenger throughput of Beijing Capital Airport, the resumption of international flights and the failure to renew some of the advertising contracts upon expiry. The revenues from retailing were RMB155,442,000, representing an increase of approximately 297.8% as compared with the same period of the previous year, which was mainly due to a rebound in the international passenger throughput during the current period, resulting in a corresponding increase in the revenues from retailing for the current period. The revenues from VIP services amounted to RMB47,408,000, representing an increase of 100% as compared with the same period of the previous year. This was largely attributable to the recognition of relevant revenues according to the contracts from the newly added frequent traveller's paid membership business of the Company since August 2022. The revenues from restaurants and food shops were RMB42,356,000, representing an increase of approximately 75.1% as compared with the same period of the previous year, which was mainly attributable to the higher revenues from restaurants and food shops resulted from an increase in passenger throughput, coupled with a smaller base figure for the same period of the previous year as a result of the waiver policy. The revenues from car parking services were RMB24,413,000, representing an increase of approximately 243.8% as compared with the same period of the previous year, which was mainly due to the rising passenger throughput, leading to a corresponding increase in revenues from car parking services. The revenues from other concessions were RMB17,914,000, representing an increase of approximately 15.5% as compared with the same period of the previous year, which was due to the increase in business volume of other concessions that are linked to the passenger throughput.



In the first half of 2023, the rental revenues of the Company were RMB414,906,000, representing an increase of approximately 15.5% as compared with the same period of the previous year, which mainly benefited from the increase in Beijing Capital Airport's aircraft movements during the current period, leading to a corresponding increase in some of the related rental revenues.

In the first half of 2023, the resources usage income of the Company were RMB56,971,000, representing an increase of approximately 70.9% as compared with the same period of the previous year, which was mainly caused by a higher opening rate and larger shop areas of the retail stores and restaurants as Beijing Capital Airport's passenger throughput gradually recovered, resulting in an increase in resources usage income.

In the first half of 2023, other revenues of the Company were RMB5,865,000, representing a decrease of approximately 35.6% as compared with the same period of the previous year, which was mainly affected by the decrease in related revenues as a result of business adjustments related to sewage treatment.

Operating Expenses

	Unaudited		
	For the six months ended 30 June		
	2023	2022	Change
	RMB'000	RMB'000	
Depreciation and amortisation	775,654	778,866	-0.4%
Aviation safety and security guard costs	423,980	435,738	-2.7%
Repair and maintenance	400,053	384,947	3.9%
Staff costs	242,523	246,654	-1.7%
Utilities and power	229,784	262,779	-12.6%
Operating contracted services costs	212,363	205,550	3.3%
Concession management fees	141,513	78,381	80.5%
Greening and environmental maintenance costs	136,830	138,698	-1.3%
Real estate and other taxes	113,816	118,222	-3.7%
Other costs	81,198	114,960	-29.4%
Operating expenses	2,757,714	2,764,795	-0.3%

In the first half of 2023, the operating expenses of the Company were RMB2,757,714,000, representing a decrease of approximately 0.3% as compared with the same period of the previous year.

In the first half of 2023, the aviation safety and security guard costs of the Company were RMB423,980,000, representing a decrease of approximately 2.7% as compared with the same period of the previous year, which was mainly due to the decrease in aviation safety and security related fees as a result of the cost reduction and efficiency improvement measures implemented by the Company.



In the first half of 2023, the repair and maintenance expenses of the Company were RMB400,053,000, representing an increase of approximately 3.9% as compared with the same period of the previous year, which was mainly due to the increase in the frequency of using certain equipment for production and operation as a result of the increase in business volume, leading to an increase in maintenance costs for equipment and system.

In the first half of 2023, the utilities and power expenses of the Company were RMB229,784,000, representing a decrease of approximately 12.6% as compared with the same period of the previous year, which was mainly due to the adjustment to the fee standards of the heating fees, which resulted in the corresponding decline in the heating expenses.

In the first half of 2023, the operating contracted services costs of the Company were RMB212,363,000, representing an increase of approximately 3.3% as compared with the same period of the previous year, which was mainly due to the recovery of passenger throughput, resulting in the increase in demand for related operating contracted services in the terminals of Beijing Capital Airport, and hence the increase in operating contracted services costs.

In the first half of 2023, the concession management fees of the Company were RMB141,513,000, representing an increase of approximately 80.5% as compared with the same period of the previous year, which was mainly due to the rebound of passenger throughput and hence a corresponding increase in concession revenues from businesses such as advertising, retailing and restaurants and food shops, resulting in the corresponding increase in the concession management fees that were charged in proportion to the concession revenues.

In the first half of 2023, the real estate and other taxes of the Company were RMB113,816,000, representing a decrease of approximately 3.7% as compared with same period of the previous year, which was mainly due to the fact that the portion of real estate taxes assessable on rentals levied was calculated based on the rental income of the Company in the previous year, while the rental income of Beijing Capital Airport in the first half of 2022 decreased as compared with the same period of 2021, resulting in the decline in the real estate taxes during the current period as compared with the same period of the previous year.

In the first half of 2023, the other costs of the Company were RMB81,198,000, representing a decrease of approximately 29.4% as compared with the same period of the previous year, which was mainly due to the substantial decrease in investment relating to pandemic prevention and control.

OTHER ITEMS IN THE STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2023, the net financial costs of the Company after deduction of the financial incomes were RMB173,209,000, representing an increase of 1.2% as compared with the same period of the previous year. On the one hand, there were certain new borrowings during the current period, leading to an increase in interest expenses; on the other hand, there was a sharp increase in interest rate during the current period for the borrowings from the European Investment Bank assumed from the Parent Company at an interest rate of six-month LIBOR plus 0.4%, resulting in the increase in interest expenses as compared with the same period of the previous year. Meanwhile, the exchange rate of US dollar against RMB increased during the first half of 2023, generating exchange losses for the borrowings from the European Investment Bank denominated in US dollar. In light of the continuous increase of the exchange rate of US dollar against RMB since 2022, and after taking into account the fact that the costs of RMB debts were lower than the interest rates of USD loans, the adverse impact of continuous fluctuations in exchange rates on the Company and other factors, the Company has completed the early repayment of all the outstanding borrowings from the European Investment Bank on 15 June 2023.



PROSPECTS FOR THE SECOND HALF OF THE YEAR

During the first half of 2023, the civil aviation market witnessed significant signs of recovery as domestic economy picked up. However, due to the relatively sluggish resumption of international flights as well as the transfer and diversion of flights to Daxing Airport, the production and operation of the Company remained largely suppressed. Stepping into the second half of the year, as the national economy recovered at an accelerated pace, the civil aviation industry ushered in a critical recovery period with capacity expansion and quality improvement. Beijing Capital Airport will make all-out efforts to seize the opportunities arising from the sustained improvement in market demand for aviation transportation and press ahead with the major tasks in order to further reinforce the foundation of development.

During the second half of 2023, staying committed to the principle of “Safety First”, the Company will ensure safe and smooth operation. It will continue to perform specific checks and rectifications on major safety hazards and strengthen the safety management of related parties, while optimizing the intelligent safety management system to improve the functions of risk and hazard sharing as well as safety supervision and inspection among related parties. Besides, the Company will optimize the management model of security business, promote brand benchmarking in respect of the security check channels and explore new initiatives regarding intelligent security checks. It will also continue to enhance its capabilities in risk identification, management and control so as to consolidate the foundation of safe development, thereby driving high-quality development with high-level safety.

During the second half of 2023, the Company will ensure the effectiveness of “Quality Operation” and properly enhance the boarding efficiency of passengers. It will continue to raise the assurance standards of de-icing and snow removal at Beijing Capital Airport, with a view to boosting the efficiency of operation in winter. In order to deepen data sharing with airlines and airport-stationed units, the Company will establish a data resource management system for Beijing Capital Airport. Specific improvement measures, including increasing security checks efficiency and refining transit service procedures, will be carried out in cooperation with units stationed at the airport on an ongoing basis. Furthermore, the Company will strengthen the ability of fostering operation synergy, and allocate and secure resources in a scientific manner with a focus on enhancing the frontal bay rate of flights, while facilitating improvement in operating quality with vigorous efforts.

During the second half of 2023, the Company will implement the standards of “Service in China” to establish an industry benchmark and provide sincere services in a practical manner. The Company will continue to refine its service standard system with a focus on targeted improvement of shortcomings in terms of services, at the same time facilitating the enhancement of service quality in coordination with airlines regarding the concerns of passengers, such as luggage claiming efficiency and flight cut-off time. With a focus on passenger demands and the characteristics of various customer groups, the Company will optimize its services and products, and strengthen the promotion of its service brand of the “First Gateway of China to Bring Love Together (第一國門讓愛聚首)”. By improving service standards, procedures and programs, the Company will develop a sound system for quality services and hence better cater to the travel demand of passengers with sincere services.

During the second half of 2023, the Company will strive for satisfactory results through innovation of business operation and build up momentum for the recovery of all-round development. While optimizing domestic express routes from Beijing Capital Airport and the “Connect Flight via Beijing Capital Airport” domestic transit products, the Company will accelerate the resumption of operation of the “Transit abroad via Beijing Capital Airport” international transit products, with a view to exploring the potential of the aviation market continuously with intensified marketing efforts on aviation products. Committed to tapping into the value of resources, the Company will actively promote resource allocation, business integration and management improvement, thereby driving the increase in the revenue of the Company. The Company will enhance the effectiveness of cost reduction and efficiency improvement measures, reinforce supervision, optimize incentive plans and establish a long-term cost control mechanism, in a bid to facilitate the prompt recovery and development of the Company by leveraging the merit of cost reduction and efficiency improvement.



INTERIM DIVIDENDS

The Board does not recommend the distribution of an interim dividend for the six months ended 30 June 2023.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2023, the Company had cash and cash equivalents amounting to RMB1,428,999,000, while the cash and cash equivalents of the Company amounted to RMB1,590,413,000 as at 31 December 2022.

As at 30 June 2023, the Company's principal amount of short-term and long-term borrowings were RMB7,000,000,000 and RMB1,999,600,000, respectively, and the amount of bonds payable was RMB1,339,164,000.

As at 30 June 2023, the current ratio of the Company was 0.21, while the current ratio of the Company was 0.19 as at 31 December 2022. 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 30 June 2023, the gearing ratio of the Company was 52.90%, while the gearing ratio of the Company was 50.40% as at 31 December 2022. Such ratios were computed by dividing the amount of total liabilities by the amount of total assets as at those respective dates.

As at 30 June 2023, the capital and reserves of the Company were RMB15,568,025,000, while the capital and reserves of the Company were RMB16,604,920,000 as at 31 December 2022.

For the first half of 2023, the Company's net cash used in operating activities amounted to RMB1,058,184,000, while the Company's net cash used in operating activities amounted to RMB519,513,000 in the same period of the previous year.

For the first half of 2023, the Company's net cash used in investing activities amounted to RMB188,751,000, while the Company's net cash used in investing activities amounted to RMB312,965,000 in the same period of the previous year.

For the first half of 2023, the Company's net cash generated from financing activities amounted to RMB1,084,800,000, while the Company's net cash used in financing activities amounted to RMB433,119,000 in the same period of the previous year.

CHARGE ON ASSETS

During the six months ended 30 June 2023, there was no charge or pledge on the assets of the Company.

MERGER, ACQUISITION AND DISPOSAL

During the six months ended 30 June 2023, the Company did not conduct any material merger, acquisition or disposal.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2023, the Company did not purchase, sell and redeem any of its listed securities.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

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

As at 30 June 2023, the assets and liabilities of the Company denominated in US dollars included cash and cash equivalents of approximately RMB20,087,000 (as at 31 December 2022: RMB20,449,000), other receivables of approximately RMB4,000 (as at 31 December 2022: RMB0), and trade and other payables of approximately RMB9,279,000 (as at 31 December 2022: RMB8,944,000). For the first half of 2023, the Company recorded net exchange losses of RMB25,572,000.



EXPOSURE TO FLUCTUATIONS IN INTEREST RATES

As at 30 June 2023, the Company's principal amount of short-term and long-term borrowings were RMB7,000,000,000 and RMB1,999,600,000, respectively. The interest rates of the above borrowings were referenced to the benchmark interest rates of the National Interbank Funding Centre.

SIGNIFICANT INVESTMENTS

During the six months ended 30 June 2023, there were no significant investments held by the Company (including any investment in an investee company with a value of 5% or more of the Company's total assets as at 30 June 2023).

FUTURE PLANS FOR MATERIAL INVESTMENTS, CAPITAL ASSETS AND MATERIAL FINANCING

The shareholders of the Company approved a financing plan at the extraordinary general meeting convened on 22 December 2022, pursuant to which, among others, the Company's registration and issuance (as and when appropriate) of medium-term notes and super short-term debentures in the PRC, each in an aggregate amount of not more than RMB4 billion, was approved. The Company has made a formal application for the registration and issuance of medium-term notes and super short-term debentures to the National Association of Financial Market Institutional Investors ("NAFMII") on 16 August 2023. The relevant application was approved by NAFMII on 31 August 2023. The Company has issued the first tranche of the medium-term notes (the "2023 First Tranche Medium-term Notes") between 6 September 2023 and 7 September 2023 with total issuance amount of RMB1.5 billion. For details of the registration and proposed issuance of medium-term notes and super short-term debentures, and the issuance of the 2023 First Tranche Medium-term Notes, please refer to the supplemental circular of the Company dated 8 December 2022 and the announcements of the Company dated 22 December 2022, 16 August 2023, 31 August 2023 and 11 September 2023.

Save as disclosed above, as at 30 June 2023, the Company did not have any other plan for material investments, capital assets or material financing.

CONTINGENT LIABILITIES

As at 30 June 2023, the Company did not have any significant contingent liabilities.

EMPLOYEES AND EMPLOYEE WELFARE


- As at 30 June 2023, the number of employees of the Company was as follows, together with the comparative figures for the same date in the previous year:**

	As at 30 June 2023	As at 30 June 2022
Number of employees	1,507	1,555

The remuneration policy of employees of the Company is determined by the management based on market practice. The Company adopted a skill-based and performance-based position salary system, which was based on the value of the position and the skill level of employees 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 business development and the increase of labor remuneration could be in line with the increase of labour productivity.

- 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 in Beijing. According to the regulations, the Company pays the basic employee medical insurance (including maternity insurance) for its employees at 9.8%, of the average monthly salaries of its employees in the previous year.



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 participate in the scheme shall make monthly contributions to the corporate pension funds according to a certain proportion.

MATERIAL LITIGATION OR ARBITRATION

During the six months ended 30 June 2023, the Company was not involved in any material litigation or arbitration.

ENTRUSTED DEPOSITS AND OVERDUE FIXED DEPOSITS

As at 30 June 2023, the Company did not have any entrusted deposits or uncollected fixed deposits upon maturity placed with any financial institutions or any other entities.

ISSUED SHARE CAPITAL

As at 30 June 2023, the total issued share capital of the Company was 4,579,178,977 shares, including:

	Number of shares	Percentage of shareholding to the total issued shares
Domestic shares	2,699,814,977	58.96%
H shares	1,879,364,000	41.04%

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As of 30 June 2023, the interests and short positions held in the shares and underlying shares of the Company by the following persons, other than the directors, supervisors or chief executive of the Company, as recorded in the register required to be kept by the Company under section 336 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) were as follows:

Name of substantial shareholder	Class of shares	Number of shares	Capacity/nature of interest	Percentage of shareholding to the relevant class of shares	Percentage of shareholding to the total issued shares
Capital Airports Holdings Limited (<i>Note 1</i>)	Domestic shares	2,699,814,977 (L)	Beneficial owner	100%	58.96%
The Bank of New York Mellon Corporation	H shares	150,772,031 (L)	Interest of corporation controlled by substantial shareholder	8.02%	3.29%
		148,991,286 (P)	Interest of corporation controlled by substantial shareholder	7.93%	3.25%
Causeway Capital Management LLC (<i>Note 2</i>)	H shares	149,966,700 (L)	Investment manager	7.98%	3.28%
BlackRock, Inc.	H shares	137,947,649 (L)	Interest of corporation controlled by substantial shareholder	7.34%	3.01%



Name of substantial shareholder	Class of shares	Number of shares	Capacity/nature of interest	Percentage of shareholding to the relevant class of shares	Percentage of shareholding to the total issued shares
		9,120,000 (S)	Interest of corporation controlled by substantial shareholder	0.49%	0.20%
Citigroup Inc.	H shares	130,855,177 (L)	Interest of corporation controlled by substantial shareholder	6.96%	2.86%
		130,268,172 (P)	Interest of corporation controlled by substantial shareholder	6.93%	2.85%
T. Rowe Price Associates, Inc. and its Affiliates	H shares	129,636,000 (L)	Beneficial owner	6.89%	2.83%
Aberdeen Asset Management PLC and its associates (Note 2)	H shares	114,868,000 (L)	Investment manager	6.11%	2.51%
Mitsubishi UFJ Financial Group, Inc.	H shares	113,556,000 (L)	Interest of corporation controlled by substantial shareholder	6.04%	2.48%

Name of substantial shareholder	Class of shares	Number of shares	Capacity/nature of interest	Percentage of shareholding to the relevant class of shares	Percentage of shareholding to the total issued shares
JPMorgan Chase & Co.	H shares	107,204,582 (L)	Interest of corporation controlled by substantial shareholder	5.70%	2.34%
	H shares	14,699,035 (S)	Interest of corporation controlled by substantial shareholder	0.78%	0.32%
	H shares	72,561,988 (P)	Interest of corporation controlled by substantial shareholder	3.86%	1.59%
Mr. Jiang Jinzhi (蔣錦志) (Note 3)	H shares	105,602,000 (L)	Interest of corporation controlled by substantial shareholder	5.62%	2.31%
Invesco Asset Management Limited (Note 2)	H shares	99,325,400 (L)	Investment manager	5.28%	2.17%
Hermes Investment Funds PLC	H shares	94,613,662 (L)	Beneficial owner	5.03%	2.07%

(L) = Long position

(S) = Short position

(P) = Lending pool



Notes:

1. Capital Airports Holdings Limited was incorporated in the PRC and is the controlling shareholder of the Company.

Mr. Wang Changyi, the chairman of the Board and an executive director of the Company, is a director and the chairman of the board of Capital Airports Holdings Limited.

Mr. Han Zhiliang, an executive director and the general manager of the Company, is the deputy general manager of Capital Airports Holdings Limited.

Mr. Jia Jianqing, a non-executive director of the Company, is the deputy general manager of Capital Airports Holdings Limited.

Mr. Song Kun, a non-executive director of the Company, is the deputy general manager of Capital Airports Holdings Limited.

Mr. Du Qiang, a non-executive director of the Company, is the deputy general manager of Capital Airports Holdings Limited.

2. These shares are held in the capacity of investment manager.
3. Based on the disclosure form dated 26 February 2021 of Mr. Jiang Jinzhi (being the latest disclosure form filed up to 30 June 2023), as at 24 February 2021, among his interests in the shares of the Company, (i) 90,476,000 shares in total were held by Greenwoods China Alpha Master Fund and by Golden China Master Fund; and (ii) 15,126,000 shares were held by Shanghai Greenwoods Asset Management Company Limited. Each of Greenwoods China Alpha Master Fund and Golden China Master Fund was indirectly wholly-owned by Invest Partner Group Limited through Greenwoods Asset Management Hong Kong Limited. Invest Partner Group Limited was directly held as to 84.5% by Mr. Jiang Jinzhi. Shanghai Greenwoods Asset Management Company Limited was wholly-owned by Xizang Jingning Corporate Management Company Limited, which was in turn indirectly held as to 84.5% by Mr. Jiang Jinzhi.
4. The numbers in the above table have been subject to rounding adjustments. Any discrepancies in the number are due to roundings.

Save as disclosed above, as at 30 June 2023, the register required to be kept under section 336 of the SFO indicated that the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE AND THEIR SECURITIES TRANSACTIONS

As at 30 June 2023, none of the directors, supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). During the six months ended 30 June 2023, none of the directors, supervisors or chief executive of the Company, or their associates, had been granted the right to subscribe for any shares or debentures of the Company, nor had any of them exercised any such right during the same period.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

From 1 July 2023 to the date of this interim report, save as disclosed in the profit warning announcement of the Company dated 2 August 2023 and the paragraphs below, there was no other material event or transaction affecting the Company and which is required to be disclosed by the Company to its shareholders:

- (i) as disclosed in the announcements of the Company dated 30 June 2023 and 21 July 2023, as at 21 July 2023, the Company had completed its capital contribution in full to Beijing Chuanglian Civil Aviation Technology Co., Ltd* (北京創聯民航技術有限公司) (the “Chuanglian Company”), whereas Inner Mongolia Autonomous Region Civil Airports Group Co., Ltd.* (內蒙古自治區民航機場集團有限責任公司) (the “Inner Mongolia Airport Group”) and Beijing Airport Group Technology Management Company Limited* (首都機場集團科技管理有限公司) (the “Technology Company”) had not yet made their respective capital contributions in full to the Chuanglian Company. As at the date of this interim report, the Company, the Inner Mongolia Airport Group and the Technology Company have completed their respective capital contributions in full to the Chuanglian Company;

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- (ii) on 16 August 2023, the Company made a formal application to NAFMII for the registration and issuance of medium-term notes and super short-term debentures in the PRC, details of which were disclosed in the announcement of the Company dated 16 August 2023;
 - (iii) on 31 August 2023, NAFMII approved the relevant application of the Company for the registration and issuance of medium-term notes and super short-term debentures in the PRC, details of which were disclosed in the announcement of the Company dated 31 August 2023; and
 - (iv) during the period between 6 September 2023 and 7 September 2023, the Company issued the 2023 First Tranche Medium-term Notes with total issuance amount of RMB1.5 billion in the PRC, details of which were disclosed in the announcement of the Company dated 11 September 2023.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee (formerly known as the Audit Committee) was established on 10 January 2000. On 28 June 2017, the Audit Committee was renamed as the Audit and Risk Management Committee, and meanwhile its terms of reference were extended. On 20 June 2023, the ninth session of the Board of the Company re-appointed the members of the Audit and Risk Management Committee whose term would expire on the date of the annual general meeting for the year of 2025. At present, the Audit and Risk Management Committee is composed of four independent non-executive directors, namely, Mr. Wang Huacheng (chairman of the Audit and Risk Management Committee and professor of the Department of Finance of the Business School of Renmin University of China), Mr. Zhang Jiali, Mr. Stanley Hui Hon-chung and Ms. Duan Donghui. Auditors are invited to attend the Audit and Risk Management Committee meetings regularly and they can communicate with the Audit and Risk Management Committee individually, as they deem necessary.

The Audit and Risk Management Committee fulfils its supervisory responsibility as delegated by the Board through examining matters relating to the Company's financial reporting systems, internal control procedures, risk management, and considering auditing issues of the Company. The Audit and Risk Management Committee shall meet at least twice a year to review auditors' reports, reports of internal audit and risk management departments, and the interim and annual accounts of the Company prior to making recommendation to the Board for approval.

The Audit and Risk Management Committee is responsible for the review and evaluation of the Company's internal control system and risk management level.

The Audit and Risk Management Committee has reviewed the Company's condensed interim financial information for the six months ended 30 June 2023, as well as the accounting principles and policies adopted by the Company for the relevant accounts. The Audit and Risk Management Committee considers that the disclosure of the financial information in the unaudited condensed interim financial information and in the interim report complies with the applicable accounting standards and the relevant requirements of the Listing Rules and the laws of Hong Kong.

CORPORATE GOVERNANCE

The Board confirms that the Company has complied with all the code provisions of the Corporate Governance Code (the "CG Code") under Appendix 14 to the Listing Rules for the six months ended 30 June 2023 and up to the date of this report, save for the deviation from code provision C.1.6 of the CG Code due to reasonable grounds as explained below.

Code provision C.1.6 of the CG Code stipulates that independent non-executive directors and non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Gao Shiqing, a then non-executive director of the Company, and Mr. Song Kun, a non-executive director of the Company, were unable to attend the annual general meeting of the Company held on 20 June 2023 (the "AGM") due to other business commitments. 18 ordinary resolutions were considered at the AGM, all of which were successfully passed. After the AGM, the Company also dispatched the relevant meeting minutes to all members of the Board to keep the absent director(s) informed of the resolutions passed and the views of the shareholders during the AGM.



COMPLIANCE WITH THE MODEL CODE

The Company has formulated “the Code for Securities Transactions by Directors and Staff” on terms no less exacting than the required standard of the Model Code. For the six months ended 30 June 2023, the Company strictly implemented “the Code for Securities Transactions by Directors and Staff”.

Having made specific enquiries to the directors, supervisors and chief executive of the Company, the Company has confirmed that each of them has complied with the Model Code during the six months ended 30 June 2023.

CHANGES IN THE INFORMATION OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of directors, supervisors and chief executive of the Company subsequent to the date of the 2022 annual report of the Company and up to the date of this interim report are set out as follows:

On 20 June 2023, the Company elected and re-appointed certain members of the ninth session of the Board and certain members of the ninth session of the Supervisory Committee of the Company, with their biographical information set out in the circular of the Company dated 5 June 2023. As disclosed in the announcements of the Company dated 20 June 2023, the following changes to the composition of the Board, the Board committees and the Supervisory Committee of the Company took effect from 20 June 2023:

- (i) Mr. Zhang Guoliang retired as an executive director of the Company and ceased to be a deputy general manager of the Company and a member of each of the Nomination Committee, the Remuneration and Evaluation Committee and the Strategy Committee of the Company;
- (ii) Mr. Gao Shiqing retired as a non-executive director of the Company and ceased to be a member of the Remuneration and Evaluation Committee of the Company;

- (iii) Mr. Jiang Ruiming was redesignated from an independent non-executive director to an independent supervisor of the Company, and ceased to be the chairman of the Nomination Committee and a member of each of the Remuneration and Evaluation Committee and the Audit and Risk Management Committee of the Company;
- (iv) Mr. Du Qiang was appointed as a non-executive director of the Company;
- (v) Ms. Duan Donghui was appointed as an independent non-executive director of the Company and a member of each of the Nomination Committee, the Remuneration and Evaluation Committee and the Audit and Risk Management Committee of the Company;
- (vi) Mr. Jia Jianqing, a non-executive director of the Company, was appointed as a member of the Remuneration and Evaluation Committee of the Company; and
- (vii) Mr. Wang Xiaolong retired as an independent supervisor of the Company.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.



BOARD

The ninth session of the Board has been elected and established at the AGM of the Company on 20 June 2023, the term of office of all directors (including non-executive directors) will end on the date of convening the 2025 annual general meeting.

At present, the Board consists of nine directors, including two executive directors, three non-executive directors and four independent non-executive directors. The Board consists of four special committees, including the Nomination Committee, Remuneration and Evaluation Committee, Audit and Risk Management Committee, and Strategy Committee.

Members of the Board:

Mr. Wang Changyi	<i>Executive Director & Chairman of the Board</i>
Mr. Han Zhiliang	<i>Executive Director & General Manager</i>
Mr. Jia Jianqing	<i>Non-executive Director</i>
Mr. Song Kun	<i>Non-executive Director</i>
Mr. Du Qiang	<i>Non-executive Director</i>
Mr. Zhang Jiali	<i>Independent Non-executive Director</i>
Mr. Stanley Hui Hon-chung	<i>Independent Non-executive Director</i>
Mr. Wang Huacheng	<i>Independent Non-executive Director</i>
Ms. Duan Donghui	<i>Independent Non-executive Director</i>

INTERIM CONDENSED BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	Unaudited As at 30 June 2023 RMB'000	Audited As at 31 December 2022 RMB'000
ASSETS			
Non-current assets			
Investment properties	7	2,764,592	2,810,427
Property, plant and equipment	8	22,773,645	23,451,708
Right-of-use assets	9	2,043,063	2,028,119
Intangible assets		99,787	113,197
Deferred income tax assets		2,024,571	2,050,195
Other non-current assets		270,137	262,352
		29,975,795	30,715,998
Current assets			
Inventories		202,251	218,299
Trade receivables	10	1,195,109	666,898
Prepayment		15,225	5,525
Other financial assets at amortised cost		47,327	38,562
Financial assets at fair value through profit or loss		5,833	6,866
Notes receivable		7,883	58,335
Cash and cash equivalents		1,428,999	1,590,413
Other current assets		177,224	182,504
		3,079,851	2,767,402
Total assets		33,055,646	33,483,400
EQUITY			
Capital and reserves			
Share capital	11	4,579,179	4,579,179
Share premium		6,300,867	6,300,867
Capital reserve	12(a)	235,954	235,954
Other reserve	12(b)	(22,257)	(26,857)
Statutory and discretionary reserves	12(c)	6,809,588	6,809,588
Accumulated losses		(2,335,306)	(1,293,811)
Total equity		15,568,025	16,604,920

INTERIM CONDENSED BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2023

	<i>Notes</i>	Unaudited As at 30 June 2023 RMB'000	Audited As at 31 December 2022 RMB'000
LIABILITIES			
Non-current liabilities			
Long-term borrowings	15	1,996,800	198,641
Bonds payable	16	–	–
Loans from the Parent Company	17	–	1,104,724
Lease liabilities		600,585	615,236
Retirement benefit obligations		131,720	141,809
Deferred income		27,156	28,530
		2,756,261	2,088,940
Current liabilities			
Short-term borrowings	15	7,004,382	6,204,173
Trade and other payables	14	6,149,892	6,923,516
Current portion of long-term borrowings	15	4,328	382
Current portion of bonds payable	16	1,339,164	1,314,539
Current portion of loans from the Parent Company	17	–	173,139
Current portion of lease liabilities		224,561	164,792
Current portion of retirement benefit obligations		9,033	8,999
		14,731,360	14,789,540
Total liabilities		17,487,621	16,878,480
Total equity and liabilities		33,055,646	33,483,400

The above condensed balance sheet should be read in conjunction with the accompanying notes.

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Notes	Unaudited For the six months ended 30 June	
		2023 RMB'000	2022 RMB'000
Revenues			
Aeronautical	6	910,071	348,862
Non-aeronautical	6	1,075,002	752,459
		1,985,073	1,101,321
Operating expenses			
Depreciation and amortisation		(775,654)	(778,866)
Aviation safety and security guard costs		(423,980)	(435,738)
Repairs and maintenance		(400,053)	(384,947)
Staff costs		(242,523)	(246,654)
Utilities and power		(229,784)	(262,779)
Operating contracted services		(212,363)	(205,550)
Concession management fees		(141,513)	(78,381)
Greening and environmental maintenance		(136,830)	(138,698)
Real estate and other taxes		(113,816)	(118,222)
Other costs		(81,198)	(114,960)
		(2,757,714)	(2,764,795)
Impairment losses on financial assets		(68,773)	(38,019)
Asset impairment losses		(4,133)	–
Other income		2,386	3,771
Other loss		(1,034)	(1,034)
Operating loss		(844,195)	(1,698,756)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Notes	Unaudited For the six months ended 30 June	
		2023 RMB'000	2022 RMB'000
Finance income	18	11,525	14,118
Finance costs	18	(184,734)	(185,357)
		(173,209)	(171,239)
Loss before income tax		(1,017,404)	(1,869,995)
Income tax (expense)/credit	19	(24,091)	465,351
Loss for the period		(1,041,495)	(1,404,644)
Other comprehensive income/(loss)			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of retirement benefit obligations		4,600	(17,435)
Other comprehensive income/(loss) for the period, net of tax		4,600	(17,435)
Total comprehensive loss for the period		(1,036,895)	(1,422,079)
Loss per share, basic and diluted (RMB)	20	(0.227)	(0.307)

The above condensed statement of comprehensive income should be read in conjunction with the accompanying notes

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Unaudited							
		Share capital	Share premium	Capital reserve	Other reserve	Statutory and discretionary reserves	(Accumulated losses)/Retained earnings	Total equity
	Notes	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
Balance at 1 January 2023		4,579,179	6,300,867	235,954	(26,857)	6,809,588	(1,293,811)	16,604,920
Loss for the period		-	-	-	-	-	(1,041,495)	(1,041,495)
Other comprehensive income for the period		-	-	-	4600	-	-	4600
Total comprehensive income/(loss) for the period		-	-	-	4,600	-	(1,041,495)	(1,036,895)
Balance at 30 June 2023		4,579,179	6,300,867	235,954	(22,257)	6,809,588	(2,335,306)	15,568,025
Balance at 1 January 2022		4,579,179	6,300,867	248,715	3,635	6,809,588	2,232,824	20,174,808
Loss for the period		-	-	-	-	-	(1,404,644)	(1,404,644)
Other comprehensive loss for the period		-	-	-	(17,435)	-	-	(17,435)
Total comprehensive loss for the period		-	-	-	(17,435)	-	(1,404,644)	(1,422,079)
Others		-	-	(19,011)	-	-	-	(19,011)
Balance at 30 June 2022		4,579,179	6,300,867	229,704	(13,800)	6,809,588	828,180	18,733,718

The above condensed statement of changes in equity should be read in conjunction with the accompanying notes.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Notes	Unaudited For the six months ended 30 June	
		2023 RMB'000	2022 RMB'000
Net cash used in operating activities		(1,058,184)	(519,513)
Net cash used in investing activities	22	(188,751)	(312,965)
Net cash generated from/(used in) financing activities	22	1,084,800	(433,119)
Net decrease in cash and cash equivalents		(162,135)	(1,265,597)
Cash and cash equivalents at 1 January		1,590,413	2,224,473
Effect of exchange rate changes		721	1,063
Cash and cash equivalents at 30 June		1,428,999	959,939

The above condensed statement of changes in equity should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2023

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 Limited (“CAH” or the “Parent Company”, formerly named Capital Airports Holding Company), a state-owned enterprise established in the PRC under the control of the Civil Aviation Administration of China (“CAAC”).

The Company is principally engaged in the ownership and operation of the 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.

In the first half of 2023, the civil aviation market experienced significant rebound under a positive trend of economic recovery in China. The Company strived to seize the opportunities arising from the recovery of demand in the aviation transportation market by insisting on safety first, focusing on the enhancement of quality and efficiency, and strengthening cost control for the recovery of production and operation. However, due to the relatively slow recovery of international routes, coupled with the impact of the diversion of flights to Daxing Airport, the operating results of the Company remained under pressure, as a result of which the Company continued to incur operating loss during the six months ended 30 June 2023. The Company will perform further assessment of its impact and take relevant measures.

This condensed interim financial information is presented in Renminbi (“RMB”), unless otherwise stated. This condensed interim financial information was approved by the Board of Directors for issue on 29 August 2023.

This condensed interim financial information has not been audited.



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

2. BASIS OF PREPARATION

This condensed interim financial information for the six months ended 30 June 2023 has been prepared in accordance with International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, the condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with the International Financial Reporting Standards (“IFRSs”).

The Company reported a net loss of RMB1,041,495,000 for the six months ended 30 June 2023 (for the six months ended 30 June 2022: RMB1,404,644,000) and a net cash outflow from operating activities of RMB1,058,184,000 for the six months ended 30 June 2023 (for the six months ended 30 June 2022: RMB519,513,000). As at 30 June 2023, the current liabilities of the Company exceeded the current assets by RMB11,651,509,000 (as at 31 December 2022: RMB12,022,138,000). Mainly included in the current liabilities were borrowings and bonds totalling RMB8,347,874,000 repayable within one year from 30 June 2023. On the same date, the Company had cash and cash equivalents of RMB1,428,999,000.

Management has prepared a cash flow projection, which covers a period of not less than twelve months from 30 June 2023. The directors of the Company have reviewed the Company’s cash flow projection prepared by management and are of the opinion that the Company will have sufficient financial resources, including the cash inflow from operating activities and the unutilised facilities from banks and the Parent Company, to finance its operations and to meet its financial obligations as at and when they fall due within twelve months from 30 June 2023. Accordingly, the directors of the Company have prepared the interim financial information on a going concern basis.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

3. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2022, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of new and amended standards as set out below.

New and amended standards adopted by the Company

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

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.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

3. ACCOUNTING POLICIES (CONTINUED)

Impact of standards issued but not yet applied by the Company

Standards and amendments that have been issued but not yet effective on 1 January 2023 and not adopted by the Company are as follows:

	Effective for annual periods beginning on or after
Classification of Liabilities as current or non-current – Amendments to IAS 1	1 January 2024
Non-current liabilities with covenants – Amendments to IAS 1	1 January 2024
Lease liability in sale and leaseback – amendments to IFRS 16	1 January 2024
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	To be determined

The Company has already taken initial actions to assess the impact of these new or revised standards, interpretation and amendments, and will make further assessments of the impact in the future.

4. ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2022.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 31 December 2022.

There have been no changes in the risk management policies since year end.

5.2 Liquidity risk

As at 30 June 2023 and 31 December 2022, the amounts disclosed below are the contractual undiscounted cash flows of the Company's financial liabilities, which are primarily trade and other payables (excluding accrued liabilities for the title change of the GTC Assets*, payroll and welfare payable, advance from customers and tax payable), borrowings, bonds payable, loans from the Parent Company and lease liabilities.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

5.2 Liquidity risk (Continued)

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total contractual cash flows RMB'000	Carrying amount liabilities RMB'000
As at 30 June 2023						
Trade and other payables	3,717,638	-	-	-	3,717,638	3,717,638
Short-term borrowings	7,070,250	-	-	-	7,070,250	7,004,382
Long-term borrowings	58,346	58,454	955,159	1,231,674	2,303,633	2,001,128
Bonds payable	1,348,620	-	-	-	1,348,620	1,339,164
Loans from the Parent Company	-	-	-	-	-	-
Lease liabilities	255,393	143,770	222,240	453,640	1,075,043	825,146
	12,450,247	202,224	1,177,399	1,685,314	15,515,184	14,887,458
As at 31 December 2022						
Trade and other payables	4,340,329	-	-	-	4,340,329	4,340,329
Short-term borrowings	6,285,035	-	-	-	6,285,035	6,204,173
Long-term Borrowings	6,226	206,148	-	-	212,374	199,023
Bonds payable	1,348,620	-	-	-	1,348,620	1,314,539
Loans from the Parent Company	228,335	225,714	623,616	459,463	1,537,128	1,277,863
Lease liabilities	196,009	127,066	240,018	475,483	1,038,576	780,028
	12,404,554	558,928	863,634	934,946	14,762,062	14,115,955

The carrying amounts of the Company's financial assets, including cash and cash equivalents, trade receivables, other financial assets at amortised costs and financial liabilities, including trade and other payables, borrowings, bonds payable and loans from the Parent Company, approximate their fair values, as the impact of discounting is not significant.

* 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.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

6. REVENUE 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 is principally engaged in a single business of operating and managing an airport and provision of related services in the Mainland China. 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, the Board of Directors considers that there is only one operating segment under the requirement of IFRS 8.

Analysis of revenue by category	For the six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Aeronautical		
Aircraft movement fees and related income	514,511	258,278
Passenger income	395,560	90,584
	910,071	348,862
Non-aeronautical		
Concession revenue	597,260	350,835
Rental income	414,906	359,172
Resources usage income	56,971	33,345
Others	5,865	9,107
	1,075,002	752,459
	1,985,073	1,101,321

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

As the Company is domiciled in the Mainland China from where all of its revenue from external customers for the six months ended 30 June 2023 and 2022 are derived and in where all of its assets are located, no geographical segment information is shown.

Aeronautical revenues and Non-aeronautical revenues-others are recognised over time by reference to the progress towards complete satisfaction of the performance obligation at the reporting date.

7. INVESTMENT PROPERTIES

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Investment properties	2,764,592	2,810,427

	For the six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Opening net book value as at 1 January	2,810,427	2,902,097
Depreciation	(45,835)	(45,835)
Closing net book value as at 30 June	2,764,592	2,856,262

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

7. INVESTMENT PROPERTIES (CONTINUED)

As at 30 June 2023, the land use rights for parcels of land with net book value of RMB1,528,427,000 (as at 31 December 2022: RMB1,548,882,000) were acquired from the Parent Company as part of the acquisition of the GTC assets. As at the date of approval of the financial statements, the Parent Company is in the process of applying and obtaining the land use rights certificates from the Beijing Municipal Bureau of Land and Resource. As at 30 June 2023, buildings with net book value of RMB925,195,000 (as at 31 December 2022: RMB942,437,000) were situated on parcels of land which had been acquired from the Parent Company as part of the acquisition of the GTC Assets. As at the date of approval of the financial statements, the Company is in the process of applying for the building ownership certificates of these buildings.

Investment properties are measured initially at cost and stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method to write off the cost less accumulated impairment loss of the asset over its estimated useful life.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Property, plant and equipment in use	22,773,645	23,451,708

	For the six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Opening net book value as at 1 January	23,451,708	24,483,392
Additions	1,944	15,142
Depreciation	(600,034)	(603,639)
Others	(79,973)	(47,763)
Closing net book value as at 30 June	22,773,645	23,847,132

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 30 June 2023, buildings with net book value of RMB97,254,000 (as at 31 December 2022: RMB99,352,000) were situated on parcels of allocated land owned by the Parent Company. Parts of these parcels of land were occupied by the Company at nil consideration. As at 30 June 2023, buildings and terminal with a net book value of RMB6,632,020,000 (as at 31 December 2022: RMB6,753,240,000) were situated on parcels of land which had been acquired from the Parent Company as part of the acquisition of the Phase III Assets*. As at 30 June 2023, buildings and terminal with a net book value of RMB785,784,000 (as at 31 December 2022: RMB800,322,000) were situated on parcels of land which had been acquired from the Parent Company as part of the acquisition of the building D of Terminal Three and Ancillary Assets (the "T3D Assets"). As at 30 June 2023, buildings with net book value of RMB367,697,000 (as at 31 December 2022: RMB374,550,000) were situated on parcels of land which had been acquired from the Parent Company as part of the acquisition of the GTC Assets. As at the date of approval of the condensed interim financial information, the Company is in the process of applying for the building ownership certificates of these buildings and related assets. As the date of approval of the condensed interim financial information, the Parent Company is in the process of applying and obtaining the land use rights certificates from the Beijing Municipal Bureau of Land and Resource related to the land acquired by the Company as part of the acquisition of the Phase III Assets the T3D Assets and 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 constructions are situated (collectively the "Phase III Assets").

As at 30 June 2023, taxiways and structures with net book value of RMB531,583,000 (as at 31 December 2022: RMB541,797,000) were situated on parcels of allocated land owned by the Parent Company and another party. These parcels of land were occupied by the Company at nil consideration.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

9. RIGHT-OF-USE ASSETS

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Right of use assets	2,043,063	2,028,119
	For the six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Opening net book value as at 1 January	2,028,119	2,206,263
Additions	124,241	–
Depreciation	(109,297)	(108,145)
Closing net book value as at 30 June	2,043,063	2,098,118

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

10. TRADE RECEIVABLES

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Trade receivables		
– CAH's subsidiaries (<i>Note 23(a)</i>)	374,081	334,909
– third parties	1,315,061	767,243
	1,689,142	1,102,152
Less: provision for impairment	(494,033)	(435,254)
	1,195,109	666,898

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

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Less than 3 months	753,145	326,215
4 – 6 months	180,610	167,590
7 – 12 months	272,011	135,015
1 – 2 years	148,586	178,599
2 – 3 years	82,100	32,947
Over 3 years	252,690	261,786
	1,689,142	1,102,152

The credit terms given to trade customers are determined on an individual basis with normal credit period mainly within 3 months.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

11. SHARE CAPITAL

	Number of ordinary shares <i>(thousands)</i>	H-Shares of RMB1.00 each <i>RMB'000</i>	Domestic Shares of RMB1.00 each <i>RMB'000</i>	Total <i>RMB'000</i>
Registered, issued and fully paid:				
As at 30 June 2023 and				
31 December 2022	4,579,179	1,879,364	2,699,815	4,579,179

The Domestic shares rank pari passu, in all material respects, with H shares except that all dividends in respect of H shares are declared in RMB but are paid in HK dollar. In addition, the transfer of Domestic shares is subject to certain restrictions imposed by the PRC law.

12. RESERVES

(a) Capital reserve

Capital reserve represents equity contributions from CAH to which CAH is fully entitled. In accordance with relevant government authorities' instruction, 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 the future, when the Company increases its share capital, the capital reserve may be converted into shares of the Company to be held by CAH, provided appropriate conditions are met. The conversion is however subject to obtaining prior approval from the relevant government authorities and the shareholders of the Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

12. RESERVES (CONTINUED)

(b) Other reserve

The other reserve represents actuarial gains and losses after tax from experience adjustments and changes in actuarial assumptions for the defined benefit plan.

(c) Statutory and discretionary reserves

In accordance with the relevant laws and regulations of the PRC and the Articles of Association of the Company, when distributing the net profit of each year, the Company shall set aside 10% of its profit after taxation (based on the Company's local statutory financial statements) for the statutory surplus reserve fund (except where the reserve balance has reached 50% of the Company's registered capital), and, at the discretion of the Board of Directors and the approval by the Annual General Meeting, to the discretionary surplus reserve fund. These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends.

Pursuant to the shareholders' resolution in the Annual General Meeting on 20 June 2023, no profit was appropriated to the discretionary surplus reserve fund for the year ended 31 December 2022. And no profit appropriation to the statutory surplus reserve fund was recorded because the reserve balance has reached 50% of the Company's registered capital.

13. DIVIDENDS

The profit distribution proposal (the proposed dividend was nil) for the year ended 31 December 2022 (for the year ended 31 December 2021: nil) has been approved in the Annual General Meeting on 20 June 2023.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

14. TRADE AND OTHER PAYABLES

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Trade payables		
Amounts due to related parties		
– CAH's subsidiaries (<i>Note 23(a)</i>)	1,725,088	2,039,032
Repairs and maintenance charges payable	567,573	579,259
Accounts payable for purchases	77,903	91,038
Greening and environmental maintenance charges payable	70,644	98,629
Sub-contracting charges payable	67,950	63,008
Others	221,137	249,175
	2,730,295	3,120,141
Advances and other payables		
Amounts due to related parties		
– CAH (<i>Note 23(a)</i>)	50,631	31,563
– CAH's subsidiaries (<i>Note 23(a)</i>)	62,041	63,122
	112,672	94,685
Accrued liabilities for the acquisition consideration of the GTC Assets	1,508,693	1,508,693
Construction payables	585,317	828,312
Deed taxes in respect of the acquisition of the Phase III Assets, the T3D Assets and the GTC Assets	465,948	465,948
Deposits received	249,062	265,189
Payroll and welfare payables	231,087	330,234
Advance from customers	203,988	264,736
Receipts on behalf of concession operators	32,807	9,399
Other taxes payable	12,415	11,611
Others	17,608	24,568
	3,419,597	3,803,375
	6,149,892	6,923,516

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

14. TRADE AND OTHER PAYABLES (CONTINUED)

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

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Less than 3 months	690,461	1,215,505
4 – 6 months	267,936	308,932
7 – 12 months	356,617	333,237
Over 12 months	1,415,281	1,262,467
	2,730,295	3,120,141

15. BORROWINGS

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Short-term		
– Principals	7,000,000	6,200,000
– Interest payable within one year	4,382	4,173
	7,004,382	6,204,173
Long-term		
– Current portion	2,800	200
– Non-current portion	1,996,800	198,641
– Interest payable within one year	1,528	182
	2,001,128	199,023
	9,005,510	6,403,196

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

15. BORROWINGS (CONTINUED)

The movement in principals of borrowings is analysed as follows:

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Opening amount as at 1 January	6,398,841	4,488,841
Proceeds of new borrowings	2,800,000	1,840,000
Repayments of borrowings	(199,241)	(2,089,900)
Closing amount as at 30 June	8,999,600	4,238,941

(a) The borrowings from banks, CAH and its subsidiary are denominated in RMB and unsecured.

(b) Loan covenants

The new loan agreement requires the asset liability ratio of the Company must be below 75%, the Company complied with the ratio throughout the reporting period. As at 30 June 2023, the asset liability ratio was 53%.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

16. BONDS PAYABLE

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Principal amount	1,300,000	1,300,000
Bonds issuance cost	(3,092)	(3,092)
Proceeds received	1,296,908	1,296,908
Interest payable	39,346	15,235
Accumulated amortisation amounts of bonds issuance cost	2,910	2,396
Less: current portion	1,339,164 (1,339,164)	1,314,539 (1,314,539)
Non-current portion	–	–

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 not 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.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

17. 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.

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Loans from the Parent Company		
– Principals	–	1,274,681
– Interest payable within one year	–	3,182
	–	1,277,863
Less: current portion	–	(173,139)
	–	1,104,724

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

17. LOANS FROM THE PARENT COMPANY (CONTINUED)

The movement in principals of loans from the Parent Company is analysed as follows:

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Opening amount as at 1 January	1,274,681	1,322,486
Repayments of borrowings	(1,300,639)	(80,480)
Currency translation differences	25,958	68,223
Closing amount as at 30 June	–	1,310,229

The loan was previously obtained by the Parent Company from European Investment Bank. The loan is denominated in the 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 15 December 2010 with maturity through 15 June 2030. The Company has fully repaid the loans from the Parent Company as at 30 June 2023.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

18. FINANCE INCOME/(COSTS)

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Finance income		
Interest income	11,525	14,118
Finance costs		
Interest expenses on borrowings	(85,287)	(66,395)
Interest expenses on loans from the Parent Company	(30,941)	(7,267)
Exchange losses, net	(25,572)	(67,592)
Interest expenses on bonds payable	(24,626)	(24,626)
Interest expenses on lease liabilities	(17,830)	(18,913)
Bank charges	(478)	(564)
	(184,734)	(185,357)
Net finance costs	(173,209)	(171,239)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

19. INCOME TAX EXPENSE/(CREDIT)

The Company is subject to corporate income tax at a rate of 25% (2022: 25%) on its taxable income as determined in accordance with the relevant PRC income tax laws and regulations.

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Current income tax	–	–
Deferred income tax	(24,091)	465,351
	(24,091)	465,351

Deferred income tax assets are recognised for tax loss carry-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. In this period, no additional deferred income tax assets were recognised for tax loss.

20. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of 4,579,178,977 (2022: 4,579,178,977) ordinary shares in issue during the six-month periods.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

20. LOSS PER SHARE (CONTINUED)

Diluted loss per share equals basic loss per share as there were no potential dilutive ordinary shares outstanding during the six-month periods.

	For the six months ended	
	30 June	
	2023	2022
Loss attributable to owners of the Company (RMB'000)	(1,041,495)	(1,404,644)
Basic loss per share (RMB per share)	(0.227)	(0.307)

21. COMMITMENTS

Capital commitments

Capital commitments primarily relate to the construction of the equipment to be installed at the airport terminal and other airport facilities upgrading projects.

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Property, plant and equipment	206,644	199,608
Intangible assets	17,203	26,798
	223,847	226,406

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

21. COMMITMENTS (CONTINUED)

Investment commitments

In accordance with the capital contribution agreement signed among the Company, Inner Mongolia Autonomous Region Civil Airports Group (the Inner Mongolia Airport Group), Capital Airports Group Equipment Operation and Maintenance Management Company (the Equipment Operation and Maintenance Company), and China Civil Aviation Xin'gang Guarantee Company (the Guarantee Company) dated on 23 September 2021, the Company is committed to make capital contributions of RMB40,513,200 for the purpose of formation of Beijing Chuanglian Civil Aviation Technology Company(the Associated Company). Upon completion of the capital contributions and the formation of the Joint Venture Company, the equity interests of the Joint Venture Company will be held by the Company, the Inner Mongolia Airport Group, the Equipment Operation and Maintenance Company, and the Guarantee Company as to 31%, 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 Associated Company to Beijing Airport Group Technology Management Company Limited(the "Technology Company"), a wholly-owned subsidiary of the Parent Company. As a result of such transfer of equity interests in the Associated Company, 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 30 June 2023, the consideration has not been paid by the Company.

As at July 2023,the Company has completed its capital contribution in full to the Associated Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

22. SUPPLEMENTARY INFORMATION TO INTERIM CONDENSED STATEMENT OF CASH FLOWS

Cash flows from investing and financing activities included the following:

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Investing activities		
Interest received	6,107	35,530
Purchase of property, plant and equipment	(187,780)	(322,635)
Purchase of intangible assets	(7,078)	(25,860)
	(188,751)	(312,965)
Financing activities		
Proceeds from borrowings	2,800,000	1,840,000
Repayment of loans from the Parent Company	(1,300,639)	(80,480)
Repayment of borrowings	(199,241)	(2,089,900)
Interest paid	(118,367)	(74,355)
Lease payments	(96,953)	(9,373)
Others	-	(19,011)
	1,084,800	(433,119)

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS

The Company is controlled by CAH. The Directors of the Company consider CAH, incorporated in Beijing and a PRC state-owned enterprise under the control of the CAAC, to be the ultimate holding company.

CAH itself is a state-owned enterprise and is controlled by the PRC government, which also owns a significant portion of the productive assets in the PRC.

The Company is part of a larger group of companies under CAH and has extensive transactions and relationships with members of the CAH group. The Directors of the Company consider that the transactions between the Company and the members of the CAH group are activities in the ordinary course of business.

For the purpose of the related party transaction disclosures, the Directors of the Company believe that meaningful information in respect of related party transactions has been adequately disclosed.

Other than the transactions as disclosed in the respective notes, the following is a summary of significant transactions carried out with related parties in the ordinary course of business.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Balances with related parties

As at 30 June 2023, balances with related parties comprised of:

	As at 30 June 2023 RMB'000	As at 31 December 2022 RMB'000
Trade receivables from CAH's subsidiaries (Note 10 and i)	374,081	334,909
Prepayment to CAH	253,704	253,704
Other financial assets at amortised costs from CAH's subsidiaries (note i)	8,381	8,105
Deposit placed with a subsidiary of CAH (note ii)	33,801	33,661
Trade and other payables to CAH (Note 14 and i)	50,631	31,563
Trade and other payables to CAH's subsidiaries (Note 14 and i)	1,787,129	2,102,154
Loans from the Parent Company (Note 17)	–	1,277,863
Borrowings from CAH	5,003,125	4,703,119
Borrowings from a subsidiary of CAH	–	199,023
Lease liabilities to CAH and its subsidiaries	523,242	467,764

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Balances with related parties (Continued)

- (i) The amounts due from and to CAH and its subsidiaries are unsecured, interest free and repayable within the next twelve months.
- (ii) The deposits are entered into in accordance with the terms as set out in the respective agreements. The interest rates are set at prevailing market rates.

(b) Transactions with related parties

	For the six months ended 30 June	
	2023 <i>RMB'000</i>	2022 <i>RMB'000</i>
Transactions with CAH, CAH's subsidiaries		
Revenues:		
Resources usage income	56,367	32,075
Rental income	46,099	49,107
Concessions revenue	4,893	1,733
Waste water treatment income	3,509	5,658
Others	367	-
Finance income:		
Interest income	141	207

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (Continued)

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Expenses:		
Provision of aviation safety and security guard services and maintenance of security equipments	400,176	401,348
Provision of utilities and power	229,771	258,721
Provision of maintenance services	184,579	173,439
Provision of concession management services	141,513	78,381
Provision of certain sanitary services, baggage cart, car park operation management services, management services, greening and environmental maintenance services, customs on-site services	100,597	111,465
Provision of accessorial power and energy services	94,393	102,592
Provision of on-site joint inspection services	28,193	33,494
Provision of commuter buses and passengers transport services	26,010	25,026
Provision of airport guidance services	19,974	19,238
Provision of baggage storage, lost and found services	4,579	5,099
Provision of canteen management services	4,472	2,580
Provision of beverage services	1,948	2,450

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (Continued)

	For the six months ended	
	30 June	
	2023	2022
	RMB'000	RMB'000
Provision of timekeeping lounge management services	1,226	–
Agency Commission	50	62
Provision of contingency shuttle bus service during Automated People Mover (“APM”) failure	–	679
Rental expenses	–	8
Other:		
Borrowings from CAH	300,000	1,840,000
Repayment of borrowings from a subsidiary of CAH	198,841	440,100
Recognition of right-of-use assets on leased assets owned by CAH and its subsidiaries	100,348	–
Interest charges on borrowings from CAH and its subsidiaries	57,812	25,847
Interest charges on loans from the Parent Company (Note 18)	30,941	7,267
Interest charges on lease liabilities to CAH and its subsidiaries	12,139	11,910

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2023

23. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties (Continued)

These transactions of revenues, finance income, expenses and construction services are conducted based on terms as set out in the underlying agreements, be referenced to statutory rates or market prices, or as mutually agreed between the Company and the parties in concern.

(c) Key management compensation

	For the six months ended 30 June	
	2023 RMB'000	2022 RMB'000
Salaries, allowances and other benefits	2,021	1,611

GENERAL INFORMATION OF THE COMPANY

BOARD

Executive Directors

Wang Changyi (*Chairman*)

Han Zhiliang (*General Manager*)

Non-executive Directors

Jia Jianqing

Song Kun

Du Qiang

Independent Non-executive Directors

Zhang Jiali

Stanley Hui Hon-chung

Wang Huacheng

Duan Donghui

Audit and Risk Management Committee

Wang Huacheng (*Chairman*)

Zhang Jiali

Stanley Hui Hon-chung

Duan Donghui

Remuneration and Evaluation Committee

Stanley Hui Hon-chung (*Chairman*)

Zhang Jiali

Wang Huacheng

Duan Donghui

Jia Jianqing



GENERAL INFORMATION OF THE COMPANY (CONTINUED)

BOARD (CONTINUED)

Nomination Committee

Zhang Jiali (*Chairman*)
Stanley Hui Hon-chung
Wang Huacheng
Duan Donghui
Wang Changyi
Han Zhiliang

Strategy Committee

Wang Changyi (*Chairman*)
Han Zhiliang
Zhang Jiali

LEGAL REPRESENTATIVE

Mr. Wang Changyi

COMPANY SECRETARY

Mr. Meng Xianwei

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants and Registered PIE Auditor

REGISTERED ADDRESS

Capital Airport, Beijing, the PRC

GENERAL INFORMATION OF THE COMPANY (CONTINUED)

PRINCIPAL ADDRESS OF BUSINESS IN HONG KONG

37/F, One Taikoo Place, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong

INVESTORS RELATION DEPARTMENT

Secretariat to the Board

E-mail address: ir@bcia.com.cn

Fax number: 8610 6450 7700

Website: www.bcia.com.cn

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited

1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

SHARE INFORMATION

Name of H shares: Beijing Airport

Stock code: 00694

PRICE AND TURNOVER HISTORY OF SHARES

Year	Price per share		Turnover of share (in millions)
	High (HK\$)	Low (HK\$)	
2023			
January	6.54	5.60	175.4
February	6.10	5.65	151.1
March	6.44	5.62	140.9
April	6.16	5.59	95.5
May	6.24	5.35	79.8
June	5.72	4.75	82.1
2022			
July	5.40	4.61	68.1
August	5.07	4.48	59.6
September	4.98	4.22	71.5
October	4.67	3.87	138.9
November	5.09	4.14	198.2
December	6.13	4.92	219.2