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北京首都國際機場股份有限公司

Beijing Capital International Airport Co.,Ltd.

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

(Stock Code: 00694)

ANNOUNCEMENT

CONTINUING CONNECTED TRANSACTIONS

(1) FOOD AND BEVERAGE MANAGEMENT AGREEMENT

AND

(2) FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

(1) FOOD AND BEVERAGE MANAGEMENT AGREEMENT

Reference is made to the announcement of the Company dated 28 December 2017 in respect of, among other things, the Former Food and Beverage Management Agreement. The Former Food and Beverage Management Agreement will expire on 31 December 2020. As the parties intend to carry out transactions of a similar nature from time to time, the Company and Beijing Airport Food Management entered into the Food and Beverage Management Agreement as a renewal agreement.

The Board announces that on 29 December 2020, the Company entered into the Food and Beverage Management Agreement with Beijing Airport Food Management, pursuant to which Beijing Airport Food Management agreed to operate and manage the designated food and beverage resources in Beijing Capital Airport for the Company for a term of three years commencing from 1 January 2021 to 31 December 2023.

(2) FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

Reference is made to (i) the announcement of the Company dated 28 December 2017 in respect of, among other things, the Former Food and Beverage Leasing Agreement; and (ii) the announcement of the Company dated 3 July 2020 in respect of the Former Supplemental Food and Beverage Leasing Agreement. The Former Food and Beverage Leasing Agreement (as amended by the Former Supplemental Food and Beverage Leasing Agreement) will expire on 31 December 2020. As the parties intend to carry out transactions of a similar nature from time to time, the Company and Beijing Airport Food Management entered into a

new term of agreement as a renewal agreement. To further standardise the operational management of Beijing Airport Food Management in Beijing Capital Airport, the operation model for the current term of agreement is intended to be adjusted to resources usage model.

The Board announces that on 29 December 2020, the Company entered into the Food and Beverage Resources Usage Agreement with Beijing Airport Food Management, pursuant to which the Company agreed to permit Beijing Airport Food Management to use the designated food and beverage resources in Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023.

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 Beijing Airport Food Management is a subsidiary of the Parent Company, Beijing Airport Food Management is therefore a connected person of the Company. Accordingly, the Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of the Food and Beverage Management Agreement and the Food and Beverage Resources Usage Agreement is more than 0.1% but less than 5%, the Agreements are therefore subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

(1) FOOD AND BEVERAGE MANAGEMENT AGREEMENT

Background

Reference is made to the announcement of the Company dated 28 December 2017 in respect of, among other things, the Former Food and Beverage Management Agreement. The Former Food and Beverage Management Agreement will expire on 31 December 2020. As the parties intend to carry out transactions of a similar nature from time to time, the Company and Beijing Airport Food Management entered into the Food and Beverage Management Agreement as a renewal agreement.

The Board announces that on 29 December 2020, the Company entered into the Food and Beverage Management Agreement with Beijing Airport Food Management, pursuant to which Beijing Airport Food Management agreed to operate and manage the designated food and beverage resources in Beijing Capital Airport for the Company for a term of three years commencing from 1 January 2021 to 31 December 2023.

Material terms of the Food and Beverage Management Agreement

Date

29 December 2020

Parties

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

Services

Pursuant to the Food and Beverage Management Agreement, Beijing Airport Food Management agreed to provide operation and management services to the designated food and beverage resources and relevant ancillary facilities in Terminal One, Terminal Two and Terminal Three of Beijing Capital Airport to the Company.

Term

The Food and Beverage Management Agreement is for a term of three years commencing from 1 January 2021 to 31 December 2023.

Consideration

The method of calculating the entrusted management fee payable by the Company to Beijing Airport Food Management under the Food and Beverage Management Agreement is set out as follows:

Total sales amount of the current year \times 15.5% + increase of total operating income \times 60%
(*Note 1*)

Note 1: Increase of total operating income = total operating income of the current year – base of total operating income

Base of total operating income = total operating income in the preceding year

In light of the severe impact of the COVID-19 pandemic on the catering industry and the passengers' inelastic demand for catering services, in order to further encourage Beijing Airport Food Management to provide high quality food and beverage services and create a good business atmosphere, the incremental sharing mechanism will continue to be adopted for the Food and Beverage Management Agreement.

At the same time, considering the impact of the COVID-19 pandemic, the Company has further agreed that:

- (i) to avoid the impact from the exceptional circumstances in the year of 2020, the increase of total operating income for the year of 2021 will be deemed as 0. The base of total operating income for each of the years of 2022 and 2023 will be the total operating income of the preceding year; and
- (ii) the increase in resources due to overall resource planning, major process adjustments, and the renovation and expansion of Beijing Capital Airport and other reasons will not be included in the calculation of the entrusted management fees for the increase in total operating income for the current year.

Payment of monthly entrusted management fee

Within the first 5 working days of each month, the Company and Beijing Airport Food Management shall complete the confirmation of the entrusted management fee of the previous month and the fees payable by third party operators. Upon confirmation of the entrusted management fee of the previous month by both parties, the Company shall pay the entrusted management fee of the previous month to Beijing Airport Food Management within 10 working days.

Payment of commission for the increase of total operating income for the current year

Within 10 working days of the first month of the following year, Beijing Airport Food Management shall report to the Company the total operating income of the preceding year. Upon confirmation by both parties, the Company shall pay, together with the entrusted management fees of the first month, the commission at the rate of multiplying the increase of total operating income by 60%.

Other material terms

Pursuant to the Food and Beverage Management Agreement, Beijing Airport Food Management shall be responsible for the signing of individual food and beverage contracts in relation to the usage and operation of food and beverage resources with each of the food and beverage operators, and the terms of such food and beverage contracts shall not be in contradiction with the terms of the Food and Beverage Management Agreement. Beijing Airport Food Management shall ensure that each of the food and beverage operators will make all payments to the Company's designated bank account directly. The Company shall then pay Beijing Airport Food Management the agreed management fee as disclosed above. The Company expects that the food and beverage operators and their ultimate beneficial owners will be third parties independent of the Company and its connected persons.

The Company shall be responsible for making commercial decisions on the allocation of food and beverage resources in Beijing Capital Airport, as well as the layout, format, category and development of brands. Beijing Airport Food Management shall assist in executing such commercial decisions.

The Company will appoint Beijing Airport Food Management to initiate tender invitation for food and beverage business in Beijing Capital Airport. The tender result shall be reviewed by Beijing Airport Food Management and filed with the Company.

Beijing Airport Food Management shall be responsible for the daily operation and managerial work in respect of the food and beverage operators, including safety, servicing, logistics, cashier, renovation, premises and managerial work of relevant entrusted assets.

In respect of marketing, the Company shall be responsible for the overall marketing strategy. Beijing Airport Food Management will execute the marketing plan and other store promotions in accordance with the overall marketing framework set by the Company.

Historical figures

The following table shows the historical figures of entrusted management fees paid by the Company to Beijing Airport Food Management for the provision of operation and management services of the designated food and beverage resources in Beijing Capital Airport by Beijing Airport Food Management:

	For the year ended 31 December 2018 (RMB)	For the year ended 31 December 2019 (RMB)	For the year ending 31 December 2020 (RMB)
Entrusted management fees paid by the Company to Beijing Airport Food Management	142,497,000	132,404,000	29,337,000 (Note 2)
Annual caps	153,000,000	159,000,000	165,000,000

Note 2: The entrusted management fees paid by the Company to Beijing Airport Food Management for the provision of operation and management services of the designated food and beverage resources for the eleven months ended 30 November 2020 is approximately RMB26,892,000. Since the audited figure for the entrusted management fees paid by the Company to Beijing Airport Food Management for the provision of operation and management services of the designated food and beverage resources in Beijing Capital Airport for the year ending 31 December 2020 is not yet available, it is only an estimated figure. Due to the COVID-19 pandemic, there has been a substantial decline of the food and beverage sales in Beijing Capital

Airport. The Company expects that the relevant entrusted management fees payable by the Company to Beijing Airport Food Management for the year ending 31 December 2020 will not exceed its annual cap.

Annual caps

The Company expects that the annual caps for the transactions contemplated under the Food and Beverage Management Agreement are as follows:

	<i>(RMB)</i>
For the year ending 31 December 2021	70,000,000
For the year ending 31 December 2022	110,000,000
For the year ending 31 December 2023	100,000,000

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

- (i) the historical figures of operating turnover from the food and beverage business in Beijing Capital Airport in the past three years;
- (ii) the expected increase in food and beverage resources and enhancement of food and beverage brands in the future; and
- (iii) the corresponding increase in the turnover from the operation of food and beverage resources resulting from the anticipated growth of overall passengers throughput at Beijing Capital Airport in the next three years.

Pricing policy

After receiving the quotation from Beijing Airport Food Management for the provision of food and beverage management services, the Company has considered the following factors to assess the reasonableness and fairness of such quotation: (i) the reasonable costs of Beijing Airport Food Management in providing the food and beverage management services; (ii) the reasonable profit margin (approximately 8.7%) to be made by Beijing Airport Food Management for the provision of food and beverage management services to the Company; and (iii) the relevant taxes.

As the operation and management of entrusted resources of food and beverage are relatively comprehensive and require a higher level of management services in respect of investments in equipment and facilities and operating costs, service, construction management, 24-hour supervision of the business area, protection under special circumstances and other special cost due to the distinctiveness of the business area of Beijing Capital Airport as compared with that of current entrusted management services of those business areas in Beijing, there is no similar or equivalent entrusted management operation mode of food and beverage business in other

airports in the PRC or in the business district of Beijing Capital Airport. Accordingly, there are no direct comparables of similar transactions. Beijing Airport Food Management's profit margin of approximately 8.7% is considered by the Company as reasonable after the Company has compared it with the profit margin (which is in the range of approximately 8% to 15%) for the provision of other services, e.g. property management services, environmental and cleaning services, by other service providers in Beijing Capital Airport. Such service providers are selected based on tender results after assessing their quotation, qualifications, experience and service proposal, etc., by the Company.

Internal control on pricing

The Company has implemented a management system to monitor the pricing standards for the transactions under the Food and Beverage Management Agreement to ensure that such terms are on normal commercial terms as follows:

1. Prior to entering into the Food and Beverage Management Agreement, the commercial development department of the Company is responsible for gathering information on the historical figures of entrusted management fees and relevant transactions under the Former Food and Beverage Management Agreement and conducting assessment on the fairness of the transaction terms and the pricing terms. The commercial development department of the Company is responsible for selecting service providers based on a comprehensive assessment on their quotations, which will be checked and verified by the finance department of the Company. Thereafter, the general manager office meeting of the Company will further consider the quotations which will only be approved after final confirmation at the general manager office meeting of the Company. Upon completion of the above internal review procedures based on different functions of various departments of the Company, the relevant definitive agreements will be considered and approved by the Board.
2. The commercial development department of the Company is responsible for the monitoring, assessment and ratings of the transactions contemplated under the Food and Beverage Management Agreement. The finance department and the secretariat to the Board are responsible for gathering information of connected transactions and monitoring the implementation of connected transactions.
3. The independent non-executive Directors have reviewed and would continue to review the transactions contemplated under the Food and Beverage Management Agreement to ensure that such transactions are entered into on normal commercial terms, fair and reasonable, and carried out pursuant to its contractual terms.
4. The auditors of the Company will conduct annual review on the transactions contemplated under the Food and Beverage Management Agreement in relation to the pricing policy and annual caps contemplated thereunder in accordance with the Listing Rules.

Internal control on review of annual caps

The Company has implemented the following internal control measures to ensure that the annual caps for the transactions contemplated under the Food and Beverage Management Agreement will not be exceeded:

1. The finance department of the Company provides the secretariat to the Board with information in relation to the actual transaction amounts on a monthly basis.
2. The secretariat to the Board is responsible for monitoring such transactions to ensure that the total amount of transactions does not exceed the annual caps.
3. If such amount of transactions is estimated to exceed the relevant annual cap, the person-in-charge of the relevant department of the Company will be notified so that the scale of transactions in the future may be re-estimated and arrangements may be made to issue announcements and/or to obtain the relevant approvals from the Board and the Independent Shareholders in accordance with the requirements of the Listing Rules.

Reasons for and benefits of entering into the Food and Beverage Management Agreement

Beijing Airport Food Management has maintained a good cooperative relationship with the Company and is familiar with the food and beverage business within the area of Beijing Capital Airport. In addition, Beijing Airport Food Management has ample client resources and strong capability in food and beverage operation and management. Therefore, it is expected that the management of the food and beverage resources of Beijing Capital Airport by Beijing Airport Food Management will facilitate both the continued increase in the value of food and beverage resources and the improvement in the satisfaction and service quality of food and beverage in Beijing Capital Airport.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the Food and Beverage Management Agreement is entered into on normal commercial terms that are fair and reasonable and in the ordinary and usual course of business of the Company, and the transactions contemplated under the Food and Beverage Management Agreement are in the interest of the Company and the Shareholders as a whole.

(2) FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

Background

Reference is made to (i) the announcement of the Company dated 28 December 2017 in respect of, among other things, the Former Food and Beverage Leasing Agreement; and (ii) the announcement of the Company dated 3 July 2020 in respect of the Former Supplemental Food and Beverage Leasing Agreement. The Former Food and Beverage Leasing Agreement (as amended by the Former Supplemental Food and Beverage Leasing Agreement) will expire on

31 December 2020. As the parties intend to carry out transactions of a similar nature from time to time, the Company and Beijing Airport Food Management entered into a new term of agreement as a renewal agreement. To further standardise the operational management of Beijing Airport Food Management in Beijing Capital Airport, the operation model for the current term of agreement is intended to be adjusted to resources usage model.

The Board announces that on 29 December 2020, the Company entered into the Food and Beverage Resources Usage Agreement with Beijing Airport Food Management, pursuant to which the Company agreed to permit Beijing Airport Food Management to use the designated food and beverage resources in Beijing Capital Airport for a term of three years commencing from 1 January 2021 to 31 December 2023.

Material terms of the Food and Beverage Resources Usage Agreement

Date

29 December 2020

Parties

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

Services

Pursuant to the Food and Beverage Resources Usage Agreement, the Company agreed to permit Beijing Airport Food Management to use the designated food and beverage resources in Terminal One, Terminal Two and Terminal Three of Beijing Capital Airport.

Term

The Food and Beverage Resources Usage Agreement is for a term of three years commencing from 1 January 2021 to 31 December 2023.

Consideration

The method of calculating the resources usage fee payable by Beijing Airport Food Management to the Company under the Food and Beverage Resources Usage Agreement is set out as follows:

Guaranteed resources usage fee + commission for increase in resources usage fee (*Note 2*)

Note 2: Commission for increase in resources usage fee = (total rental income of Beijing Airport Food Management for the current year – total rental income of Beijing Airport Food Management for the preceding year) × 40%

Total rental income of Beijing Airport Food Management = actual amount of rental received for the contracting of food and beverage services + rental for the self-operation of food and beverage services

In principle, the actual amount of resources usage fee of the preceding year is used as the base of guaranteed resources usage fee. Further, the guaranteed resources usage fee is related to the actual area for store operation.

Due to the exceptional circumstance in 2020 under the influence of the COVID-19 pandemic, the guaranteed resources usage fee for 2021 will be calculated based on the rental payable by Beijing Airport Food Management in 2019, the change of passengers throughput between 2021 and 2019 and the change of actual operating area between 2021 and 2019.

In addition, there will be no commission for increase in resources usage fee in the year of 2021. The increase in resources resulting from the overall resource planning, major process adjustments and the renovation and expansion of Beijing Capital Airport will not be included in the calculation of the increase in resources usage fee for the current year, but will be included in the calculation of guaranteed resources usage fee.

Payment of consideration

(i) Guaranteed resources usage fee

The Company shall issue a written payment notice to Beijing Airport Food Management within 5 working days at the end of each month in respect of the guaranteed resources usage fee. Within 10 working days from the beginning of the following month, Beijing Airport Food Management shall settle such payment to the Company.

(ii) Commission for increase in resources usage fee

Beijing Airport Food Management shall report to the Company in relation to its total rental income for the preceding year within 10 working days of the first month of the following year. Upon confirmation by the Company and Beijing Airport Food Management, the commission for increase in resources usage fee shall be paid together with the guaranteed resources usage fee of the first month of the current year.

Other material terms

The Company will be responsible for making commercial decisions on the allocation of food and beverage resources in the designated area in Beijing Capital Airport, as well as the layout, format and category of brands.

Beijing Airport Food Management will be responsible for initiating tender invitation for food and beverage business in Beijing Capital Airport. The tender result shall be reviewed by Beijing Airport Food Management and filed with the Company.

Beijing Airport Food Management will be responsible for the daily operation and managerial work in respect of the food and beverage operators. The scope of work shall include safety, servicing, logistics, cashier, renovation, premises and managerial work of assets.

In respect of marketing, the Company will be responsible for the overall marketing strategy. Beijing Airport Food Management will execute the marketing plan and other store promotions in accordance with the overall marketing framework set by the Company.

Historical figures

The following table shows the historical figures of rental paid by Beijing Airport Food Management to the Company for the leasing of the designated food and beverage resources in Beijing Capital Airport from the Company to Beijing Airport Food Management:

	For the year ended 31 December 2018 (RMB)	For the year ended 31 December 2019 (RMB)	For the year ending 31 December 2020 (RMB)
Rental paid by Beijing Airport Food Management to the Company	50,474,000	39,716,000	38,531,000 <i>(Note 3)</i>
Annual caps	55,000,000	59,000,000	62,000,000

Note 3: The rental paid by Beijing Airport Food Management to the Company for the leasing of the designated food and beverage resources in Beijing Capital Airport for the eleven months ended 30 November 2020 is approximately RMB35,320,000. Since the audited figure for the rental paid by Beijing Airport Food Management to the Company for the leasing of the designated food and beverage resources in Beijing Capital Airport for the year ending 31 December 2020 is not yet available, it is only an estimated figure. The Company expects that the relevant rental payable by Beijing Airport Food Management to the Company for the year ending 31 December 2020 will not exceed its annual cap.

Annual caps

The Company expects that the annual caps for the transactions contemplated under the Food and Beverage Resources Usage Agreement are as follows:

(RMB)

For the year ending 31 December 2021	38,000,000
For the year ending 31 December 2022	45,000,000
For the year ending 31 December 2023	48,000,000

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

- (i) the historical rental paid by Beijing Airport Food Management to the Company in the past three years;
- (ii) the anticipated change in the purchasing power and consumption habits of the passengers of Beijing Capital Airport in the next three years; and
- (iii) the anticipated increase in resources usage costs in the next three years.

Pricing policy

The Company is not aware of any similar or equivalent resources usage model for direct comparison. Therefore, in determining the unit price per square meter for calculation of the guaranteed resources usage fees under the Food and Beverage Resources Usage Agreement, the Company compared against the rentals of food and beverage outlets in other shopping malls in Beijing which are similar to those in Beijing Capital Airport. The unit price of rental of such food and beverage outlets ranges from approximately RMB3,600 to RMB8,400 per square meter per year.

With reference to the unit rental price and the historical rental paid by Beijing Airport Food Management to the Company in the past two years, it is currently estimated that the unit resources usage fees per square meter under the Food and Beverage Resources Usage Agreement will be approximately RMB4,900 per square meter per year. Such price is in line with the market level.

Internal control on pricing

The Company has implemented a management system to monitor the pricing standards for the transactions under the Food and Beverage Resources Usage Agreement to ensure that such terms are on normal commercial terms as follows:

1. Prior to entering into the Food and Beverage Resources Usage Agreement, the commercial development department of the Company is responsible for gathering information on the historical rental under the Former Food and Beverage Leasing Agreement (as amended by the Former Supplemental Food and Beverage Leasing Agreement) and conducting assessment on the fairness of the transaction terms and pricing terms.

2. The commercial development department of the Company is responsible for the monitoring, assessment and ratings of the transactions contemplated under the Food and Beverage Resources Usage Agreement. The finance department and the secretariat to the Board are responsible for gathering the information on connected transactions and monitoring the actual status of connected transactions.
3. The independent non-executive Directors have reviewed and would continue to review the transactions contemplated under the Food and Beverage Resources Usage Agreement to ensure that such transactions are entered into on normal commercial terms, fair and reasonable, and carried out pursuant to its contractual terms.
4. The auditors of the Company will conduct annual review on the transactions contemplated under the Food and Beverage Resources Usage Agreement in relation to the pricing policy and annual caps contemplated thereunder in accordance with the Listing Rules.

Internal control on review of annual caps

The Company has implemented the following internal control measures to ensure that the annual caps for the transactions contemplated under the Food and Beverage Resources Usage Agreement will not be exceeded:

1. The finance department of the Company provides the secretariat to the Board with information in relation to the actual transaction amounts on a monthly basis.
2. The secretariat to the Board is responsible for monitoring such transactions to ensure that the total amount of transactions does not exceed the annual caps.
3. If such amount of transactions is estimated to exceed the relevant annual cap, the person-in-charge of the relevant department of the Company will be notified so that the scale of transactions in the future may be re-estimated and arrangements may be made to issue announcements and/or to obtain the relevant approvals from the Board and the Independent Shareholders in accordance with the requirements of the Listing Rules.

Reasons for and benefits of entering into the Food and Beverage Resources Usage Agreement

Beijing Airport Food Management is principally engaged in the restaurant and other food and beverage businesses. Since Beijing Airport Food Management has maintained a good cooperative relationship with the Company in the past and has substantive experience in conducting restaurants and other food and beverage businesses in Beijing Capital Airport, Beijing Airport Food Management will be able to operate the food and beverage premises independently and more effectively. At the same time, this arrangement will also help enhance the food and beverage resources usage fee income of the Company and the satisfaction and service quality of food and beverage in Beijing Capital Airport.

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

GENERAL

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

The Parent Company is principally engaged in the provision of ground handling services for domestic and international aviation enterprises, including supply of water, electricity, steam and energy, airport management services and counter services.

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

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

BOARD'S APPROVAL

The Agreements were approved by the Board.

As at the date of this announcement, there are no overlapping directors between the Company and the Parent Company or Beijing Airport Food Management. Certain executive and non-executive Directors concurrently serve as the general manager and deputy general managers of the Parent Company only, and there is no overlapping senior management between the Company and Beijing Airport Food Management. Moreover, none of the Directors personally has any material interest in the transactions contemplated under any of the Agreements. Therefore, none of the Directors has abstained from voting at the Board meeting to approve any of the Agreements and the transactions contemplated thereunder.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the Parent Company is the controlling shareholder of the Company, holding approximately 58.96% of the issued share capital of the Company. Since Beijing Airport Food Management is a subsidiary of the Parent Company, Beijing Airport Food Management is therefore a connected person of the Company. Accordingly, the Agreements and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of the Food and Beverage Management Agreement and the Food and Beverage Resources Usage Agreement is more than 0.1% but less than 5%, the Agreements are therefore subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

“Agreements”	collectively, the Food and Beverage Management Agreement and the Food and Beverage Resources Usage Agreement
“associates”	has the same meaning ascribed to it in the Listing Rules
“Beijing Capital Airport”	Beijing Capital International Airport
“Beijing Airport Food Management”	Beijing Capital Airport Food Management Company Limited* (北京首都機場餐飲發展有限公司), a sino-foreign joint stock limited company incorporated in the PRC, which is principally engaged in restaurant and other food and beverage businesses, and is a wholly-owned subsidiary of the Parent Company
“Board”	the board of Directors

“Company”	Beijing Capital International Airport Co., Ltd., a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H Shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it in the Listing Rules
“COVID-19”	Novel Coronavirus
“Director(s)”	the director(s) of the Company
“Food and Beverage Resources Usage Agreement”	the food and beverage resources usage agreement dated 29 December 2020 entered into between the Company and Beijing Airport Food Management, pursuant to which the Company agreed to permit Beijing Airport Food Management to use the designated food and beverage resources in Beijing Capital Airport
“Food and Beverage Management Agreement”	the food and beverage management agreement dated 29 December 2020 entered into between the Company and Beijing Airport Food Management in respect of the provision of operation and management services for the designated food and beverage resources in Beijing Capital Airport from Beijing Airport Food Management to the Company
“Former Food and Beverage Leasing Agreement”	the food and beverage leasing agreement dated 28 December 2017 entered into between the Company and Beijing Airport Food Management in respect of the leasing of the designated food and beverage resources in Beijing Capital Airport from the Company to Beijing Airport Food Management, details of which were disclosed in the announcement of the Company dated 28 December 2017
“Former Food and Beverage Management Agreement”	the food and beverage management agreement dated 28 December 2017 entered into between the Company and Beijing Airport Food Management in respect of the provision of management services for the designated food and beverage resources in Beijing Capital Airport from Beijing Airport Food Management to the Company, details of which were disclosed in the announcement of the Company dated 28 December 2017

“Former Supplemental Food and Beverage Leasing Agreement”	the supplemental agreement dated 3 July 2020 entered into between the Company and Beijing Airport Food Management to amend certain terms of the Former Food and Beverage Leasing Agreement, details of which were disclosed in the announcement of the Company dated 3 July 2020
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB1.00 each in the registered capital of the Company
“Independent Shareholders”	the Shareholders other than the Parent Company, its associates and any shareholder with a material interest in the transactions contemplated under each of the Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parent Company”	Capital Airports Holding Company* (首都機場集團公司), an enterprise established in the PRC and the controlling shareholder of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of RMB1.00 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Terminal One”	the passenger terminal numbered one which forms part of Beijing Capital Airport
“Terminal Three”	the passenger terminal numbered three which forms part of Beijing Capital Airport
“Terminal Two”	the passenger terminal numbered two which forms part of Beijing Capital Airport

“%”

per cent

By order of the Board
Meng Xianwei
Secretary to the Board

Beijing, the PRC
29 December 2020

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

Executive Directors: Mr. Liu Xuesong, Mr. Han Zhiliang and Mr. Zhang Guoliang

Non-executive Directors: Mr. Gao Shiqing, Mr. Jia Jianqing and Mr. Song Kun

Independent non-executive Directors: Mr. Jiang Ruiming, Mr. Liu Guibin, Mr. Zhang Jiali and Mr. Stanley Hui Hon-chung

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

** For identification purpose only*