

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



# 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 INTERNATIONAL RETAIL MANAGEMENT AGREEMENT

#### **INTERNATIONAL RETAIL MANAGEMENT AGREEMENT**

Reference is made to the announcement of the Company dated 3 November 2020 and the circular of the Company dated 4 December 2020 in respect of the Former International Retail Management Agreement, which will expire on 31 December 2023. As the parties intend to continue to carry out transactions of a similar nature from time to time after 31 December 2023, the Company entered into the International Retail Management Agreement.

The Board announces that on 7 November 2023, the Company entered into the International Retail Management Agreement with Beijing Airport Commercial and Trading, pursuant to which Beijing Airport Commercial and Trading agreed to provide operation and management services of retail resources to the Company in the international isolated area and international arrival area in Terminal Two and Terminal Three of Beijing Capital Airport for a term of three years commencing from 1 January 2024 to 31 December 2026.

#### **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 Commercial and Trading is a wholly-owned subsidiary of the Parent Company, Beijing Airport Commercial and Trading is therefore a connected person of the Company. Accordingly, the International Retail Management Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the International Retail Management Agreement is more than 5%, the International Retail Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **EGM**

The EGM will be held to consider, among others, the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps.

## **ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee has been established to advise the Independent Shareholders and Opus Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on (i) whether the terms of the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps, are fair and reasonable; (ii) whether the transactions contemplated under the International Retail Management Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Company, and whether they are in the interests of the Company and the Shareholders as a whole; and (iii) how to vote on the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps.

## **DESPATCH OF CIRCULAR**

Pursuant to Rule 14A.68(11) of the Listing Rules, the Circular is required to be despatched to the Shareholders within 15 business days after the publication of this announcement, being on or before 28 November 2023. As additional time is required by the Company to prepare the information to be included in the Circular, it is expected that the Circular will be despatched to the Shareholders on or before 11 December 2023. If there is expected to be a delay in the despatch of the Circular, a further announcement will be published in accordance with the Listing Rules stating the reason for the delay and the new expected date of despatch of the Circular.

# **INTERNATIONAL RETAIL MANAGEMENT AGREEMENT**

## **Background**

Reference is made to the announcement of the Company dated 3 November 2020 and the circular of the Company dated 4 December 2020 in respect of the Former International Retail Management Agreement, which will expire on 31 December 2023. As the parties intend to continue to carry out transactions of a similar nature from time to time after 31 December 2023, the Company entered into the International Retail Management Agreement.

The Board announces that on 7 November 2023, the Company entered into the International Retail Management Agreement with Beijing Airport Commercial and Trading, pursuant to which Beijing Airport Commercial and Trading agreed to provide operation and management services of retail resources to the Company in the international isolated area and international arrival area in Terminal Two and Terminal Three of Beijing Capital Airport for a term of three years commencing from 1 January 2024 to 31 December 2026.

## **Material terms of the International Retail Management Agreement**

### ***Date***

7 November 2023

### ***Parties***

- (a) the Company; and
- (b) Beijing Airport Commercial and Trading

### ***Services***

Pursuant to the International Retail Management Agreement, Beijing Airport Commercial and Trading agreed to provide operation and management services of retail resources to the Company in the international isolated area and international arrival area in Terminal Two and Terminal Three of Beijing Capital Airport.

### ***Term***

The International Retail Management Agreement is for a term of three years, commencing from 1 January 2024 to 31 December 2026.

### ***Condition precedent***

The transactions contemplated under the International Retail Management Agreement are subject to the approval by the Independent Shareholders at the EGM.

### ***Consideration and payment***

The method of calculating the entrusted management fees payable by the Company to Beijing Airport Commercial and Trading for the provision of international retail management services are set out as follows:

Total international retail revenue of the Company for the current year  $\times$  20% <sup>(Note 1)</sup>.

*Note 1:* The international passenger throughput and international retail business is undergoing a period of recovery subsequent to the pandemic. Taking into account the effect of the above factor, the Company has negotiated with Beijing Airport Commercial and Trading to reduce the entrusted management fee rate to 20% as compared with the previous fee rate of 22% under the Former International Retail Management Agreement, and the parties have agreed to continue to suspend the implementation of the incremental sharing mechanism.

The Company shall pay the entrusted management fees to Beijing Airport Commercial and Trading in accordance with the above-mentioned calculation method. Beijing Airport Commercial and Trading shall issue a written payment request to the Company in relation to the fees payable for the preceding month and the amount of such fees shall be confirmed by the Company on or before the fifth working day of each month. Within 5 working days from the day on which the Company receives such written payment notice from Beijing Airport Commercial and Trading, the Company shall settle the payment of such fees by way of bank transfer to the designated account of Beijing Airport Commercial and Trading.

### ***Other material terms***

Pursuant to the International Retail Management Agreement, Beijing Airport Commercial and Trading is authorised by the Company to sign individual retail contracts with each of the retailers in relation to the use and operation of retail resources, and the terms of such retail contracts shall not be in contradiction with the terms of the International Retail Management Agreement. In addition, Beijing Airport Commercial and Trading shall ensure that each of the retailers will make all payments to the Company's designated bank account directly. The Company will then pay Beijing Airport Commercial and Trading the entrusted management fees, details of which are set out in the section headed "Consideration and payment" in this announcement. The Company expects that the retailers and their ultimate beneficial owners will be third parties independent of the Company and its connected persons.

In respect of commercial planning, the Company and Beijing Airport Commercial and Trading will establish a working mechanism for collaborative management. In particular, the Company is responsible for, and Beijing Airport Commercial and Trading will participate in, the management of resource allocation, layout, business type and product categories.

In respect of the formulation of standards, the Company is responsible for formulating (i) operator access standards, (ii) brand access standards, (iii) service standards; and (iv) resource value evaluation standards.

In respect of market development and merchandising, Beijing Airport Commercial and Trading is responsible for formulating and implementing merchandising proposals. The Company is responsible for reviewing the appropriateness of resource allocation plans in the merchandising proposals. The results of the merchandising proposals are considered and approved by Beijing Airport Commercial and Trading and reported to the Company for filing.

In respect of contracting and management of contracts, the Company authorizes Beijing Airport Commercial and Trading to enter into contracts with retailers. Any leasing agreements entered into between Beijing Airport Commercial and Trading and retailers shall be reported to the Company.

In respect of the daily operation and management of retail businesses, Beijing Airport Commercial and Trading is entrusted by the Company to undertake daily operation and management of the retailers, including safety, servicing, logistics, cashier, renovation, as well as management of resources, premises and other related entrusted resources.

In respect of marketing, the Company is responsible for the overall marketing framework. Beijing Airport Commercial and Trading is responsible for executing industry marketing and store promotion work in accordance with the overall marketing framework.

In respect of financial settlements, each of the retailers shall pay fees directly into the Company's designated account pursuant to the International Retail Management Agreement, and the Company shall pay entrusted management fees to Beijing Airport Commercial and Trading. Beijing Airport Commercial and Trading shall manage the designated account of the Company, and shall be responsible for account processing, settlement of payments (including collection and return of payments), ageing analysis, invoicing etc.

## Historical transaction amounts

The following table shows the historical transaction amounts for the international retail management services provided by Beijing Airport Commercial and Trading under the International Retail Management Agreement:

	<b>For the year ended 31 December 2021</b>	<b>For the year ended 31 December 2022</b>	<b>For the year ending 31 December 2023</b>
	<i>(RMB)</i>	<i>(RMB)</i>	<i>(RMB)</i>
	(audited)	(audited)	(unaudited)
Historical transaction amounts for the provision of international retail management services by Beijing Airport Commercial and Trading	12,613,000	18,127,000	120,000,000 <i>(Note 2)</i>
Percentage of entrusted management fees paid by the Company to Beijing Airport Commercial and Trading over the international retail revenue of the Company	22%	22%	22%
Annual caps	394,000,000	658,000,000	812,000,000

*Note 2:* Since the audited figure of the historical transaction amount for the year ending 31 December 2023 is not yet available, it is an estimated figure only. For the nine months ended 30 September 2023, the entrusted management fees for international retail business paid by the Company to Beijing Airport Commercial and Trading were approximately RMB71,344,000. The Company expects that the actual transaction amount for the year ending 31 December 2023 will not exceed its annual cap.

## Annual caps

The Company expects that the annual caps for the transactions contemplated under the International Retail Management Agreement for the three years ending 31 December 2026 are as follows:

	<b>For the year ending 31 December 2024</b>	<b>For the year ending 31 December 2025</b>	<b>For the year ending 31 December 2026</b>
	<i>(RMB)</i>	<i>(RMB)</i>	<i>(RMB)</i>
Annual caps	240,000,000	370,000,000	510,000,000

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

- (i) percentage of the historical service fees paid by the Company to Beijing Airport Commercial and Trading for the provision of international retail management services over the international retail revenue of the Company;
- (ii) the Company's estimate of the number of international passenger throughput, the amount of retail consumption per international passenger, and the total turnover of international retail business at Beijing Capital Airport, for each of the three years ending 31 December 2024, 31 December 2025 and 31 December 2026; and
- (iii) the related taxes.

### **Pricing policy**

The method of calculating the entrusted management fees receivable by Beijing Airport Commercial and Trading for the provision of international retail management services was determined after arm's length negotiation between the Company and Beijing Airport Commercial and Trading with reference to the respective percentage of the amounts of entrusted management fees received by Beijing Airport Commercial and Trading for each year over the total international retail revenue received by the Company for the corresponding year.

As the international retail business in other airports in the PRC have not adopted modes of operation similar or equivalent to the entrusted management mode of operation adopted by the Company, there is no direct comparable pricing policies for similar transactions. Furthermore, while some of the shopping centres in urban districts of the PRC have adopted a similar mode of operation involving entrusted management, the transactions of such shopping centres are not comparable to those at Beijing Capital Airport in view of the geographical locations of the shopping centres and the special requirements of safety, emergency treatment and service satisfaction for the provision of international management services in airports, which resulted in a different basis and method for determining the amount of entrusted management fees.

The Company is aware that Beijing Airport Commercial and Trading also provides entrusted management services to Daxing Airport and Tianjin Airport in relation to their retail businesses, which includes the provision of both international and domestic retail management services. Although such transactions are not directly comparable, they provide a reference point for the Company to evaluate and compare pricing policies under the International Retail Management Agreement. The rate of entrusted management fees payable by each of Daxing Airport and Tianjin Airport to Beijing Airport Commercial and Trading for the provision of entrusted management services in relation to international retail businesses is approximately 22% of their total international retail revenue, which is higher than the entrusted management fee rate under the International Retail Management Agreement, i.e., 20% of the Company's total international retail revenue.

In determining the percentage (i.e. 20%) for calculating the entrusted management fees payable by the Company to Beijing Airport Commercial and Trading, the Company has taken into account the following specific factors relating to Beijing Capital Airport:

- (i) During the term of the International Retail Management Agreement, Beijing Airport Commercial and Trading has demonstrated strong cooperation, coordination and rapid response capabilities in relation to airport safety, prevention and control of epidemics and management of merchants, and assisted the Company to ensure the safe operation of Beijing Capital Airport;
- (ii) Beijing Airport Commercial and Trading has actively cooperated with the Company in promoting the recovery of the international retail business, and maintained good communication and coordination with operators;
- (iii) Beijing Airport Commercial and Trading possesses rich customer resources for international retail business and strong investment management capabilities;
- (iv) Beijing Airport Commercial and Trading has fully demonstrated its rich experience in international duty-free business and its grasp of the domestic duty-free policy in the previous tender invitations for international retail business; and
- (v) the entrusted management fee has been reduced to 20% of the Company's international retail revenue, after taking into account the passenger throughput and international retail business of Beijing Capital Airport, which continued to be under pressure during the post-pandemic period of economic recovery.

Based on the above, the Company believes that the basis of pricing for entrusted management fees under the International Retail Management Agreement is on normal commercial terms or better that are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

### **Internal control on pricing**

The Company has implemented a management system to monitor the pricing standards for the transactions under the International Retail Management Agreement to ensure that the terms are on normal commercial terms. Such system is described as below:

1. Prior to entering into the International Retail Management Agreement, the relevant departments of the Company are responsible for gathering information on the historical entrusted management fees and relevant transactions under the Former International Retail Management Agreement as well as conducting cross-checks against the entrusted management fees charged by Beijing Airport Commercial and Trading to Daxing Airport and Tianjin Airport in respect of their international retail business.

2. Prior to the implementation of the transactions contemplated under the International Retail Management Agreement, the principal officers in the relevant department lodged an application within the Company, which was subject to a preliminary review conducted by the managers of the above respective departments of the Company, followed by a final review at the general manager office meeting in accordance with the internal control policies of the Company. After the above internal review process based on different functions of various departments of the Company has been completed, the transactions contemplated under the International Retail Management Agreement were considered and approved by the Board.
3. The independent non-executive Directors have reviewed and will continue to review the transactions contemplated under the International Retail Management Agreement to ensure that such transactions are entered into on normal commercial terms, are fair and reasonable, and are carried out pursuant to its contractual terms.
4. The auditors of the Company will conduct annual review on the transactions contemplated under the International Retail 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 International Retail 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 International Retail Management Agreement**

Beijing Airport Commercial and Trading has maintained a good cooperative relationship with the Company in the past and is familiar with the international retail business within Beijing Capital Airport. In addition, Beijing Airport Commercial and Trading has relatively strong capability in attracting and managing retail business as well as in retail operation and management.

During the term of the Former International Retail Management Agreement, in particular during the period of the pandemic, Beijing Airport Commercial and Trading actively cooperated with the Company to implement epidemic prevention measures, ensuring realisation of the “Three Zeroes” epidemic protection target for Beijing Capital Airport, while striving to promote the resumption of work and production under regular pandemic prevention and control. In 2023, Beijing Airport Commercial and Trading has given better play to its initiatives and actively promoted the international retail operators to speed up restoration of store operations. At the same time, Beijing Airport Commercial and Trading has assisted the Company in handling matters related to international retail operation agreements.

Therefore, it is expected that the management of the international retail resources of Beijing Capital Airport by Beijing Airport Commercial and Trading will facilitate the recovery in the value of retail resources at Beijing Capital Airport. At the same time, the new phase of cooperation between Beijing Airport Commercial and Trading and the Company can facilitate, to a greater extent, the Company’s recovery and development.

In light of the above, the Directors (excluding the independent non-executive Directors whose view will be contained in the Circular to be despatched to the Independent Shareholders after considering the view of the Independent Financial Adviser to be appointed to advise on the terms of the International Retail Management Agreement) are of the view that the International Retail 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 International Retail Management Agreement are in the interest of 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 and the provision of operation and management services, counter and premises rental services, car parking management, housing rental, property management, advertising agency services and other businesses to its subsidiaries. The ultimate beneficial owner of the Parent Company is the Civil Aviation Administration of China, which is a state bureau administered by the Ministry of Transport of the PRC.

Beijing Airport Commercial and Trading is principally engaged in conducting trading and retail businesses and is a wholly-owned subsidiary of the Parent Company.

## **BOARD’S APPROVAL**

The International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps, were approved by the Board.

As at the date of this announcement, there are no overlapping directors between the Company and Beijing Airport Commercial and Trading. Moreover, while the executive Directors and the non-executive Directors concurrently serve as directors or senior management of the Parent Company, none of the Directors personally has any material interest in the transactions contemplated under the International Retail Management Agreement entered into by the Company and Beijing Airport Commercial and Trading. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps.

## **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. Beijing Airport Commercial and Trading is a wholly-owned subsidiary of the Parent Company and is therefore a connected person of the Company. Accordingly, the International Retail Management Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the International Retail Management Agreement is more than 5%, the International Retail Management Agreement and the transactions contemplated thereunder are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **EGM**

The EGM will be held to consider, among others, the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps.

## **ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee has been established to advise the Independent Shareholders and Opus Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on (i) whether the terms of the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps, are fair and reasonable; (ii) whether the transactions contemplated under the International Retail Management Agreement are on normal commercial terms or better and in the ordinary and usual course of business of the Company, and whether they are in the interests of the Company and the Shareholders as a whole; and (iii) how to vote on the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps.

## DESPATCH OF CIRCULAR

Pursuant to Rule 14A.68(11) of the Listing Rules, the Circular is required to be despatched to the Shareholders within 15 business days after the publication of this announcement, being on or before 28 November 2023. As additional time is required by the Company to prepare the information to be included in the Circular, it is expected that the Circular will be despatched to the Shareholders on or before 11 December 2023. If there is expected to be a delay in the despatch of the Circular, a further announcement will be published in accordance with the Listing Rules stating the reason for the delay and the new expected date of despatch of the Circular.

## DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Beijing Airport Commercial and Trading”	Beijing Capital Airport Commercial and Trading Company Limited* (北京首都機場商貿有限公司), a limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Parent Company
“Beijing Capital Airport”	Beijing Capital International Airport
“Board”	the board of Directors
“Circular”	a circular of the Company containing, among other things, details of the International Retail Management Agreement, the letter from the Independent Board Committee to the Independent Shareholders, and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders
“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場股份有限公司), a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H Shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Daxing Airport”	Beijing Daxing International Airport

“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting to be held by the Company for the consideration and the approval of, among other things, the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps
“Former International Retail Management Agreement”	the international retail management agreement dated 3 November 2020 entered into between the Company and Beijing Airport Commercial and Trading, details of which were disclosed in the announcement of the Company dated 3 November 2020 and the circular of the Company dated 4 December 2020
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB1.00 each in the registered share capital of the Company
“Independent Board Committee”	the independent board committee of the Company, comprising all the independent non-executive Directors, namely Mr. Zhang Jiali, Mr. Stanley Hui Hon-chung, Mr. Wang Huacheng and Ms. Duan Donghui, established to advise the Independent Shareholders in respect of the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps
“Independent Financial Adviser” or “Opus Capital”	Opus Capital Limited, a licensed corporation to carry on Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the International Retail Management Agreement and the transactions contemplated thereunder, including the annual caps
“Independent Shareholder(s)”	the Shareholder(s) other than the Parent Company, its associates and any other Shareholder who has a material interest in the transactions contemplated under the International Retail Management Agreement
“International Retail Management Agreement”	the international retail management agreement dated 7 November 2023 entered into between the Company and Beijing Airport Commercial and Trading for the provision of operation and management services of the designated retail resources in the international isolated area and international arrival area of Beijing Capital Airport by Beijing Airport Commercial and Trading to the Company

“international retail revenue”	operating revenue received by the Company from operators of duty-free businesses in the international isolated area and the international arrival area of Terminal Two and Terminal Three at Beijing Capital Airport
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parent Company”	Capital Airports Holdings Limited* (首都機場集團有限公司) (formerly known as Capital Airports Holding Company* (首都機場集團公司)), an enterprise established in the PRC and the controlling shareholder of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of RMB1.00 each in the registered share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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  
**Li Bo**  
*Secretary to the Board*

Beijing, the PRC  
7 November 2023

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

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

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

*Independent Non-executive  
Directors:*

*Mr. Zhang Jiali, Mr. Stanley Hui Hon-chung, Mr. Wang  
Huacheng and Ms. Duan Donghui*

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

*\* For identification purpose only*