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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

### FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT

#### **FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT**

Reference is made to (i) the 2020 F&B Resources Usage Announcement; (ii) the 2021 F&B Resources Usage Announcement; (iii) the 2021 F&B Resources Usage Circular; and (iv) the 2021 Supplemental F&B Resources Usage Announcement. The Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement and the 2021 Supplemental F&B Resources Usage Agreement) will expire on 31 December 2023. 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 Resources Usage Agreement.

The Board announces that on 22 December 2023, 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 premise resources at 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 Food Management is a wholly-owned subsidiary of the Parent Company, Beijing Airport Food Management is therefore a connected person of the Company. Accordingly, the Food and Beverage Resources Usage 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 transactions contemplated under the Food and Beverage Resources Usage Agreement is more than 0.1% but less than 5%, the Food and Beverage Resources Usage Agreement and the transactions contemplated thereunder (including the annual caps) are subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

## **FOOD AND BEVERAGE RESOURCES USAGE AGREEMENT**

### **Background**

Reference is made to (i) the 2020 F&B Resources Usage Announcement; (ii) the 2021 F&B Resources Usage Announcement; (iii) the 2021 F&B Resources Usage Circular; and (iv) the 2021 Supplemental F&B Resources Usage Announcement. The Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement and the 2021 Supplemental F&B Resources Usage Agreement) will expire on 31 December 2023. 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 Resources Usage Agreement.

The Board announces that on 22 December 2023, 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 premise resources at Beijing Capital Airport for a term of three years commencing from 1 January 2024 to 31 December 2026.

### **Material terms of the Food and Beverage Resources Usage Agreement**

#### ***Date***

22 December 2023

#### ***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 premise 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 2024 to 31 December 2026.

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

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:

Sales revenue of Beijing Airport Food Management from its self-operation of the designated food and beverage resources x 15%

Within 5 working days from the beginning of each month, Beijing Airport Food Management shall report to the Company the sales revenue for the preceding month in relation to the designated food and beverage resources, and provide the sales revenue statement to the Company, upon which the Parties shall confirm the resources usage fee payable to the Company for the preceding month. Beijing Airport Food Management shall then settle payment of the confirmed resources usage fee by bank remittance to the Company within 10 working days from the beginning of the following month.

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

In respect of commercial planning, the Company is fully responsible for overall planning of the use of commercial resources at Beijing Capital Airport.

In respect of the formulation of standards, the Company is responsible for formulating (i) brand access standards; (ii) operator access standards; (iii) service standards; and (iv) resource value evaluation standards, and Beijing Airport Food Management shall operate according to the above standards set by the Company.

In respect of market development and merchandising, Beijing Airport Food Management is responsible for the self-operations or franchising of food and beverage resources under the Food and Beverage Resources Usage Agreement.

Beijing Airport Food Management will be responsible for the daily operations and management of the designated food and beverage resources.

In respect of financial settlements, Beijing Airport Food Management shall pay resources usage fee to the Company, which amounts to 15% of the sales revenue in respect of designated food and beverage resources self-operated by Beijing Airport Food Management under the Food and Beverage Resources Usage Agreement.

In respect of appraisal mechanism, the Company will regularly assess and evaluate the food and beverage resources within the scope of the Food and Beverage Resources Usage Agreement in order to ensure that the value of such resources has been utilised efficiently.

### Historical transaction amounts

The following table shows the historical transaction amounts for the Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement and the 2021 Supplemental F&B Resources Usage Agreement):

	<b>For the year ended 31 December 2021 (RMB'000)</b>	<b>For the year ended 31 December 2022 (RMB'000)</b>	<b>For the eleven months ended 30 November 2023 (RMB'000)</b>
Historical transaction amounts	8,731	7,558	7,539 (Note)
Annual caps	38,000	20,000	40,000

*Note:* Since the audited figure of the historical transaction amount for the year ending 31 December 2023 is not yet available, this figure refers to the unaudited resources usage fee paid by Beijing Airport Food Management to the Company for the eleven months ended 30 November 2023. 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 of the total fees payable by Beijing Airport Food Management to the Company during the term of the Food and Beverage Resources Usage Agreement are as follows:

	<b>For the year ending 31 December 2024 (RMB'000)</b>	<b>For the year ending 31 December 2025 (RMB'000)</b>	<b>For the year ending 31 December 2026 (RMB'000)</b>
Annual caps	7,500	7,500	7,500

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

- (i) the future retention of food and beverage resources and the historical transaction amounts of resources usage fee charged by the Company to Beijing Airport Food Management under the Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement and the 2021 Supplemental F&B Resources Usage Agreement); and

- (ii) the anticipated sales volume in relation to food and beverage services at Beijing Capital Airport and sales revenue per passenger in the next three years.

### **Pricing policy**

Considering that Beijing Airport Food Management is responsible for providing support to food and beverage services and ensuring the safety, operation and service requirements of Beijing Capital Airport, the resources usage fee, which is calculated at 15% of the total sales revenue of Beijing Airport Food Management from its self-operation of the designated food and beverage resources under the Food and Beverage Resources Usage Agreement, has been decided after arm's length negotiation between the Parties.

Upon comparison, the Company confirms that the rates of resources usage fee charged by other independent third parties in Beijing city under similar resources usage agreements is approximately 14% to 20% of the total sales revenue of business operators. Accordingly, the Company is satisfied that the rate of resources usage fee payable by Beijing Airport Food Management to the Company is within the range of the fee rates charged by other independent third parties in Beijing city under similar resources usage agreements.

### **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 and to ensure that such terms are on normal commercial terms. Such system is described as below:

1. Prior to entering into the Food and Beverage Resources Usage Agreement, the relevant departments of the Company are responsible for gathering information such as the historical transaction amounts under the Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement and the 2021 Supplemental F&B Resources Usage Agreement) and conducting cross-checks against the rates of resources usage fee charged by other independent third parties in Beijing city under similar resources usage agreements.
2. Prior to the implementation of the transactions contemplated under the Food and Beverage Resources Usage Agreement, the principal officer(s) in the relevant department shall lodge applications within the Company, which are subject to a preliminary review conducted by the managers of the relevant departments of the Company, followed by a final review at the general manager office meeting in accordance with the internal control policies of the Company. Upon completion of the above internal review procedures, the transactions contemplated under the Food and Beverage Resources Usage 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 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**

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 at Beijing Capital Airport, Beijing Airport Food Management will be able to provide necessary supporting facilities for food and beverage services at Beijing Capital Airport, and ensure the provision of essential food and beverage services to passengers under any circumstances. Furthermore, Beijing Airport Food Management will be able to ensure satisfaction and service quality of food and beverage at Beijing Capital Airport. At the same time, the usage of part of the food and beverage resources by Beijing Airport Food Management for development and operations of a unique catering brand will also help enhance the attractiveness of food and beverage services at Beijing Capital Airport, thereby improving economic efficiency and the overall quality of food and beverage services provided at 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 and in the ordinary and usual course of business of the Company, the terms of which are

reached after arm's length negotiations and are fair and reasonable, 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 operations 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 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, it is a wholly-owned subsidiary of the Parent Company.

## **BOARD'S APPROVAL**

The Food and Beverage Resources Usage 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 Food Management. 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 Food and Beverage Resources Usage Agreement entered into by the Company and Beijing Airport Food Management. Therefore, none of the Directors has abstained from voting at the Board meeting to approve the Food and Beverage Resources Usage 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. Since Beijing Airport Food Management is a wholly-owned subsidiary of the Parent Company, Beijing Airport Food Management is therefore a connected person of the Company. Accordingly, the Food and Beverage Resources Usage 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 transactions contemplated under the Food and Beverage Resources Usage Agreement is more than 0.1% but less than 5%, the Food and Beverage Resources Usage Agreement and the transactions contemplated thereunder (including the annual caps) are 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**

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

“2020 F&B Resources Usage Announcement”	the announcement of the Company dated 29 December 2020 in respect of, among other things, the continuing connected transactions contemplated under the Former F&B Resources Usage Agreement
“2021 F&B Resources Usage Announcement”	the announcement of the Company dated 13 August 2021 in respect of the continuing connected transactions contemplated under, among other things, variations to the terms of the Former F&B Resources Usage Agreement as a result of entering into the Flexible Retail and F&B Resources Usage Agreement
“2021 F&B Resources Usage Circular”	the circular of the Company dated 8 October 2021 in respect of continuing connected transactions contemplated under, among other things, variations to the terms of the Former F&B Resources Usage Agreement as a result of entering into the Flexible Retail and F&B Resources Usage Agreement
“2021 Supplemental F&B Resources Usage Agreement”	the supplemental agreement dated 29 December 2021 entered into between the Company and Beijing Airport Food Management to further amend certain terms of the Former F&B Resources Usage Agreement (as amended by the Flexible Retail and F&B Resources Usage Agreement)
“2021 Supplemental F&B Resources Usage Agreement Announcement”	the announcement of the Company dated 29 December 2021 in respect of continuing connected transactions contemplated under, among other things, variations to the terms of the Former F&B Resources Usage Agreement as a result of entering into the 2021 Supplemental F&B Resources Usage Agreement
“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 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 limited liability company incorporated in the PRC and a wholly-owned subsidiary of the Parent Company
“Beijing Capital Airport”	Beijing Capital International Airport of the PRC
“Board”	the board of Directors
“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場股份有限公司), a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Flexible Retail and F&B Resources Usage Agreement”	the tripartite domestic retail and food and beverage resources usage agreement dated 13 August 2021 entered into among the Company, Beijing Airport Commercial and Trading and Beijing Airport Food Management, details of which were disclosed in the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular
“Food and Beverage Resources Usage Agreement”	the food and beverage resources usage agreement dated 22 December 2023 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 at Beijing Capital Airport

“Former F&B 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 at Beijing Capital Airport and where the context requires, as varied by (i) the Flexible Retail and F&B Resources Usage Agreement, details of which were disclosed in the 2020 F&B Resources Usage Announcement, the 2021 F&B Resources Usage Announcement and the 2021 F&B Resources Usage Circular; and (ii) the 2021 Supplemental F&B Resources Usage Agreement, details of which were disclosed in the 2021 Supplemental F&B Resources Usage Agreement Announcement
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB1.00 each in the registered share capital of the Company
“Independent Shareholder(s)”	the Shareholders other than the Parent Company, its associates and any other Shareholder who has a material interest in the transactions contemplated under the Food and Beverage Resources Usage Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parent Company”	Capital Airports Holdings Co., Ltd.* (首都機場集團有限公司) (formerly known as Capital Airports Holding Company* (首都機場集團公司)), an enterprise established in the PRC and the controlling shareholder of the Company
“Parties”	the Company and Beijing Airport Food Management
“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 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  
**Li Bo**  
*Secretary to the Board*

Beijing, the PRC  
22 December 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*