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香港中旅國際投資有限公司
CHINA TRAVEL INTERNATIONAL INVESTMENT HONG KONG LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 308)

**(1) CHANGE OF DIRECTORS
AND
(2) CANCELLATION OF THE STRATEGY AND DEVELOPMENT COMMITTEE**

The Board announces the following changes regarding the Board with effect from 24 October 2018:

- (1) Dr. Fong Yun Wah has resigned as an Independent Non-Executive Director of the Company;
- (2) Mr. Sze Robert Tsai To has resigned as an Independent Non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, member of the Nomination Committee, and member of the Strategy and Development Committee of the Company;
- (3) Mr. Chan Wing Kee has resigned as an Independent Non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, member of the Nomination Committee, and member of the Strategy and Development Committee of the Company;
- (4) Mr. Zhang Xing has resigned as an Executive Director and the Executive Deputy General Manager (in charge of overall operation) of the Company;
- (5) Mr. Jiang Hong has been appointed as an Executive Director and the General Manager of the Company;
- (6) Mr. Tse Cho Che Edward has been appointed as an Independent Non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, and member of the Nomination Committee of the Company;
- (7) Mr. Zhang Xiaoke has been appointed as an Independent Non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, and member of the Nomination Committee of the Company;
- (8) Mr. Huang Hui has been appointed as an Independent Non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, and member of the Nomination Committee of the Company; and
- (9) The Strategy and Development Committee of the Company has been cancelled.

The board of directors (the “**Board**”) of China Travel International Investment Hong Kong Limited (the “**Company**”) announces the following changes regarding the Board with effect from 24 October 2018:

RESIGNATION OF DIRECTORS

- (1) Dr. Fong Yun Wah (“**Dr. Fong**”) has resigned as an Independent non-Executive Director of the Company as he has attained the retirement age, with effect from 24 October 2018. Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), Dr. Fong has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) or the Stock Exchange.
- (2) Mr. Sze Robert Tsai To (“**Mr. Sze**”) has resigned as an Independent non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, member of the Nomination Committee, and member of the Strategy and Development Committee of the Company as he wishes to devote more time to other business and personal commitments, with effect from 24 October 2018. Pursuant to the Listing Rules, Mr. Sze has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders or the Stock Exchange.
- (3) Mr. Chan Wing Kee (“**Mr. Chan**”) has resigned as an Independent non-Executive Director, member of the Audit Committee, member of the Remuneration Committee, member of the Nomination Committee, and member of the Strategy and Development Committee of the Company as he wishes to devote more time to other business and personal commitments, with effect from 24 October 2018. Pursuant to the Listing Rules, Mr. Chan has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders or the Stock Exchange.
- (4) Mr. Zhang Xing has resigned as an Executive Director and the Executive Deputy General Manager (in Charge of overall operation) of the company due to other business commitments with effect from 24 October 2018. Pursuant to the Listing Rules, Mr. Zhang Xing has confirmed that he has no disagreement with the Board and there are no other matters relating to his resignation that need to be brought to the attention of the Shareholders or the Stock Exchange.

The Board would like to take this opportunity to express its sincere gratitude to Dr. Fong, Mr. Sze, Mr. Chan and Mr. Zhang Xing for their valuable contributions towards the company during their tenure of service.

APPOINTMENT OF DIRECTORS

The Board is pleased to announce that (i) Mr. Jiang Hong (“**Mr. Jiang**”) has been appointed as an Executive Director and the General Manager of the Company; and (ii) Mr. Tse Cho Che Edward (“**Mr. Tse**”), Mr. Zhang Xiaoke (“**Mr. Zhang**”) and Mr. Huang Hui (“**Mr. Huang**”) have been appointed as Independent Non-Executive Directors, members of the Audit Committee, members of the Remuneration Committee, and members of the Nomination Committee of the Company, with effect from 24 October 2018.

Set out below are the biographical details of Mr. Jiang, Mr. Tse, Mr. Zhang and Mr. Huang:

Biographical details of Mr. Jiang Hong:

Mr. Jiang, aged 49, graduated from the Peking University Law School in 1991 with a Bachelor of Laws degree. He was the director and general manager of Hong Kong China Travel Service Investment (China) Limited, a company specialized in the development of urban and tourism real estate and a wholly-owned subsidiary of China Travel Service (Holdings) Hong Kong Limited (“**CTS (Holdings)**”), the controlling shareholder of the Company. He was the deputy general manager (in charge of overall operation) of the strategic investment department and the general manager of the corporate development and management department of CTS (Holdings). Mr. Jiang was a cadre in the marketing division of National Tourism Administration; an officer of the general office, the legal counsel, and the securities affairs representative of China Pan-Tourism Industry Development Co., Ltd. (a company listed on the Shanghai Stock Exchange); the general manager of Pan-Tourism Advertising Development Ltd.; an officer in the human resources division, and the general manager in the development and planning division of China National Tourism Trading & Service Corporation; the general manager of the strategic development department of China Travel Service (Holdings) Corporation of China and a director of China Travel Service Head Office. Mr. Jiang has extensive experience in investment management, capital operation and the development of tourism real estate.

Save as disclosed above, Mr. Jiang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the service contract entered into between the Company and Mr. Jiang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the articles of association of the Company (the “**Articles**”). In particular, the term of Mr. Jiang’s appointment shall be subject to his re-election following retirement at the next annual general meeting (being the latest date on which Mr. Jiang shall retire and be re-elected) in accordance with the Articles. The director’s fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director’s fee payable to each Director with reference to his performance and the prevailing market conditions and trends. Mr. Jiang is entitled to receive a director’s fee of HK\$240,000 per year and a fixed salary of about HK\$1,280,000 per year (including allowance and subsidy), which is determined by the Board with reference to his duties and responsibilities, the Company’s remuneration policies and the prevailing market conditions, and will be subject to review from time to time. Mr. Jiang’s year-end bonus will be determined by the Board with reference to the operating results and the assessment incentive policies of the Company, and his individual performance appraisal results.

Save as disclosed above, Mr. Jiang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any directors, senior management or substantial shareholders or controlling shareholders of the Company in the past three years. As at the date hereof, Mr. Jiang has beneficial interest in 800,000 underlying shares of the Company in respect of his interests in the share options granted by the Company at an exercise price of HK\$1.70 per share within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (“SFO”).

Save as disclosed above, as of the date of this announcement, Mr. Jiang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraph 13.51(2) (h) to (v) of the Listing Rules.

Biographical details of Mr. Tse Cho Che Edward:

Mr. Tse, aged 62, holds a bachelor’s degree and a master’s degree in civil engineering from the Massachusetts Institute of Technology, the United States, and a master of business administration as well as a Ph.D. in civil engineering from the University of California, Berkeley, the United States. Mr. Tse is currently an independent non-executive director of Shanghai Pharmaceuticals Holding Co., Ltd. (Stock Code: HK.02607, SH.601607). He has been engaged in management consultancy and corporate senior management for nearly 30 years, with extensive experience and expertise in definition and implementation of corporate transformation, establishment of organizations, business strategy and overseas expansion. He holds the position of Chairman in Gao Feng Advisory Company since April 2014. He was the chairman of the board in Greater China region of Booz & Company, an independent director of Baoshan Iron & Steel Co., Ltd. (Stock code SH.600019), director of Shanghai Automotive Industry Corporation (Group), executive vice president of corporate planning and development division and business president of Greater China region of HKT Limited, a part-time member of the Strategy Development Committee of the Central Policy Unit of the Hong Kong Special Administrative Region, and president of Greater China region of Boston Consulting Group, etc.

Save as disclosed above, Mr. Tse has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment contract entered into between the Company and Mr. Tse, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. In particular, the term of Mr. Tse’s appointment shall be subject to his re-election following retirement at the next annual general meeting (being the latest date on which Mr. Tse shall retire and be re-elected) in accordance with the Articles. The director’s fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director’s fee payable to each Director with reference to his performance and the prevailing market conditions and trends. The director’s fee of Mr. Tse as an Independent Non-Executive Director for the year 2018 currently proposed is approximately HK\$350,000, such fee was based on the general duties and responsibilities as an Independent Non-Executive Director of the Company and the prevailing market conditions, and is payable on a time pro-rata basis for any non-full year’s service.

Save as disclosed above, Mr. Tse does not hold any other position with the Company or its subsidiaries and does not have any relationship with any directors, senior management or substantial shareholders or controlling shareholders of the Company in the past three years. As at the date hereof, Mr. Tse does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, as of the date of this announcement, Mr. Tse has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraph 13.51(2) (h) to (v) of the Listing Rules.

Biographical details of Mr. Zhang Xiaoke:

Mr. Zhang, aged 63, a specially-invited expert of the Chinese Academy of Social Sciences and a deputy of the eighth and ninth National People's Congress of the People's Republic of China. Mr. Zhang obtained a doctor of business administration degree from Warnborough College, UK, and an EMBA degree from Xi'an Jiaotong University. Mr. Zhang was the general manager of China International Travel Service, Xi'an, the under-secretary of Shaanxi Provincial Tourism Bureau, and the general manager and chairman of the Shaanxi Tourism Holdings Company. Due to his outstanding performance, Mr. Zhang received about 20 awards and honours such as the excellent manager of national travel agency industry and the outstanding entrepreneur of national tourism industry.

Save as disclosed above, Mr. Zhang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment contract entered into between the Company and Mr. Zhang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. In particular, the term of Mr. Zhang's appointment shall be subject to his re-election following retirement at the next annual general meeting (being the latest date on which Mr. Zhang shall retire and be re-elected) in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his performance and the prevailing market conditions and trends. The director's fee of Mr. Zhang as an Independent Non-Executive Director for the year 2018 currently proposed is approximately HK\$350,000, such fee was based on the general duties and responsibilities as an Independent Non-Executive Director of the Company and the prevailing market conditions, and is payable on a time pro-rata basis for any non-full year's service.

Save as disclosed above, Mr. Zhang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any directors, senior management or substantial shareholders or controlling shareholders of the Company in the past three years. As at the date hereof, Mr. Zhang does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, as of the date of this announcement, Mr. Zhang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraph 13.51(2) (h) to (v) of the Listing Rules.

Biographical details of Mr. Huang Hui:

Mr. Huang, aged 42, obtained two bachelor degrees – in mechanical engineering and in law – and a master degree in law, from Tsinghua University, and a PhD in law from the University of New South Wales, Australia. He is a professor of law in the faculty of law, the Chinese University of Hong Kong. Mr. Huang specializes in corporate law, securities law and financial regulation, etc. Mr. Huang is a member of the World Bank Panel for Financial Institution Resolution and Insolvency, a specially-invited expert of the Supreme People's Court of the People's Republic of China. He has written extensively in his areas of expertise, with articles published in some of the top-rated journals in the US, the UK, Australia, Canada, German, Israel, Hong Kong and Mainland China, etc. He has also published nine books and book chapters with international and reputable publishers.

Save as disclosed above, Mr. Huang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment contract entered into between the Company and Mr. Huang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. In particular, the term of Mr. Huang's appointment shall be subject to his re-election following retirement at the next annual general meeting (being the latest date on which Mr. Huang shall retire and be re-elected) in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his performance and the prevailing market conditions and trends. The director's fee of Mr. Huang as an Independent Non-Executive Director for the year 2018 currently proposed is approximately HK\$350,000, such fee was based on the general duties and responsibilities as an Independent Non-Executive Director of the Company and the prevailing market conditions, and is payable on a time pro-rata basis for any non-full year's service.

Save as disclosed above, Mr. Huang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any directors, senior management or substantial shareholders or controlling shareholders of the Company in the past three years. As at the date hereof, Mr. Huang does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, as of the date of this announcement, Mr. Huang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his appointment and there is no other information that should be disclosed pursuant to paragraph 13.51(2) (h) to (v) of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Jiang, Mr. Tse, Mr. Zhang and Mr. Huang to join the Board.

NON-COMPLIANCE WITH RULES 3.10(2) AND 3.21 OF THE LISTING RULES

According to Rule 3.10(2) of the Listing Rules, at least one of the Independent Non-Executive Directors of the Company must have appropriate professional qualifications or accounting or related financial management expertise (the “**Relevant Qualifications**”). According to Rule 3.21 of the Listing Rules, the audit committee of the Company must comprise a minimum of three members, and at least one of whom is an Independent Non-Executive Director who has the Relevant Qualifications.

Since Mr. Sze is the only Independent Non-Executive Director of the Company who possesses the Relevant Qualifications, following the resignation of Mr. Sze:

- (1) there would be no Independent Non-Executive Director of the Company who has the Qualification as required under Rule 3.10(2) of the Listing Rules; and
- (2) the Audit Committee of the Company would comprise no Independent Non-Executive Director with the Relevant Qualifications as required under Rule 3.21 of the Listing Rules.

The Company is endeavoring to identify a suitable candidate to act as an additional Independent Non-Executive Director of the Company to meet the requirement set out in Rule 3.10 and 3.21 of the Listing Rules as soon as practicable, and in any event within three months as required under Rules 3.11 and 3.23 of the Listing Rules, and will make further announcements as and when appropriate.

CANCELLATION OF THE STRATEGY AND DEVELOPMENT COMMITTEE

The Board cancelled its Strategy and Development Committee with effect from 24 October 2018 and its work and duties are immediately performed by the Board.

By Order of the Board
China Travel International Investment Hong Kong Limited
Fu Zhuoyang
Chairman

Hong Kong, 24 October 2018

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Fu Zhuoyang, Mr. Lo Sui On, Mr. Jiang Hong and Mr. Chen Xianjun and four Independent Non-Executive Directors, namely Mr. Wong Man Kong Peter, Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke and Mr. Huang Hui.