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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)**

## **INSIDE INFORMATION POTENTIAL DISPOSAL OF A NON-WHOLLY OWNED SUBSIDIARY THROUGH PUBLIC TENDER**

This announcement is made by the Board pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance.

### **THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER**

The Board announces that the Company intends to dispose of its 51% equity interest in Songshan Company and the entire shareholder's loan owed by Songshan Company to the Company as at the date of open listing through Public Tender to be conducted on the China Beijing Equity Exchange. The Pre-Listing Disclosure will be made on the website of the China Beijing Equity Exchange at <http://www.cbex.com.cn> on or about 9 October 2020 in compliance with the relevant regulatory requirements in the PRC.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratio(s) (as defined under Rule 14.07 of the Listing Rules) in respect of the Potential Disposal is expected to be more than 5% but less than 25%, the Potential Disposal, if materialised, may constitute a discloseable transaction of the Company and will therefore, be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**As the Potential Disposal may or may not proceed, Shareholders and public investors are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate or required.**

This announcement is made by the Board pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”).

## **THE POTENTIAL DISPOSAL THROUGH PUBLIC TENDER**

The Board announces that the Company intends to dispose of its 51% equity interest in Songshan Company and the entire shareholder’s loan owed by Songshan Company to the Company as at the date of open listing (the “**Potential Disposal**”) through a public tender process (the “**Public Tender**”) to be conducted on the China Beijing Equity Exchange. As at the date of this announcement, the Company owns 51% equity interest in Songshan Company.

The base price for the disposal of the 51% equity interest in Songshan Company through the Public Tender will be determined based on the asset appraisal on Songshan Company to be conducted by a qualified appraisal institution and subject to the approvals from relevant regulatory authorities of State-owned assets in the PRC.

According to the requirements under the relevant PRC laws and regulations, preliminary disclosure of information relating to the Potential Disposal is required to be made to the public (the “**Pre-Listing Disclosure**”) for not less than 20 working days prior to the commencement of the formal disclosure of the Public Tender. In compliance with such requirements, the Pre-Listing Disclosure will be made on or about 9 October 2020 on the website of the China Beijing Equity Exchange at <http://www.cbex.com.cn>.

Upon completion of the Potential Disposal, the Company will not hold any equity interest in Songshan Company, and Songshan Company will cease to be a subsidiary of the Company. Accordingly, Songshan Company’s financial results will not be consolidated into the consolidated financial statements of the Company.

## **INFORMATION ABOUT THE COMPANY AND SONGSHAN COMPANY**

The principal business activities of the Group include operations of travel destinations (including hotels, theme parks, natural and cultural spots, and leisure resorts), travel agency, travel documents and related operations, passenger transportation operations.

Songshan Company is principally engaged in the operation and development of the scenic spots in Songshan, Henan Province, the PRC, where ancient temples, monuments, geopark, ancient educational Institute and waterfall could be found within the area.

## REASONS FOR AND BENEFITS OF THE POTENTIAL DISPOSAL

The recovery of operation of Songshan Company is relatively slow under the impact of the COVID-19 pandemic. In the first half of 2020, it recorded a significant decrease in revenue year-on-year, turning profit into loss. If the Potential Disposal finally proceeds, it will help improve the quality of the Group's natural and cultural scenic spot destinations portfolio, enhance the asset turnover rate, increase working capital and further improve the sustainable development of the Company. The Group intends to use the net proceeds from the Potential Disposal as general working capital or use it towards investing in travel destination projects which provide better return to Shareholders.

## LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under Rule 14.07 of the Listing Rules) in respect of the Potential Disposal is expected to be more than 5% but less than 25%, the Potential Disposal, if materialised, may constitute a discloseable transaction of the Company and will therefore, be subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**As the Potential Disposal may or may not proceed, Shareholders and public investors are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcement(s) in compliance with the Listing Rules and/or Part XIVA of the SFO as and when appropriate or required.**

## DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Board”	the board of Directors
“Company”	China Travel International Investment Hong Kong Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange (stock code: 308)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC

“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this announcement, exclusively referred to Mainland China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Songshan Company”	CTS (Dengfeng) Songshan Shaolin Culture Tourism Co., Ltd.* (港中旅(登封)嵩山少林文化旅遊有限公司), a company incorporated in the PRC with limited liability and owned as to 51% and 49% by the Company and Deng Feng Songshan Shaolin Culture Tourism Group Company Limited* (登封嵩山少林文化旅遊集團有限公司), respectively
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per. cent

By Order of the Board  
**China Travel International Investment Hong Kong Limited**  
**Jiang Hong**  
*Chairman*

Hong Kong, 8 October 2020

*As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Jiang Hong, Mr. Lo Sui On, Mr. You Cheng, Mr. Yang Hao, Mr. Wu Qiang and Mr. Fan Dongsheng; one non-executive Director, namely Mr. Tsang Wai Hung; and five independent non-executive Directors, namely Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke, Mr. Huang Hui, Mr. Chen Johnny and Mr. Song Dawei.*

\* *for identification purpose only*