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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)

COMPLETION OF DISCLOSEABLE AND CONNECTED TRANSACTION AND TERMINATION OF CONTINUING CONNECTED TRANSACTION

This announcement is made by the board of directors (the “**Board**”) of China Travel International Investment Hong Kong Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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).

References are made to (i) the announcement of the Company dated 9 August 2019, the annual reports of the Company published on 24 April 2020 and 23 April 2021, and the interim report of the Company published on 15 September 2020, in relation to the disposal of 100% ordinary shares in China Travel Service (Hong Kong) Limited (formerly known as China Travel (HK & Macau Tour) Management Hong Kong Limited, together with its subsidiaries, the “**New CTSHK Group**”) held by the Group to CTG Travel Service Co., Ltd. (formerly known as China Travel Service Co., Ltd.) for a consideration of HK\$5,130,000; and (ii) the announcement of the Company dated 29 December 2020 in relation to the continuing connected transactions involving the provision of tour group services by the Group and China National Travel Service Group Corporation Limited together with its subsidiaries but excluding the Group (the “**China CTS Group**”) to each other (the “**Announcements**”). Unless otherwise stated or the context requires otherwise, capitalised terms used herein shall have the same meaning as those defined in the Announcements.

COMPLETION OF DISCLOSEABLE AND CONNECTED TRANSACTION

The Board announces that completion of the Disposal took place on 31 May 2021. Upon the completion of the transactions contemplated under the Agreement, the Target Companies have ceased to be subsidiaries of the Company and the financial results of the Target Companies will no longer be consolidated into the financial statements of the Company.

As stated in the announcement of the Company dated 9 August 2019, the Group expected to record a loss of approximately HK\$6,200,000 in relation to the Disposal. As the audited consolidated financial results of the New CTSHK Group were negatively affected by the COVID-19 pandemic, based on (i) the net liability value of the Target Companies (including the Target Assets) as at 31 December 2020 of approximately HK\$165,000,000; and (ii) the consideration of HK\$5,130,000, the Group would record a gain of approximately HK\$170,000,000 in relation to the Disposal. The actual gain will further be adjusted based on the financial results of the Target Companies (including the Target Assets) for the period from 1 January 2021 to the completion date of the Disposal (i.e. 31 May 2021), and is subject to the annual audit to be conducted by the auditors of the Company for the year ending 31 December 2021. Shareholders and potential investors of the Company should note that the above estimation is calculated based on the information currently available and is not based on any financial figures and/or information which have been reviewed or audited by the auditors of the Company.

TERMINATION OF CONTINUING CONNECTED TRANSACTION

As disclosed in the announcement of the Company dated 29 December 2020, the 2020 Tour Group Services Master Agreement will be terminated upon the completion of the Disposal. Accordingly, the 2020 Tour Group Services Master Agreement has been terminated as the Group and the China CTS Group will no longer provide tour group services to each other upon the disposal of the traditional travel agency business of the Group.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 31 May 2021

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Jiang Hong, Mr. Lo Sui On, Mr. Wu Qiang, Mr. Fan Dongsheng and Mr. Tang Yong; 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.