

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



香港中旅國際投資有限公司

CHINA TRAVEL INTERNATIONAL INVESTMENT HONG KONG LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

**ANNOUNCEMENT
RELATING TO POSSIBLE DISPOSAL OF SHARES
IN
HING KONG HOLDINGS LIMITED**

A conditional agreement for the sale of the Company's entire shareholdings in Hing Kong to a purchaser which is an independent third party was signed on 8 January, 2001.

The Disposal will not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Details of the Disposal will be disclosed in an announcement to be made by the Purchaser and Hing Kong.

The Disposal is subject to various conditions which may or may not be met. Shareholders and prospective investors should exercise extreme caution in dealing in the shares of the Company pending the completion or lapsing of the Disposal.

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 10:00 a.m. on Monday, 8 January, 2001. Application has been made to the Stock Exchange for the resumption of trading in the shares with effect from 10:00 a.m. on Tuesday, 9 January, 2001.

Further to the announcement jointly made by Hing Kong and the Company on 22 December, 2000, a conditional agreement for the sale of the Company's entire shareholdings in Hing Kong to a purchaser which is an independent third party and not connected with the director, the chief executive or substantial shareholder of the Company or any of its subsidiaries or an associate of any of them was signed on 8 January, 2001.

The Disposal will not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Details of the Disposal will be disclosed in an announcement to be made by the Purchaser and Hing Kong.

The Directors believe that with the gradual recovery of the region from the Asian economic crisis, the prospects for the tour and leisure business in the region for the next five years are promising. The Disposal is part of the Group's strategy to concentrate on its core tour operation, leisure business and transportation business. The Directors believe that the refocus of the Group on its core businesses will be beneficial to the Company and the shareholders as a whole.

The Company intends to use the proceeds of the Disposal as additional general working capital of the Group to expand within its core businesses.

GENERAL

The Disposal is subject to various conditions which may or may not be met. Shareholders and prospective investors should exercise extreme caution in dealing in the shares of the Company pending the completion or lapsing of the Disposal.

A further announcement will be made upon the completion or the lapsing of the Agreement

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 10:00 a.m. on Monday, 8 January, 2001. Application has been made to the Stock Exchange for the resumption of trading in the shares with effect from 10:00 a.m. on Tuesday, 9 January, 2001.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following capitalised words shall have the respective meanings set out opposite to them:-

"Agreement"	the conditional agreement relating to the sale and purchase of the Company's shareholding in Hing Kong entered into on 8 January, 2001 between, inter alia, the Company and the Purchaser
"the Company"	China Travel International Investment Hong Kong Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"Directors"	directors of the Company
"Disposal"	the conditional disposal of the shares in Hing Kong to the Purchaser pursuant to the Agreement
"Group"	the Company and its subsidiaries
"Hing Kong"	Hing Kong Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which being listed on the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"the Purchaser"	an independent third party not connected with the chief executive, substantial shareholders or directors of the Company and any of its subsidiaries or their respective associates
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

By order of the Board
Shen Zhuying
Managing Director