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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)

CLARIFICATION ANNOUNCEMENT AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors (the “Board”) of China Travel International Investment Hong Kong Limited (the “Company”) have noted certain articles (the “Articles”) published in the Oriental Daily News and The Sun on 11 July 2011 relating to (i) the proposed spin-off of the hotel operations business from the Company and its subsidiaries (the “Group”) and the separate listing of our hotel operations business on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”); and (ii) the proposed acquisition of Qingdao Ocean Spring project from China Travel Service (Holdings) Hong Kong Limited, the controlling shareholder of our Company; and (iii) the proposed investment in a scenic spot project in Jiangsu Province, the PRC by our Group.

In respect of the Articles, the Board would like to clarify as follows:

The Company is currently considering the possible proposal to spin-off and separately list the hotel operations business of Group on the main board of the Stock Exchange (the “Proposed Spin-off”). However, the Board would like to draw the public’s attention to the fact that the terms of the Proposed Spin-off have not been finalized and no formal application has been submitted to the Stock Exchange for this purpose. In the event that the Company proceeds with the Proposed Spin-off, the Company will ensure compliance with the Listing Rules applicable to the Company from time to time and will make further announcements and obtain shareholders’ approval as and when necessary.

In respect of the proposed acquisition of Qingdao Ocean Spring project and the proposed investment in a scenic spot project in Jiangsu Province (the “Proposed Transactions”) by our Group as reported in the Articles, the Company is in the process of negotiations and the terms of the Proposed Transactions have not been finalized and no formal agreements have been signed. The Company will ensure compliance with the Listing Rules applicable to the Company from time to time and will make further announcements and obtain shareholders’ approval as and when necessary.

As at the present time, the Proposed Spin-off and the Proposed Transactions may or may not proceed. Save as disclosed in this announcement, there is no other information regarding the Articles that the Company would like to comment on.

Shareholders of the Company and the potential investors are advised to exercise caution when dealing in the shares of the Company (the “Shares”).

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on Monday, 11 July 2011. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on Tuesday, 12 July 2011.

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

Hong Kong, 11 July 2011

As at the date of this announcement, the Board of the Company comprises eight executive Directors, namely Mr. Zhang Xuewu, Mr. Zheng Heshui, Mr. Lo Sui On, Ms. Jiang Yan, Mr. Fang Xiaorong, Mr. Zhang Fengchun, Mr. Xu Muhan and Mr. Fu Zhuoyang and four independent non-executive Directors, namely Dr. Fong Yun Wah, Mr. Wong Man Kong, Peter, Mr. Sze, Robert Tsai To and Mr. Chan Wing Kee.