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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)

PROFIT WARNING

This announcement is made by the board of directors (the “**Board**”) of China Travel International Investment Hong Kong Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board would like to inform the shareholders and potential investors of the Company that the unaudited consolidated net profit of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2016 is expected to record a decrease of approximately 69% as compared to that of the corresponding period in 2015.

The Board considers that the expected decrease in net profit for the six months ended 30 June 2016 is mainly attributable to (i) the fact that during the six months ended 30 June 2015, there was a share of profit from power generation operation and a one-off net gain from disposal of power generation operation at an aggregate amount of approximately HK\$530 million. Excluding this factor, the net profit is expected to decline approximately 39% when compared to that in the corresponding period of last year; (ii) the continuing depreciation of the Renminbi against the Hong Kong dollar; (iii) the decrease in revenue generated by the travel document business as a result of relevant policy changes in Mainland China; and (iv) the decrease in revenue generated by the hotel business in Hong Kong and Macau.

As the Company is in the process of preparing the results of the Group for the six months ended 30 June 2016, the information contained in this announcement is only based on the preliminary review of the Company’s management accounts for the six months ended 30 June 2016, which have not been reviewed or audited by the Company’s auditors. Details of the Group’s performance will be disclosed in the interim results announcement of the Group for the six months ended 30 June 2016 as soon as practicable in compliance with the Listing Rules.

The Board considers that the overall operation of the Group as a whole remains sound and intact. The prospect of the Group’s scenic spots business remains robust, and the financial position of the Group remains solid. The Group has a relatively low debt-

equity ratio and its cash position is strong. The Board is reviewing the Group's strategies and operations with a view to improving its business performance in the current competitive market conditions.

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
Xu Muhan
Chairman

Hong Kong, 20 July 2016

As at the date of this announcement, the Board of the Company comprises five executive Directors, namely Mr. Xu Muhan, Mr. Lo Sui On, Mr. Zhang Fengchun, Mr. Fu Zhuoyang and Mr. Qu, Simon Tao 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.