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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)

**BUSINESS UPDATE -
THE ENTERING INTO OF STRATEGIC FRAMEWORK AGREEMENTS
IN RESPECT OF
JOINT DEVELOPMENT OF TOURISM RESOURCES IN
BEIJING-TIANJIN-HEBEI REGION AND JIANCHUAN COUNTY**

The board of directors (the “**Board**”) of China Travel International Investment Hong Kong Limited (the “**Company**”) would like to provide a business update to the shareholders and potential investors of the Company in respect of its development of tourism resources.

The Company is pleased to announce that on 6 April 2017, the Company entered into a strategic framework agreement (the “**Beijing-Tianjin-Hebei Strategic Framework Agreement**”) with Hebei Tourism Investment Group Co., Ltd. (“**Hebei Tourism Investment**”) to jointly develop the tourism resources in Beijing-Tianjin-Hebei region. On 11 April 2017, the Company entered into a strategic framework agreement (the “**Jianchuan Strategic Framework Agreement**”; the Beijing-Tianjin-Hebei Strategic Framework Agreement and the Jianchuan Strategic Framework Agreement are collectively referred to as the “**Strategic Framework Agreements**”) with the Dali Bai Autonomous Prefecture People’s Government of Jianchuan County (the “**Jianchuan County’s Government**”) to jointly develop the tourism resources in Jianchuan County.

THE BEIJING-TIANJIN-HEBEI STRATEGIC FRAMEWORK AGREEMENT

Beijing-Tianjin-Hebei region possess diversified and abundant tourism resources with ease of access. Its tourism industry is well developed with tremendous potentials. A joint venture is expected to be established, which will be owned as to 60% and 40% by the Company and Hebei Tourism Investment respectively. The joint venture will explore new development opportunities, consolidate and restructure quality tourism resources in Beijing-Tianjin-Hebei region. The joint venture will be given priority for development in the quality tourism resources possessed by both parties in the Beijing-Tianjin-Hebei region, and will focus on promoting the joint development of tourism resources in Jinshanling.

Hebei Tourism Investment is authorized by the People's Government of Hebei Province as an entity specializing in the investment and financing of provincial tourism industry and a state-owned operation entity, and is a leading tourism enterprise with focused business and diversified operations in Hebei Province.

The Company believes that the tourism development in Beijing-Tianjin-Hebei region is in line with the Company's development strategy, and the entering into of the Beijing-Tianjin-Hebei Strategic Framework Agreement is in the interests of the Company and its shareholders as a whole.

THE JIANCHUAN STRATEGIC FRAMEWORK AGREEMENT

Jianchuan County, Dali has a long history and is endowed with superior natural environment and unique tourism resources. A joint venture is expected to be formed by the Jianchuan County's Government and the Company to invest in and develop the tourism resources in Jianchuan County, Dali, with particular focus on the quality resources including Shibao Mountain, Shaxi Ancient Town, Jianchuan Ancient City and Qianshi Mountain scenic spots, with a view to jointly developing Jianchuan County, Dali into a renowned travel destination along the golden route of tourism in northwestern Yunnan Province.

The Company considers that the tourism development in Jianchuan County complements the business development of the Company strongly at a strategic level and the entering into of the Jianchuan Strategic Framework Agreement will create a win-win situation for all parties of the cooperation.

GENERAL

To the best of the Directors' knowledge and having made all reasonable enquiries, the Hebei Tourism Investment and Jianchuan County's Government are independent third parties of the Company and its connected persons. The entering into of the Strategic Framework Agreements by the Company does not constitute a notifiable transaction and/or a connected transaction under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The Company may or may not proceed to execute any legally binding agreement(s) in relation to the Strategic Framework Agreements and the transactions contemplated thereunder. Accordingly, shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company. In the event that any transaction contemplated under the Strategic Framework Agreements is further materialized or implemented, and constitutes a notifiable transaction and/or a connected transaction for the Company under Chapter 14 and Chapter 14A (as the case may be) of

the Listing Rules, the Company will issue further announcement to inform the shareholders as and when appropriate in accordance with the relevant requirements of the Listing Rules.

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

Hong Kong, 11 May 2017

As at the date of this announcement, the Board of the Company comprises five executive Directors, namely Mr. Zhang Fengchun, Mr. Lo Sui On, Mr. Zhang Xing, Mr. Liu Fengbo and Mr. Chen Xianjun 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.