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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 JOINT VENTURE AGREEMENTS
IN RESPECT OF
JOINT DEVELOPMENT OF TOURISM PLANNING BUSINESS**

The Board of 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 planning business.

ESTABLISHMENT OF A JOINT VENTURE

The Board is pleased to announce that, on 31 May 2017, the Company and Wisdom Scenery entered into the Framework Agreement, and that, on 19 June 2017, China Chance and Wisdom Scenery entered into the JV Contract and JV Articles of Association (collectively the “**JV Agreements**”), pursuant to which China Chance and Wisdom Scenery jointly established the JV Company with the registered capital of RMB5 million, of which China Chance shall contribute RMB2.55 million, representing 51% of the registered capital of JV Company, and Wisdom Scenery shall contribute RMB2.45 million, representing 49% of the registered capital of JV Company. The JV Company will provide comprehensive advisory and creative services in planning, investment and construction, operation and management and marketing for the entire tourism industry chain.

REASONS FOR AND BENEFITS OF ESTABLISHMENT OF THE JV COMPANY

Tourism planning business plays a leading role in the tourism industry and is crucial to the development of tourism destinations. The establishment of the JV Company will remarkably strengthen the Company’s ability in tourism planning and expedite the development of tourism destination business of the Company. The Company and Wisdom Scenery will jointly seek for new cooperation opportunities and consolidate resources such as tourism planning and marketing, exhibitions and cultural creativity through the operation of the JV Company. The JV Company will adopt a market-oriented approach to expand its business by establishing subsidiaries in the business of tourism planning and marketing, exhibitions and cultural creativity, provided that a satisfactory investment return is expected.

Wisdom Scenery is a professional company established by renowned tourism marketing expert in the PRC and possess substantial experience in tourism planning. The JV Company will engage in tourism planning business upon its establishment, and Wisdom Scenery and its shareholders will no longer be engaged in the same or similar businesses as the JV Company. The Company is of the view that tourism planning business tallies with the Company's development strategy, and the entering into of the JV Agreements will create a win-win situation for the parties and is in the interests of the Company and its shareholders as a whole.

GENERAL

To the best of the Directors' knowledge and having made all reasonable enquiries, Wisdom Scenery is a third party independent of the Company and connected persons of the Company. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the JV Agreements is not more than 5%, the entering into of the JV Agreements does not constitute a notifiable transaction and/or a connected transaction for the Company. The announcement is made on a voluntary basis.

DEFINITIONS

Unless the context otherwise requires, the terms used in this announcement shall have the following meanings:

“Board”	the board of directors of the Company
“China Chance”	China Chance Developments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Company”	China Travel International Investment Hong Kong Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 308)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Directors”	the directors of the Company
“Framework Agreement”	the framework agreement dated 31 May 2017 entered into between the Company and Wisdom Scenery in relation to the establishment of a joint venture by the Company and Wisdom Scenery. Upon completion of the establishment of the joint venture, the joint venture will be owned as to 51% and 49% by the Company (or the wholly-owned subsidiary designated by it) and Wisdom Scenery, respectively.

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Articles of Association”	the Articles of Association dated 19 June 2017 entered into between China Chance and Wisdom Scenery in relation to the establishment of the JV Company
“JV Company”	China Travel Zhiye Culture Development (Shenzhen) Co., Ltd. (中旅智業文化發展(深圳)有限公司) (tentative name), a sino-foreign joint venture to be established by China Chance and Wisdom Scenery in accordance with the JV Agreements
“JV Contract”	the contract dated 19 June 2017 entered into between China Chance and Wisdom Scenery in relation to the establishment of the JV Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, exclusively refers to Mainland China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wisdom Scenery”	Guangdong Wisdom Scenery Marketing Co., Ltd. (廣東智慧風景營銷有限公司), a company incorporated in the PRC with limited liability
“%”	percentage

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

Hong Kong, 26 June 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.