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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 –
ENTERING INTO COOPERATION AGREEMENT IN RESPECT OF
JOINT DEVELOPMENT OF CULTURAL TOURISM RESOURCES
IN NINGMING COUNTY, CHONGZUO CITY**

The Board would like to provide a business update to the Shareholders and potential investors of the Company in respect of its development of cultural tourism resources in Ningming County, Chongzuo City, Guangxi of the PRC.

COOPERATION AGREEMENT

The Board is pleased to announce that, on 21 November 2017, the Company and the People's Government of Chongzuo City, Guangxi entered into the Cooperation Agreement, pursuant to which a subsidiary of the Company, Huashan Investment Company and Luoyue Culture Company will jointly establish the JV Company within 1 month after the entering into of the Cooperation Agreement. The JV Company will have a registered capital of RMB100 million, of which the subsidiary of the Company will make a capital contribution of RMB51 million, representing 51% of the registered capital of the JV Company; and Huashan Investment Company and Luoyue Culture Company will each make a capital contribution of RMB24.50 million, each representing 24.5% of the registered capital of the JV Company. The JV Company will carry out planning, development and construction, operation and management of the resources including surface transport and tourism, land, ethnic characteristics and culture, etc. in the region of Ningming County, Chongzuo City within the Zuojiang Huashan Rock Art Cultural Landscape region (the "**Project**"). The Project will include sightseeing, boat tours, pictographs experience hall, performance arts of the Zhuang ethnic group, leisure resorts, commodities and complementary facilities etc., striving to build a renowned tourist attraction in the PRC integrating the sightseeing of pictographs, boat tours, culture of the Zhuang ethnic group and ecological resort. The JV Company will take over the Project and conduct publicity and marketing within 2 months from the date of the Cooperation Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE COOPERATION AGREEMENT

Huashan Rock Art has been placed on the world heritage list and is also the first rock paintings of the PRC being elected as a world heritage of pictograph. The Project situates in a region with ease of access and abundant tourist resources, and has clear river waters in a typical karst landform. Surrounded mostly by arable land, the region's primitive ecology is well preserved. There is a tremendous potential for development in the region.

The Company will adhere to the strategic position of being an investor, developer and operator of top-tier travel destinations, so as to achieve the strategic goal of "creating a new travel destination and leading a new lifestyle for mass tourism". The Company is of the view that the Project tallies with the Company's development strategy and the entering into of the Cooperation Agreement will create a win-win situation for the parties. The Directors are of the view that the entering into of the Cooperation Agreement is in the interest of the Group and Shareholders as a whole.

GENERAL

To the best of the Directors' knowledge and having made all reasonable enquiries, the People's Government of Chongzuo City, Guangxi, Huashan Investment Company and Luoyue Culture Company are Independent Third Parties. As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Cooperation Agreement is not more than 5%, the entering into of the Cooperation Agreement does not constitute a notifiable transaction and/or a connected transaction for the Company. This announcement is made on a voluntary basis.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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
"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

“Cooperation Agreement”	the cooperation agreement dated 21 November 2017 entered into between the Company and the People’s Government of Chongzuo City, Guangxi in relation to the establishment of the JV Company by a subsidiary of the Company, Huashan Investment Company and Luoyue Culture Company for the purpose of planning and development of the cultural tourism resources in Ningming County, Chongzuo City
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huashan Investment Company”	Zuojiang Huashan Investment Co., Ltd. (左江花山投資股份有限公司), a state-owned enterprise in the PRC with the local government of Ningming County as its ultimate beneficial owner
“JV Company”	a sino-foreign joint venture company to be established by a subsidiary of the Company, Huashan Investment Company and Luoyue Culture Company pursuant to the Cooperation Agreement and to be held as to 51%, 24.5% and 24.5% by the subsidiary of the Company, Huashan Investment Company and Luoyue Culture Company, respectively; the term of cooperation shall be 20 years from the date of establishment of the JV Company
“Independent Third Parties”	third parties independent of, and not connected with the Company and the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luoyue Culture Company”	Guangxi Ningming Luoyue Cultural Tourism Development and Investment Co., Ltd. (廣西寧明駱越文化旅遊開發投資有限公司), a state-owned enterprise in the PRC with the local governments of Chongzuo City as its ultimate beneficial owners
“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
“Shareholders”	Shareholders of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

percentage

By Order of the Board

China Travel International Investment Hong Kong Limited

Zhang Fengchun

Chairman

Hong Kong, 30 November 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.