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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)

**DISCLOSEABLE TRANSACTION–
ACQUISITION OF LAND USE RIGHTS OF
THREE LAND PARCELS IN JINTANG COUNTY, THE PRC**

The Board is pleased to announce that, on 8 May 2020, the Company has succeeded in the Tender of the state-owned construction land use right of three land parcels (No. JT2019-17, JT2019-18, JT2019-19) in Jintang County, Chengdu City, Sichuan Province, the PRC at the Consideration of RMB334,200,904.26 through an auction.

As a result of the successful bidding, the Company, as the successful bidder, Jintang County Planning and Natural Resources Bureau, as the transferor, and Chengdu City Public Resources Exchange Service Centre entered into the Confirmation on 8 May 2020 in respect of the Acquisition at the Consideration. The Company will enter into the Land Use Rights Transfer Contracts with Jintang County Planning and Natural Resources Bureau within 10 business days after the successful Tender.

The Company shall also pay the index fee and transaction handling fee to Chengdu Agriculture Equity Exchange in the sum of RMB53,482,795.56; pay the deed tax and stamp duty to National Treasury Jintang County Branch in the sum of RMB10,026,000 and RMB193,708.36, respectively; and pay the transaction services fee to Chengdu City Public Resources Exchange Service Centre in the sum of RMB2,155,502.26.

THE ACQUISITION

Date of Tender

8 May 2020

Parties to the Confirmation

- (1) Chengdu City Public Resources Exchange Service Centre;
- (2) Jintang County Planning and Natural Resources Bureau; and
- (3) the Company

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Jintang County Planning and Natural Resources Bureau, Chengdu City Public Resources Exchange Service Centre, and their ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Particulars of the Land Parcels

The details of the Land Parcels, which comprise three land parcels, namely parcel nos. JT2019-17, JT2019-18 and JT2019-19, are set out below:

- (1) Parcel no. JT2019-17, located at Bai Ma Quan Cun, Guan Cang Street, Jintang County, Chengdu City, Sichuan Province, the PRC, the planned use of which is type II residential site (commercial proportion not greater than 10%). The terms of the rights of use of the residential site and commercial site is 70 years and 40 years, respectively. The land has a total site area of approximately 67,563.72 square metre and an estimated gross floor area of not exceeding approximately 121,614.69 square metre.
- (2) Parcel no. JT2019-18, located at Persimmon Cun, Bai Ma Quan Cun, Guan Cang Street, Jintang County, Chengdu City, Sichuan Province, the PRC, the planned use of which is type II residential site (commercial proportion not greater than 10%). The terms of the rights of use of the residential site and commercial site is 70 years and 40 years, respectively. The land has a total site area of approximately 66,774.54 square metre and an estimated gross floor area of not exceeding approximately 120,194.17 square metre.
- (3) Parcel no. JT2019-19, located at Bai Ma Quan Cun, Guan Cang Street, Jintang County, Chengdu City, Sichuan Province, the PRC, the planned use of which is type II residential site (commercial proportion not greater than 10%). The terms of the rights of use of the residential site and commercial site is 70 years and 40 years, respectively. The land has a total site area of approximately 62,760.65 square metre and an estimated gross floor area of not exceeding approximately 112,969.17 square metre.

Consideration

The initial bidding price of the Tender of the Land Parcels is RMB334,200,904.26. The Consideration was determined based on the bidding terms announced by Jintang County Planning and Natural Resources Bureau, and with reference to the initial bidding price and the market prices of the properties adjacent to the Land Parcels, by way of public bidding.

The Consideration shall be paid in three instalments. The first tranche of approximately RMB167.1 million, being 50% of the Consideration, shall be paid within one month in cash from the date of signing of the Land Use Rights Transfer Contracts. The Company has remitted an amount of approximately RMB169.27 million as deposit for the Tender and it will be refunded to the Company after payment of the first tranche of the Consideration. The second tranche of approximately RMB66.84 million, being 20% of the Consideration, shall be paid within three months in cash from the date of signing of the Land Use Rights Transfer Contracts. The third tranche of approximately RMB100.26 million, being 30% of the Consideration, shall be paid within six months in cash from the date of signing of the Land Use Rights Transfer Contracts.

INFORMATION OF THE PARTIES

Information of the Group

The principal business activities of the Group include operations of travel destinations (including hotels, theme parks, natural and cultural scenic spots, and leisure resorts), travel agency, travel document and related operations, passenger transportation operations.

Information of Jintang County Planning and Natural Resources Bureau

The transferor is Jintang County Planning and Natural Resources Bureau, which is responsible for the management of the rural and urban planning and the state-owned land resources in Jintang, Chengdu City, Sichuan Province, the PRC.

Information of Chengdu City Public Resources Exchange Service Centre

Chengdu City Public Resources Exchange Service Centre is responsible for the enforcement of laws, regulations and policies relating to public resources exchange service in Chengdu City, and the provision of place, facilities and services for the public resources exchange activities.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE LAND PARCELS

The Group intends to invest and develop tourism resort and real estate business at Jintang County and the acquisition of the Land Parcels by the Company is conducive to enhancing the market share of the Group's tourism real estate business, improving its industry position and brand awareness and expanding profit growth drivers of the Group. The Land Parcels have a high development potential as they are easily accessible by transportation and the facilities around them are relatively comprehensive. Thus, the Directors (including the independent non-executive Directors) consider that the terms of the Acquisition (including the Consideration) are on normal commercial terms and are fair and reasonable, and the Acquisition is in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) in respect of the Consideration exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, while exempted from the shareholders' approval requirement.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the meanings as follows:

“Acquisition”	the acquisition of land use rights of the Land Parcels through the Tender by the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“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 securities of which are listed on the Main Board of the Stock Exchange (Stock code: 308)
“Confirmation”	the confirmation letter (成交確認書) entered into between the Company, Jintang County Planning and Natural Resources Bureau and Chengdu City Public Resources Exchange Service Centre on 8 May 2020
“Consideration”	RMB334,200,904.26, being the total consideration for the Acquisition of the Land Parcels through the Tender to be paid by the Company
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Land Parcels”	land parcel nos. JT2019-17, JT2019-18 and JT2019-19, the particulars of which are set out in the paragraph headed “Particulars of the Land Parcels” in this announcement
“Land Use Rights Transfer Contracts”	the land use rights transfer contracts to be entered into between the Company and the Jintang County Planning and Natural Resources Bureau in respect of the transfer of the land use rights of the Land Parcels
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

“Shareholder(s)”	holder(s) of share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tender”	the tender for the land use rights of the Land Parcels
“%”	per cent

By Order of the Board
China Travel International Investment Hong Kong Limited
Fu Zhuoyang
Chairman

Hong Kong, 8 May 2020

As at the date of this announcement, the Board comprises seven executive Directors, namely Mr. Fu Zhuoyang, Mr. Lo Sui On, Mr. Jiang Hong, Mr. You Cheng, Mr. Yang Hao, Mr. Wu Qiang and Mr. Fan Dongsheng and five independent non-executive Directors, namely Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke, Mr. Huang Hui, Mr. Chen Johnny and Mr. Song Dawei.