

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Travel International Investment Hong Kong Limited (“the Company”) will be held at Cafe du Parc, 2/F, Metropark Hotel, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on Friday, 30 May 2003 at 2:30 p.m. for the following purposes:–

1. To receive and consider the audited financial statements and the reports of the Directors and of the Auditors for the year ended 31 December 2002.
2. To declare a final dividend.
3. To re-elect Directors and to fix the remuneration.
4. To re-appoint the Auditors and to authorise the Directors to fix their remuneration.
5. As special business to consider and, if thought fit, to pass with or without amendments, the following resolution as ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this ordinary resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase (i) shares of HK\$0.10 each (“Shares”) in the share capital of the Company and (ii) warrants conferring rights to subscribe for Shares pursuant to the bonus issue of warrants by the Company the particulars of which was set out in the Company’s circular dated 16 May 2001 (“Warrants”), on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of securities which may be repurchased pursuant to the approval in paragraph (a) of this ordinary resolution shall (i) in the case of Shares, not exceed 10% of the aggregate nominal amount of Shares in issue as at the date of the passing of this ordinary resolution and (ii) in the case of Warrants, not exceed 10% of the aggregate nominal amount of Warrants in issue and remain exercisable as at the date of the passing of this ordinary resolution, and the approval pursuant to paragraph (a) of this ordinary resolution shall be limited accordingly; and

- (c) for the purposes of this ordinary resolution:

“Relevant Period” means the period from the passing of this ordinary resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance to be held; and
 - (iii) the date on which the authority given under this ordinary resolution is revoked or varied by ordinary resolution of the shareholders in general meeting.”
6. As special business to consider and, if thought fit, to pass with or without amendments, the following resolution as ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below and pursuant to Section 57B of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this ordinary resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

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- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) of this ordinary resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the Warrants or the exercise of rights of subscription or conversion under any securities which are convertible into shares of the Company, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares in the capital of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Memorandum and Articles of Association of the Company, shall not exceed the aggregate of (aa) 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this ordinary resolution and (bb) (if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this ordinary resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this ordinary resolution), and the said approval shall be limited accordingly; and

- (d) for the purposes of this ordinary resolution:

“Relevant Period” means the period from the passing of this ordinary resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Companies Ordinance to be held; and
- (iii) the date on which the authority given under this ordinary resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares in the Company open for a period fixed by the Directors of the Company to the holders of shares in the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

7. As special business to consider and, if thought fit, to pass with or without amendments, the following resolution as ordinary resolution:

“**THAT** the Directors of the Company be and are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the ordinary resolution numbered 6 in the notice convening this meeting in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

8. As special business to consider and, if thought fit, to pass with or without amendments, the following resolution as special resolution:

“**THAT** Article 89A of the Company’s Articles of Association be and are hereby amended by deleting the words “Securities (Clearing House) Ordinance (Chapter 420 of the Laws of Hong Kong)” when it first appears and by substituting therefor the words “Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or any amendment thereto or re-enactment thereof for the time being in force”.”

9. To transact any other ordinary business of the Company.

By Order of the Board

Woo Wai See, Alice

Company Secretary

Hong Kong, 14 April 2003

Registered Office:

12th Floor, CTS House

78-83 Connaught Road Central

Hong Kong

Notes:

- (1) Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. All proxies must be deposited at the Company’s registered office at 12th Floor, CTS House, 78-83 Connaught Road Central, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting (or adjourned meeting or the taking of the poll, as the case may be).

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- (2) A form of proxy for use at the meeting will be enclosed with the 2002 Annual Report to be despatched to the shareholders. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting or poll concerned if he so wishes. In the event of a member who has lodged a form of proxy attending the meeting, his form of proxy will be deemed to have been revoked.
- (3) In the case of joint holders of a share, any one of such holders may vote at the meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
- (4) The Register of Members of the Company will be closed from Monday, 26 May 2003 to Friday, 30 May 2003 (both days inclusive). In order to establish entitlements to the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrar, Tengis Limited, at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 23 May 2003. Warrantholders who wish to convert their warrants into shares in order to qualify for the final dividend must lodge the duly completed subscription form together with the relevant warrant certificates accompanied by the subscription monies with the Company's Registrar not later than 4:30 p.m. on Friday, 23 May 2003.
- (5) An Explanatory Statement regarding resolutions numbered 5, 6, 7 and 8 above containing the information necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolutions will be set out in a separate document and despatched to shareholders together with the 2002 Annual Report.
- (6) With respect to resolutions numbered 5, 6 and 7 above, the Directors of the Company wish to state that they have no immediate intention of exercising the repurchase mandate to repurchase shares and/or warrants and the general mandate to allot and issue shares in the capital of the Company.