
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should obtain independent professional advice or consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Travel International Investment Hong Kong Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS AND
GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

Due to concerns over large-scale group gatherings during COVID-19 epidemic, no food and beverages or souvenirs will be distributed in the forthcoming AGM.

A notice convening an annual general meeting of the Company to be held at Café du Parc, 2nd Floor, Metropark Hotel Causeway Bay Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. is set out on pages 14 to 17 of this circular. Whether or not you are able to attend the meeting, please complete and return the form of proxy accompanying this circular in accordance with the instructions printed thereon to the Company's share registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and, in any event, by no later than 48 hours before the time appointed for the holding of the meeting (or adjourned meeting or of the poll, as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting should you so wish.

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at Café du Parc, 2nd Floor, Metropark Hotel Causeway Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. or any adjournment thereof
“Articles”	articles of association of the Company, as amended from time to time
“Board”	the board of directors of the Company
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“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)
“Connected Person”	has the meaning ascribed to it under the Listing Rules
“CTS (Holdings)”	China Travel Service (Holdings) Hong Kong Limited, a company interested in 61.15% of the issued share capital of the Company and a connected person of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

DEFINITIONS

“Shareholders”	shareholders of the Company
“Shares”	shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



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)

DIRECTORS:

Executive Directors:

Mr. Fu Zhuoyang (*Chairman*)
Mr. Lo Sui On (*Vice-Chairman*)
Mr. Jiang Hong (*General Manager*)
Mr. You Cheng
Mr. Yang Hao
Mr. Wu Qiang (*Executive Deputy General Manager*)
Mr. Fan Dongsheng

Independent Non-Executive Directors:

Mr. Tse Cho Che Edward
Mr. Zhang Xiaoke
Mr. Huang Hui
Mr. Chen Johnny
Mr. Song Dawei

REGISTERED OFFICE:

12th Floor, CTS House
78-83 Connaught Road Central
Hong Kong

27 April 2020

To Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF DIRECTORS AND
GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A. RE-ELECTION OF DIRECTORS

At the AGM, Mr. Jiang Hong, Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke and Mr. Huang Hui will retire as Directors by rotation and, being eligible, offer themselves for re-election in accordance with Article 101 of the Articles.

Mr. Fan Dongsheng, who was appointed by the Board on 20 January 2020, will retire at the forthcoming AGM and, being eligible, offer himself for re-election in accordance with Article 92 of the Articles.

LETTER FROM THE BOARD

The Nomination Committee of the Board has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and the Company's policy for the nomination of Directors as set forth in the terms of reference of the Nomination Committee of the Board, the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board the re-election of all the retiring Directors at the AGM.

Particulars of the retiring Directors are set out in Appendix I to this circular.

B. GENERAL MANDATE TO BUY BACK SHARES

In addition, approval is being sought from the Shareholders to buy back the Shares. At the AGM, an ordinary resolution will be proposed to approve the granting of a general mandate to the Directors to exercise the powers of the Company to buy back Shares representing up to a maximum of 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution (the "Buy-back Mandate").

This letter together with the explanatory statement, which is set out in Appendix II to this circular and is required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution approving the Buy-Back Mandate, constitutes the memorandum of the terms of the proposed buy-backs required under Section 239 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

C. GENERAL MANDATE TO ISSUE SHARES AND ITS EXTENSION

In addition, approval is being sought from the Shareholders at the AGM to grant a general mandate to the Directors to exercise the powers of the Company to allot and issue new Shares in the capital of the Company amounting to up to 20% of the total number of Shares in issue, by way of an ordinary resolution to be proposed at the AGM. A further resolution will be proposed to authorise an extension of the general mandate to issue shares by adding to the total number of Shares repurchased by the Company pursuant to the Buy-back Mandate, if granted.

In the event that it becomes desirable for the Company to issue any new Shares, the Directors are given flexibility and discretion to allot and issue new Shares amounting to up to 20% of the issued share capital of the Company as at the date of the passing of the relevant resolution and, if also authorised by the Shareholders at the AGM, by adding to such mandate the number of Shares repurchased by the Company pursuant to the Buy-back Mandate.

As at the Latest Practicable Date, the number of issued shares of the Company was 5,536,633,709 Shares. Subject to the passing of the resolution granting the proposed general mandate and on the basis that no further Shares will be issued or repurchased before the AGM, the Company will be allowed under the general mandate to allot, issue and deal with a maximum of 1,107,326,741 Shares (representing 20% of the said total number of issued Shares).

LETTER FROM THE BOARD

D. ANNUAL GENERAL MEETING

You are advised to read this circular. If you do not plan to attend the AGM, you are encouraged to appoint a proxy to attend and vote on your behalf at the AGM. In light of the epidemic situation of COVID-19, Shareholders may consider appointing the Chairman of the AGM as his/her proxy to vote on the resolutions, instead of attending the AGM in person.

A notice convening the AGM is set out on pages 14 to 17 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's share registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time appointed for the holding of the AGM (or adjourned meeting or of the poll, as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting at the AGM (or adjourned meeting or of the poll, as the case may be) if you so wish.

As required under rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the Chairman of the AGM will exercise his right under Article 73 of the Articles to demand a poll on each of the resolutions to be proposed at the AGM.

E. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

F. RECOMMENDATION

The Directors believe that the proposals for re-election of retiring Directors, the Buy-back Mandate and the general mandate to issue Shares and its extension are in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,

By order of the Board

CHINA TRAVEL INTERNATIONAL INVESTMENT HONG KONG LIMITED

Fu Zhuoyang

Chairman

Particulars of the retiring Directors subject to re-election at the AGM are set out below:

MR. JIANG HONG *Executive Director and General Manager*

Aged 50, appointed in October 2018, graduated from the Peking University Law School in 1991 with a Bachelor of Laws degree. Mr. Jiang is a director of Shun Tak – China Travel Shipping Investments Limited, an associate of the Company. He was the director and general manager of Hong Kong China Travel Service Investment (China) Limited, a company specialized in the development of urban and tourism real estate and a wholly-owned subsidiary of CTS (Holdings). He was the deputy general manager (in charge of overall operation) of the strategic investment department and the general manager of the corporate development and management department of CTS (Holdings). Mr. Jiang was a cadre in the marketing division of National Tourism Administration; an officer of the general office, the legal counsel, and the securities affairs representative of China Pan-Tourism Industry Development Co., Ltd. (a company listed on the Shanghai Stock Exchange); the general manager of Pan-Tourism Advertising Development Ltd.; an officer in the human resources division, and the general manager in the development and planning division of China National Tourism Trading & Service Corporation; the general manager of the strategic development department of China Travel Service (Holdings) Corporation of China and a director of China Travel Service Head Office. Mr. Jiang has extensive experience in investment management, capital operation and the development of tourism real estate.

Save as disclosed above, Mr. Jiang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the service contract entered into between the Company and Mr. Jiang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his/her performance and the prevailing market conditions and trends. During the year ended 31 December 2019, Mr. Jiang received a director's fee of HK\$240,000 and a salary of about HK\$2,245,000 (including bonus, allowance and subsidy).

Save as disclosed above, Mr. Jiang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any director, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Jiang had beneficial interest in 800,000 underlying shares of the Company in respect of his interests in the share options granted by the Company at an exercise price of HK\$1.70 per share within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Jiang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

MR. TSE CHO CHE EDWARD *Independent Non-Executive Director*

Aged 63, appointed in October 2018, is a member of the Audit Committee, Remuneration Committee, and Nomination Committee of the Company. He holds a bachelor's degree and a master's degree in civil engineering from the Massachusetts Institute of Technology, the United States, and a master of business administration as well as a Ph.D. in civil engineering from the University of California, Berkeley, the United States. Mr. Tse is an independent non-executive director of China Orient Group Company Limited (Stock Code: 581). He was an independent non-executive director of Shanghai Pharmaceuticals Holdings Co., Ltd. (Stock Code: HK.02607, SH.601607). He has been engaged in management consultancy and corporate senior management for nearly 30 years, with extensive experience and expertise in definition and implementation of corporate transformation, establishment of organizations, business strategy and overseas expansion. He holds the position of Chairman in Gao Feng Advisory Company since April 2014. He was the chairman of the board in Greater China region of Booz & Company, an independent director of Baoshan Iron & Steel Co., Ltd. (stock code: SH.600019), director of Shanghai Automotive Industry Corporation (Group), executive vice president of corporate planning and development division and business president of Greater China region of HKT Limited, a member of the Strategy Development Committee and a part-time member of the Central Policy Unit of the Hong Kong Special Administrative Region, and president of Greater China region of Boston Consulting Group, etc.

Save as disclosed above, Mr. Tse has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment letter entered into between the Company and Mr. Tse, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his/her performance and the prevailing market conditions and trends. During the year ended 31 December 2019, Mr. Tse received a director's fee of HK\$350,000,

Save as disclosed above, Mr. Tse does not hold any other position with the Company or its subsidiaries and does not have any relationship with any director, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Tse did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Tse has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

MR. ZHANG XIAOKE *Independent Non-Executive Director*

Aged 65, appointed in October 2018, is a member of the Audit Committee, Remuneration Committee, and Nomination Committee of the Company. He is a specially-invited expert of the Chinese Academy of Social Sciences and a deputy of the eighth and ninth National People's Congress of the People's Republic of China. Mr. Zhang obtained a doctor of business administration degree from Warnborough College, UK, and an EMBA degree from Xi'an Jiaotong University. Mr. Zhang was the general manager of China International Travel Service, Xi'an, the under-secretary of Shaanxi Provincial Tourism Bureau, and the general manager and chairman of the Shaanxi Tourism Holdings Company. Due to his outstanding performance, Mr. Zhang received about 20 awards and honors such as the excellent manager of national travel agency industry and the outstanding entrepreneur of national tourism industry.

Save as disclosed above, Mr. Zhang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment letter entered into between the Company and Mr. Zhang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his/her performance and the prevailing market conditions and trends. During the year ended 31 December 2019, Mr. Zhang received a director's fee of HK\$350,000,

Save as disclosed above, Mr. Zhang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any director, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Zhang did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Zhang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

MR. HUANG HUI *Independent Non-Executive Director*

Aged 43, appointed in October 2018, is a member of the Audit Committee, Remuneration Committee, and Nomination Committee of the Company. He obtained two bachelor degrees – in mechanical engineering and in law – and a master degree in law, from Tsinghua University, and a PhD in law from the University of New South Wales, Australia. He is a professor of law in the faculty of law, the Chinese University of Hong Kong. Mr. Huang specializes in corporate law, securities law and financial regulation, etc. Mr. Huang is a member of the World Bank Panel for Financial Institution Resolution and Insolvency, a specially-invited expert of the Supreme People’s Court of the People’s Republic of China. He has written extensively in his areas of expertise, with articles published in some of the top-rated journals in the US, the UK, Australia, Canada, German, Israel, Hong Kong and Mainland China, etc. He has also published nine books and book chapters with international and reputable publishers.

Save as disclosed above, Mr. Huang has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. Pursuant to the director appointment letter entered into between the Company and Mr. Huang, he is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. The director’s fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director’s fee payable to each Director with reference to his/her performance and the prevailing market conditions and trends. During the year ended 31 December 2019, Mr. Huang received a director’s fee of HK\$350,000,

Save as disclosed above, Mr. Huang does not hold any other position with the Company or its subsidiaries and does not have any relationship with any director, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Huang did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Huang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

MR. FAN DONGSHENG *Executive Director*

Aged 41, appointed in January 2020, is the deputy general manager of the strategic investment and corporate management department of CTS (Holdings) and a director of China International Travel Service Group Corporation. Mr. Fan is a Certified Public Accountant (non-practising) in China and has extensive experience in investment planning and business and financial management. Mr. Fan graduated from the Department of Accountancy at the School of Economics and Management of North China University of Technology with a bachelor's degree in economics. He also obtained a master of professional accountancy degree from the Open University of Hong Kong.

Save as disclosed above, Mr. Fan has not held any directorships in other public listed companies in Hong Kong or overseas in the past three years. There is no service contract entered into between the Company and Mr. Fan. He is not appointed for a specific term but shall be subject to the provisions of retirement by rotation at least once every three years and re-election at the annual general meeting in accordance with the Articles. The director's fees payable to the Directors for their service in each year is approved by the Shareholders at the annual general meeting. Pursuant to the authorization granted by the Shareholders, the Board will then determine the director's fee payable to each Director with reference to his/her performance and the prevailing market conditions and trends. The currently proposed director's fee of Mr. Fan as an executive director for the year 2020 is approximately HK\$240,000, such fee is determined based on the general duties and responsibilities of Mr. Fan as an executive director of the Company and the prevailing market conditions, and is payable on a time pro-rata basis for any non-full year's service.

Save as disclosed above, Mr. Fan does not hold any other position with the Company or its subsidiaries and does not have any relationship with any director, senior management or substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Fan did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Fan has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

The following is the Explanatory Statement required to be sent to the Shareholders under the Listing Rules in connection with the general mandate for buy-backs of Shares and, together with the letter from the board contained in this circular, also constitutes the memorandum of the terms of the buy-backs required under section 239 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

GENERAL MANDATE FOR BUY-BACK OF SHARES

(a) Share Capital

As at the Latest Practicable Date, the number of issued shares of the Company was 5,536,633,709 Shares. Subject to the passing of the resolution granting the proposed Buy-back Mandate and on the basis that no further Shares will be issued or repurchased before the AGM, the Company will be allowed under the Buy-back Mandate to buy back a maximum of 553,663,370 Shares (representing 10% of the said total number of issued Shares).

(b) Reasons for Buy-backs

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to buy back securities of the Company in the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the Company's securities and/or its earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and its shareholders.

(c) Funding of Buy-backs

Buy-backs of Shares must be funded out of funds legally available for the purpose in accordance with the Articles and the laws of Hong Kong, being profits available for distribution or the proceeds of a fresh issue of shares made for the purpose of the buy-backs, and it is envisaged that the funds required for any buy-backs would be derived from such sources.

There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements as at 31 December 2019) in the event that the Buy-back Mandate is exercised in full. However, the Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(d) Disclosure of Interests

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell Shares to the Company if the Buy-back Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Company is authorised to make buy-backs of Shares.

(e) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of Hong Kong and the Articles.

(f) Market Prices of Shares

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
April	2.04	1.78
May	1.81	1.52
June	1.66	1.51
July	1.68	1.44
August	1.47	1.17
September	1.42	1.19
October	1.25	1.17
November	1.33	1.19
December	1.38	1.20
2020		
January	1.46	1.18
February	1.33	1.20
March	1.24	0.89
April (up to the Latest Practicable Date)	1.07	0.90

(g) Buy-back of Shares

During the six months immediately preceding the Latest Practicable Date, neither the Company nor any of its subsidiaries repurchased any of its securities (whether or the Stock Exchange or otherwise).

(h) General

Upon the exercise of the power to buy back Shares pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company will increase. Such increase will be treated as an acquisition for the purposes of the Codes on Takeovers and Mergers and Share Buy-backs (the "Takeovers Code"). As a result, a Shareholder or a group of Shareholders, acting in concert could, depending on the level of increase of shareholding interest obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, CTS (Holdings) beneficially owned, directly and indirectly, approximately 61.15% of the issued share capital of the Company. If the Buy-back Mandate is exercised in full, the beneficial interests of CTS (Holdings) in the Company may be increased to approximately 67.94% of the issued share capital of the Company. The Directors consider that such buy-backs made under the Buy-back Mandate will not give rise to an obligation for CTS (Holdings) to make a mandatory offer under Rule 26 of the Takeovers Code. Moreover, the Directors have no present intention to exercise the power of the Company to buy back Shares to such an extent as would result in the number of Shares in public hands falling below 25%. Save as disclosed above, the Directors are not aware of other consequences that may arise under the Takeovers Code as a result of a buy-back of the Shares.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting of China Travel International Investment Hong Kong Limited (the “Company”) will be held at Café du Parc, 2nd Floor, Metropark Hotel Causeway Bay Hong Kong, 148 Tung Lo Wan Road, Causeway Bay, Hong Kong on Friday, 29 May 2020 at 2:30 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the Directors of the Company (the “Directors”) and of the Auditor for the year ended 31 December 2019.
2. To re-elect the following Directors:
 - (a) Mr. Jiang Hong as an Executive Director;
 - (b) Mr. Tse Che Edward as an Independent Non-Executive Director;
 - (c) Mr. Zhang Xiaoke as an Independent Non-Executive Director;
 - (d) Mr. Huang Hui as an Independent Non-Executive Director;
 - (e) Mr. Fan Dongsheng as an Executive Director;

and authorize the board of directors of the Company (the “Board”) to fix the fees of the Directors.

3. To re-appoint KPMG as Auditor and to authorise the Board to fix the Auditor’s remuneration.

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

4. **“THAT:**
 - (A) subject to paragraph (B) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares in the capital of the Company (“Shares”) be and is hereby generally and unconditionally approved;
 - (B) the total number of Shares which may be repurchased on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange recognized for this purpose by the Securities and Futures Commission of Hong Kong (the “SFC”) and the Stock Exchange under the Hong Kong Code on Share Buy-backs (the “Buy-back Code”) pursuant to

NOTICE OF ANNUAL GENERAL MEETING

the approval in paragraph (A) of this Resolution shall not exceed 10% of the aggregate number of Shares in issue at the date of passing this Resolution, and the said approval shall be limited accordingly;

- (C) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this 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 articles of association of the Company or by the laws of Hong Kong to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting.”

5. **“THAT:**

- (A) subject to paragraph (C) of this Resolution and subject to the Listing Rules, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements, options, warrants and other securities to subscribe for or convertible into Shares, which might require the exercise of such power be and it is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, and warrants which might require the exercise of such power after the end of the Relevant Period;
- (C) the total number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option, warrant or otherwise) by the Directors pursuant to the approval in paragraph (A) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) 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 right to acquire Shares, (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares 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 in accordance with the articles of association of the Company, shall not exceed 20% of the total number of Shares in issue at the date of passing this Resolution.
- (D) for the purpose of this Resolution:

NOTICE OF ANNUAL GENERAL MEETING

“Relevant Period” means the period from the passing of this 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 articles of association of the Company or by the laws of Hong Kong to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and
- “Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors 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).”
6. “**THAT** subject to the passing of Ordinary Resolutions nos. 4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares pursuant to the Ordinary Resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of a number representing the total number of Shares repurchased by the Company under the authority granted pursuant to the Ordinary Resolution no. 4 set out in the notice convening this meeting, provided that such extended number shall not exceed 10% of the total number of Shares in issue as at the date of passing the Ordinary Resolution no. 4.”

By order of the board of directors of the Company

Fu Zhuoyang

Chairman

Hong Kong, 27 April 2020

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) A member entitled to attend and vote at the meeting convened by this notice is entitled to appoint one or more proxy (ies) to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. In light of the epidemic situation of COVID-19, Shareholders may consider appointing the Chairman of the AGM as his/her proxy to vote on the resolutions, instead of attending the AGM in person. Due to concerns over large-scale group gatherings during the COVID-19 epidemic, no food and beverages or souvenirs will be distributed in the forthcoming AGM. Any person who does not comply with the precautionary measures to be taken at the AGM, or is subject to any HKSAR Government prescribed quarantine may be denied entry into the meeting venue.
- (2) A form of proxy for use at the meeting will be enclosed with the 2019 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 order to be valid, the instrument appointing a proxy together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's share registrar, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for the holding of the meeting (or adjourned meeting or of the poll, as the case may be).
- (4) 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.
- (5) The Register of Members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020 (both dates inclusive), for the purposes of ascertaining Shareholders' entitlement to attend and vote at the meeting. In order to be eligible to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 25 May 2020.
- (6) In relation to agenda item 2 in this notice regarding election of retiring directors of the Company, Mr. Jiang Hong, Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke, Mr. Huang Hui and Mr. Fan Dongsheng will retire at the meeting and, being eligible, offer themselves for re-election in accordance with the articles of association of the Company. The biographical details and interests in the shares of the Company of the said directors to be re-elected at the meeting are set out in the circular of the Company dated 27 April 2020 (the "Circular") despatched together with the 2019 Annual Report.
- (7) In relation to agenda items 4, 5 and 6 of this notice, the directors of the Company propose to seek shareholders' approval of the general mandates to buy back shares and to issue shares, as described in the Circular.
- (8) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the board of directors of the Company comprises seven Executive Directors, being 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, being Mr. Tse Cho Che Edward, Mr. Zhang Xiaoke, Mr. Huang Hui, Mr. Chen Johnny and Mr. Song Dawei.