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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)

PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

Reference is made to the circular of the Company dated 29 March 2012 in relation to, among others, the adoption of the 2012 Share Option Scheme.

The 2012 Share Option Scheme adopted by the Company on 4 May 2012 has expired on the tenth anniversary of its adoption. No further options can be offered or granted upon the expiration of the 2012 Share Option Scheme. As at the date of this announcement, there are no outstanding shares under the 2012 Share Option Scheme.

In view of the expiration of the 2012 Share Option Scheme, the Board proposes to adopt the New Share Option Scheme in accordance with Chapter 17 of the Listing Rules to provide incentives or rewards to the Participants for their contribution or potential contribution to the Group.

The key terms of the New Share Option Scheme are set out below.

Purpose : The purpose of the New Share Option Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants and for such other purposes as the Board may approve from time to time, and to provide the Participants with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

- Duration** : The New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period, no further Options shall be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects.
- Participants** : The Board may at its discretion grant Options to Employee Participant(s) and Related Entity Participant(s).
- Subscription price** : The subscription price in respect of any Option shall be a price determined by the Board (subject to any necessary consent or approval being obtained) and notified to a Participant and shall be at least the highest of:
- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a business day; and
 - (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the Options;
- provided that in the event of fractional prices, the exercise price per Share shall be rounded upwards to the nearest whole cent.
- Maximum number of Shares available for subscription** : The aggregate number of Shares which may be issued upon exercise of all Options or share award(s) to be granted under the New Share Option Scheme, the New Schemes and all schemes existing at such time of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date.
- Maximum entitlement of each Participant** : No Option or option or share award shall be granted to any Participant if, at the relevant time of grant, the number of Shares issued and to be issued upon exercise of all Options or options or share awards (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the relevant Participant in the 12-month period up to and including the Offer Date of the relevant Option or options or share awards would exceed 1% of the total number of Shares in issue at such time.

Time of exercise of options: An Option may be exercised during a period to be determined and notified by the Board to the grantee during which the Option may be exercised, which period shall commence on the Commencement Date and expire in any event not later than the last day of the 10 year period after the Commencement Date (subject to the provisions for early termination).

Vesting period : A grantee is required to hold an Option for not less than twelve (12) months from the Offer Date before it can be exercised.

Further details of the New Share Option Scheme will be set out in the circular to be despatched to the Shareholders:

The proposed adoption of the New Share Option Scheme is subject to:

- (a) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any such Options; and
- (b) the passing of the resolution(s) by the Shareholders at the EGM to (1) approve and adopt the New Share Option Scheme; (2) authorising the Board to grant Options under the New Share Option Scheme; and (3) authorising the Board to allot and issue Shares pursuant to the exercise of any Options to be granted pursuant to the New Share Option Scheme.

An application will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Option which may be granted under the New Share Option Scheme.

The proposed adoption of the New Share Option Scheme is subject to the approval of the Shareholders by way of an ordinary resolution at the EGM.

A circular containing, among other things, the notice of the EGM and details of the proposed adoption of the New Share Option Scheme, including the principal terms of the New Share Option Scheme, will be despatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

Closure of Register of Members

The Register of Members of the Company will be closed from Tuesday, 17 January 2023 to Friday, 20 January 2023 (both dates inclusive), for the purposes of ascertaining Shareholders' entitlement to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 16 January 2023.

As at the date of this announcement, the New Share Option Scheme is subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“2012 Share Option Scheme”	the share option scheme adopted by the Company pursuant to the resolution passed by the Shareholders at the annual general meeting held on 4 May 2012
“Adoption Date”	the date upon which the New Share Option Scheme is conditionally adopted by resolutions of the Shareholders at the EGM
“Board”	the board of Director(s)
“Business Day”	any day on which securities are traded on the Stock Exchange
“Company”	China Travel International Investment Hong Kong Limited, a limited liability company incorporated in Hong Kong whose Shares are listed on the Stock Exchange
“Commencement Date”	in respect of any particular Option, the date on which the Option is accepted in accordance with the terms of the New Share Option Scheme
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held by the Company for the Shareholders to consider and, if thought fit, approve, amongst others, the adoption of the New Share Option Scheme
“Employee Participant(s)”	means any directors and employees of the Group (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with the Group) who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of the Subsidiaries
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the new share option scheme to be proposed for adoption by the Company at the EGM, the principal terms of which will be set out in the circular to be despatched
“Offer”	means an offer of the grant of an Option
“Offer Date”	the date on which an Offer is made to a Participant, which must be a Business Day
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme
“Participant(s)”	Employee Participant(s) and Related Entity Participant(s)
“Related Entity Participant(s)”	directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company, who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its Subsidiaries
“Shares”	fully paid ordinary shares in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent.

By Order of the Board
China Travel International Investment Hong Kong Limited
Wu Qiang
Chairman

Hong Kong, 12 December 2022

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wu Qiang, Mr. Feng Gang and Mr. Li Pengyu; three non-executive Directors, namely Mr. Tsang Wai Hung, Mr. Tao Xiaobin and Mr. Fan Zhishi; 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.