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## HISTORY AND DEVELOPMENT

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### OVERVIEW

China Travel HK is an investment holding company incorporated in Hong Kong and has been listed on the Stock Exchange since 1992. As of the Latest Practicable Date, the principal business activities of the China Travel HK Group include (i) tourist attraction and related operations (including theme parks, natural and cultural scenic spots, and leisure resorts); (ii) passenger transportation operations; (iii) hotel operations; and (iv) travel document and related services. Considering the China Travel HK Group is a conglomerate with different business segments that spread across different locations in Chinese Mainland, Hong Kong and Macao and the Spin-off could better reflect the value of our Group with its own merits and increase its operational and financial transparency through which investors would be able to appraise and assess the performance and potential of our Group separately and distinctly from those of the Retained Group, the China Travel HK Group intends to spin off its businesses of (i) passenger transportation operations; (ii) hotel operations; and (iii) travel document and related services primarily in Hong Kong and Macao to our Group by way of the Distribution and separate [REDACTED] on the Main Board of the Stock Exchange.

### BUSINESS DEVELOPMENT MILESTONES

The following is a summary of our key business development milestones:

<b>Year</b>	<b>Event</b>
1954	China Travel Service (Hong Kong) Limited, the predecessor of our key subsidiary China Travel Service Property Investment Hong Kong Limited, was incorporated in Hong Kong.
1985	China Travel Tours Transportation Services Hong Kong Limited and China Travel Service Entry Permit Service Hong Kong Limited, our key subsidiaries engaged in cross-border passenger transportation and travel document administration services, respectively, were incorporated in Hong Kong.  China Travel Service Entry Permit Service Hong Kong Limited (then known as China Travel Air Service Hong Kong Limited) was entrusted to provide travel document administration services in Hong Kong.
1988	Our first hotel, <i>Metropole Hotel</i> , commenced operations in Hong Kong, and was subsequently rebranded as <i>Metropark Hotel Kowloon</i> .
1992	China Travel HK, our holding company prior to completion of the Spin-off, became listed on the Main Board of the Stock Exchange (stock code: 308).
1993	<i>Metropark Hotel Macao</i> commenced operations in Macao.
1995	Beijing Guang'anmen Grand Metropark Co., Ltd., our subsidiary engaged in operating our first hotel in Beijing, namely <i>Beijing Guang'anmen Grand Metropark Hotel</i> , was established.
2020	We and Shun Tak Holdings Limited agreed to consolidate our cross-border passenger transportation operations into Shun Tak-China Travel Shipping Investments Limited, which became our non-wholly-owned subsidiary.
2023	We acquired Silver Time (H.K.) Limited, which owns the property where we currently operate Wanchai Green Residence Serviced Apartment.

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### KEY SUBSIDIARIES

The following subsidiaries of our Company served as significant holding entities or principally accounted for the results, assets, liabilities, or businesses of our Group during the Track Record Period:

<u>Subsidiary</u>	<u>Place and time of establishment/incorporation</u>	<u>Principal activities</u>
Goster Resources Limited (“ <b>Goster Resources</b> ”)	British Virgin Islands, July 1996	Investment holding
Allied Well Holdings Ltd.	British Virgin Islands, July 1993	Investment holding
Well Done Enterprises Inc.	British Virgin Islands, August 1996	Property investment holding and hotel operations
Glading Development Limited	Hong Kong, August 1988	Hotel operations
Hotel Metropole Holdings Ltd.	British Virgin Islands, March 1996	Property investment holding and hotel operations
Silver Time (H.K.) Limited (“ <b>Silver Time</b> ”)	Hong Kong, May 2005	Hotel operations
Fu Wah (Macau) Development Company Limited	Macao, September 1988	Hotel operations
Alton Services Limited	British Virgin Islands, July 1997	Investment holding
United Capital Management Limited	Hong Kong, March 2001	Investment holding
China Travel Net Limited	British Virgin Islands, January 2000	Investment holding
China Travel Service Property Investment Hong Kong Limited (formerly known as China Travel Service (Hong Kong) Limited)	Hong Kong, June 1954	Property investments
China Travel Service Entry Permit Service Hong Kong Limited (formerly known as China Travel Air Service Hong Kong Limited)	Hong Kong, August 1985	Travel-document and tourist visa services
China Travel Tours Transportation Services Hong Kong Limited	Hong Kong, July 1985	Passenger transportation

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<u>Subsidiary</u>	<u>Place and time of establishment/incorporation</u>	<u>Principal activities</u>
Shun Tak-China Travel Shipping Investments Limited	British Virgin Islands, October 1998	Investment holding
Celeworld Limited	Hong Kong, July 1988	Passenger transportation operations
Beijing Guang'anmen Grand Metropark Co., Ltd.	PRC, April 1995	Hotel operations

### MATERIAL ACQUISITIONS AND DISPOSALS

#### Acquisition of Silver Time

Silver Time is a company incorporated in Hong Kong with limited liability on May 18, 2005, and is principally engaged in the operation of a block of serviced apartments and shops for rental and management fee income. The principal asset of Silver Time is the property known as "De Fenwick" located at Inland Lot 2823 Remaining Portion, Nos. 8-12 Fenwick Street & Nos. 42-50 Lockhart Road, Wanchai, Hong Kong (the "**Properties**"), with a total approved gross floor area of approximately 56,754 square feet.

On September 25, 2023, Goster Resources entered into the share transfer agreement (the "**Share Transfer Agreement**") with the original shareholders and Silver Time. Pursuant to the Share Transfer Agreement, the original shareholders agreed to sell, and Goster Resources agreed to acquire, 100% of the issued share capital of Silver Time. The consideration for the acquisition is HKD899,654,000 and the acquisition was completed on October 16, 2023.

Immediately upon completion of the acquisition, Silver Time became an indirect wholly-owned subsidiary of China Travel HK and we have been operating our Wanchai Green Residence Serviced Apartment at the Properties. None of the applicable percentage ratios as defined under the Listing Rules in respect of the acquisition exceeds 25% which would require disclosure pursuant to Rule 4.05A of the Listing Rules. Save as disclosed above, there has been no material acquisitions or disposals by our Group during the Track Record Period and up to the Latest Practicable Date.

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### THE SPIN-OFF REORGANIZATION

In preparation for the Spin-off and the [REDACTED], China Travel HK Group underwent the reorganization for the purpose of the Spin-off (the “**Spin-off Reorganization**”), which involved the following steps:

#### (1) Incorporation of our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on September 12, 2025.

The share capital of our Company was HKD60,000,000.00 divided into 6,000,000,000 shares of a nominal or par value of HKD0.01 each. Upon incorporation, one Share was allotted and issued to an Independent Third Party subscriber and such Share was then transferred to China Travel HK.

#### (2) Transfer of the Spin-off Business

Prior to the Spin-off Reorganization, the subsidiaries holding the Spin-off Business were directly or indirectly owned by China Travel HK. We have conducted a series of equity transfers and debts assignment, pursuant to which the equity interests in the companies comprising the Spin-off Business were transferred to our Company, and certain intercompany indebtedness relating to the Spin-off Business was assigned to our Company. In return, our Company allotted and issued an aggregate of 20 Shares to China Travel HK as consideration for such transfers and assignment. Please see “—Key Subsidiaries” above for details. The Spin-off Reorganization was completed on May 13, 2026.

Upon completion of the Spin-off Reorganization, the relevant subsidiaries and the relevant associated companies of China Travel HK become subsidiaries and associated companies of our Company, respectively, and our Company became the holding company of all of the operating subsidiaries of our Group. For the corporate structure of our Group after the Spin-off Reorganization, please see “—Shareholding and Corporate Structure—After the Spin-off Reorganization and Immediately Prior to the Spin-off and [REDACTED]” below. As confirmed by our legal advisors as to Cayman Islands, BVI, Hong Kong and PRC laws, all necessary governmental approvals required under the applicable laws and regulations in connection with the Spin-off Reorganization have been obtained, and the Spin-off Reorganization complied with all applicable laws and regulations in all material respects.

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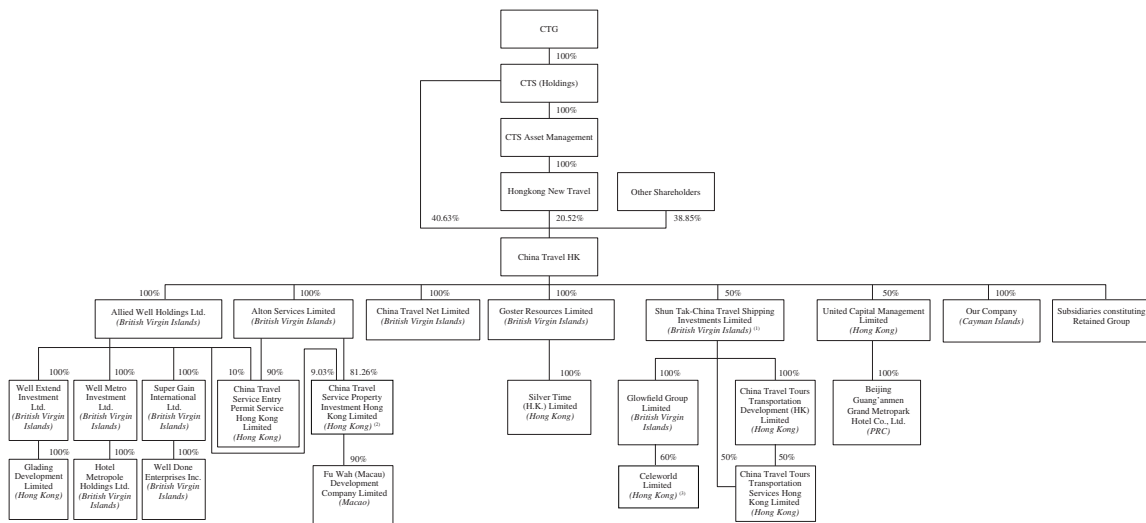
### THE DISTRIBUTION

On [●], the China Travel HK Board declared the Distribution to the Qualifying China Travel HK Shareholders. The Distribution will be satisfied wholly by way of a distribution in specie to the Qualifying China Travel HK Shareholders of [up to] an aggregate of [REDACTED] Shares, representing the entire issued share capital of our Company. See the section headed "The Distribution and Spin-off" in this document for more information.

### SHAREHOLDING AND CORPORATE STRUCTURE

#### Prior to the completion of the Spin-off Reorganization

The following chart sets forth the simplified shareholding and corporate structure of our Company and China Travel HK immediately before the completion of the Spin-off Reorganization:



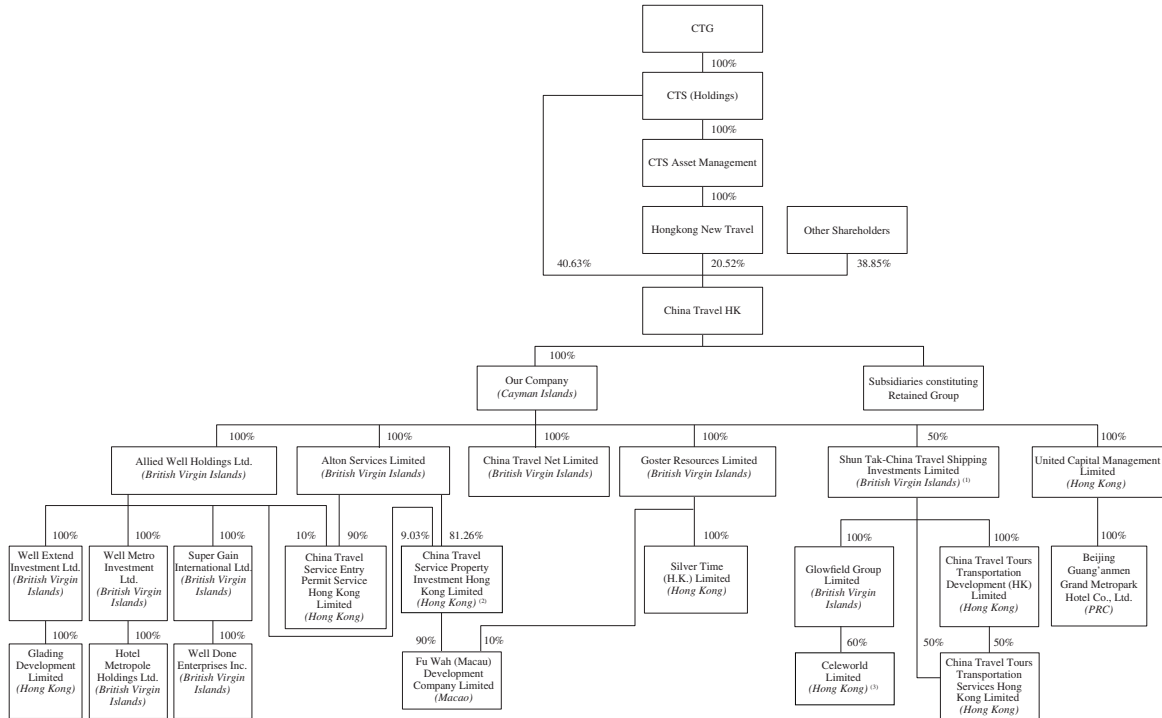
- (1) The remaining 50% of the issued shares of Shun Tak-China Travel Shipping Investments Limited is held by Shun Tak Holdings Limited.
- (2) The remaining 9.71% issued ordinary shares of China Travel Service Property Investment Hong Kong Limited is held by CTS (Holdings), a Controlling Shareholder. China Travel Service Property Investment Hong Kong Limited also issued non-voting deferred shares of which 99.8% is held by CTS (Holdings) and 0.2% is held by China Travel Service Entry Permit Service Hong Kong Limited.
- (3) The remaining 40% of the issued shares of Celeworld Limited is held by Hongkong Macao Hydrofoil Company Limited, an indirect wholly-owned subsidiary of Shun Tak-China Travel Shipping Investments Limited.

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### After the Spin-off Reorganization and Immediately Prior to the Spin-off and [REDACTED]

On [●], a total of [REDACTED] new Shares were allotted and issued at par to China Travel HK. Upon completion of the issuance, the number of our issued Shares will become [REDACTED] Shares.

The following chart sets forth the simplified shareholding and corporate structure of our Company and China Travel HK immediately after the completion of the Spin-off Reorganization and immediately prior to the completion of the Spin-off and the [REDACTED] (assuming no change to the shareholding in China Travel HK):

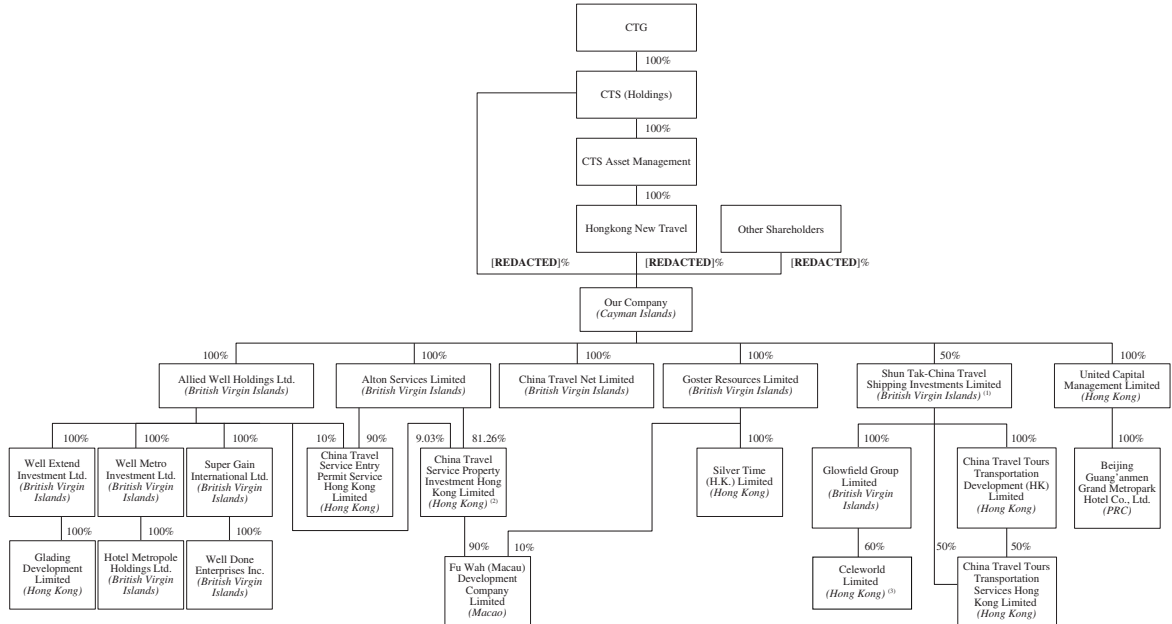


*Note:* Please refer to notes to the shareholding chart above.

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### Immediately Following the Spin-off and [REDACTED]

The following chart sets forth the shareholding and corporate structure of our Company showing our key subsidiaries immediately after the completion of the Spin-off and the [REDACTED]:



Note: Please refer to notes to the shareholding chart above.

### [REDACTED]

Rule 8.08(1)(a) of the Listing Rules provides that there must be an open market in the securities for which listing is sought which normally means that at least 25% of the issuer's total issued share capital must at all times be held by the public.

Immediately following completion of the Spin-off and the [REDACTED], Mr. Zhang Daorong, our executive Director and finance director, Mr. Ha Yufeng, our non-executive Director, and the following Shareholders will be core connected persons of our Company and hence Shares held by them will not be counted towards the [REDACTED] for the purpose of Rule 8.08(1) of the Listing Rules:

- CTS (Holdings); and
- Hongkong New Travel,

each of which is ultimately owned/ controlled by CTG, each a Controlling Shareholder.

So far as our Directors are aware, save as disclosed above, no other Shareholder (i) is a core connected person of our Company; (ii) has been financed directly or indirectly by a core connected person of our Company for the acquisition of Shares; or (iii) is accustomed to take instructions from a core connected person of our Company in relation to the acquisition, disposal, voting, or other dispositions of the Shares registered in their name or otherwise held by them, and all the Shares held by such Shareholders will be counted towards the [REDACTED] of our Company for the purpose of Rule 8.08(1) of the Listing Rules upon [REDACTED].

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Accordingly, immediately following completion of the Spin-off and the [REDACTED], without taking into account of the effect of any Shares which the Non-Qualifying China Travel HK Shareholders would otherwise receive from the Distribution, approximately [REDACTED]% of our issued Shares will be held by the public and counted towards the [REDACTED] for the purpose of Rule 8.08(1) of the Listing Rules.

[REDACTED]

Pursuant to Rule 10.07 of the Listing Rules, each of the Controlling Shareholders [has undertaken] to the Stock Exchange and to our Company that, it will not and will procure that the relevant registered holders (if applicable) will not: (a) in the period commencing on the date by reference to which disclosure of their shareholding in our Company is made in this document and ending on the date which is six months from the [REDACTED] (the "**First Six-month Period**"), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any Shares or securities of our Company in respect of which they are shown in this document to be the beneficial owner (the "**Relevant Securities**"); and (b) in the period of six months commencing on the date on which the First Six-month Period expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Relevant Securities if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, they would cease to be a group of Controlling Shareholders of our Company; in each case, save as permitted under the Listing Rules.

Immediately after the completion of the Spin-off and the [REDACTED], our Controlling Shareholders will hold approximately [REDACTED]% of our issued share capital. Other than the Shares held by the Controlling Shareholders, no other Shares are required to be subject to any lock-up undertaking. Accordingly, immediately following completion of the Spin-off and the [REDACTED], all the Shares held by the public referred to in "[REDACTED]" above, that is approximately [REDACTED]% of our issued Shares, will be available for [REDACTED] in compliance with Rule 8.08A of the Listing Rules.