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Shanghai Jin Jiang International Hotels (Group) Company Limited*
上海錦江國際酒店(集團)股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 02006)

DISCLOSEABLE TRANSACTION

**EXECUTION OF
THE VIENNA HOTELS EQUITY TRANSFER AGREEMENT
AND THE BAISUICUN RESTAURANTS EQUITY
TRANSFER AGREEMENT**

The Board is pleased to announce that, on 28 April 2016, Jin Jiang Hotels Development, a subsidiary of the Company, entered into the Vienna Hotels Equity Transfer Agreement with Mr. Huang Deman, pursuant to which Jin Jiang Hotels Development agreed to acquire 80% equity interest in Vienna Hotels held by Mr. Huang at a cash consideration of RMB1,748,800,000.00; on the same date, Jin Jiang Hotels Development entered into the Baisuicun Restaurants Equity Transfer Agreement with Mr. Huang, pursuant to which Jin Jiang Hotels Development agreed to acquire 80% equity interest in Baisuicun Restaurants held by Mr. Huang at a cash consideration of RMB800,000.00.

In respect of the Vienna Hotels Equity Transfer Agreement, as the applicable percentage ratios exceed 5% but are less than 25%, the transaction under such agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

In respect of the Baisuicun Restaurants Equity Transfer Agreement, the transaction under the Vienna Hotels Equity Transfer Agreement and the transaction under the Baisuicun Restaurants Equity Transfer Agreement are aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios (as aggregated) exceed 5% but are less than 25%, the transaction under such agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

A. BACKGROUND

The Board is pleased to announce that, on 28 April 2016, Jin Jiang Hotels Development, a subsidiary of the Company, entered into the Vienna Hotels Equity Transfer Agreement with Mr. Huang Deman (黃德滿) (“Mr. Huang”), pursuant to which Jin Jiang Hotels Development agreed to acquire 80% equity interest in Vienna Hotels held by Mr. Huang at a cash consideration of RMB1,748,800,000.00; on the same date, Jin Jiang Hotels Development entered into the Baisuicun Restaurants Equity Transfer Agreement with Mr. Huang, pursuant to which Jin Jiang Hotels Development agreed to acquire 80% equity interest in Baisuicun Restaurants held by Mr. Huang at a cash consideration of RMB800,000.00.

B. EQUITY TRANSFER AGREEMENTS

The major terms of the Vienna Hotels Equity Transfer Agreement and the Baisuicun Restaurants Equity Transfer Agreement are summarised as follows:

(1) Vienna Hotels Equity Transfer Agreement

Date

28 April 2016

Parties

Purchaser: Jin Jiang Hotels Development

Vendor: Mr. Huang

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, Mr. Huang is a third party independent of the Group and connected persons of the Group.

Target Assets

Subject to the terms and conditions of the Vienna Hotels Equity Transfer Agreement, Jin Jiang Hotels Development shall acquire 80% equity interest in Vienna Hotels held by Mr. Huang.

Consideration and Payment Method

(i) Total consideration for the acquisition

As agreed under relevant terms of the Vienna Hotels Equity Transfer Agreement, the consideration for the acquisition of 80% equity interest in Vienna Hotels is RMB1,748,800,000.00.

If the closing audit confirms that the net assets shown on the consolidated financial statements of Vienna Hotels as at the date of closing audit is less than the net assets as at the benchmark date (namely, RMB484,382,553.29), the consideration for the acquisition of the vendor’s equity interest shall be deducted by an amount equivalent to 80% of the difference (between the audited net assets as at the date of closing audit and the audited net assets as at the benchmark date of Vienna Hotels).

(ii) Payment of deposit, prepayment and consideration

Jin Jiang Hotels Development shall make a payment of RMB300,000,000.00 to Mr. Huang within 3 working days after the execution of the Vienna Hotels Equity Transfer Agreement as the deposit for the performance of closing obligations under the Vienna Hotels Equity Transfer Agreement. Jin Jiang Hotels Development shall make a payment of RMB380,000,000.00 to Mr. Huang within 3 working days after the execution of the Vienna Hotels Equity Transfer Agreement as the prepayment for the equity transfer under the Vienna Hotels Equity Transfer Agreement. Upon the closing date, the deposit and the prepayment shall be counted towards the consideration payable by Jin Jiang Hotels Development.

If the closing conditions cannot be fulfilled or closing cannot be realised for reasons on the part of Mr. Huang or Vienna Hotels, or if the closing conditions are fulfilled in full but Mr. Huang has not performed his closing obligations, Jin Jiang Hotels Development shall have the right to terminate the Vienna Hotels Equity Transfer Agreement, in which case Mr. Huang shall reimburse Jin Jiang Hotels Development with a payment equivalent to two times of the deposit within 10 days after the date of termination of the Vienna Hotels Equity Transfer Agreement.

If the closing conditions cannot be fulfilled or closing cannot be realised for reasons on the part of the anti-monopoly audit, each party shall have the right to terminate the Vienna Hotels Equity Transfer Agreement, in which case Mr. Huang shall reimburse Jin Jiang Hotels Development with the deposit within 10 days after the date of termination of the Vienna Hotels Equity Transfer Agreement.

If the closing conditions cannot be fulfilled or closing cannot be realised for no matter what reasons, Mr. Huang shall refund the prepayment to Jin Jiang Hotels Development within 10 days after the date of termination of the Vienna Hotels Equity Transfer Agreement.

Jin Jiang Hotels Development shall make a payment of RMB655,920,000.00 to Mr. Huang within 3 working days after the closing date. Jin Jiang Hotels Development shall make a payment of RMB238,000,000.00 to Mr. Huang within 3 working days after the completion of payments of trade receivables and payables of Vienna Hotels and Baisuicun Restaurants stipulated in the agreement with the provision of legal and valid evidence of such payments by Mr. Huang to Jin Jiang Hotels Development.

Jin Jiang Hotels Development shall settle the balance of the consideration upon the conclusion of a period of 6 months after the closing date. The amount of such outstanding payment of the consideration shall be adjusted on the basis of the outcome of the closing audit.

Price Adjustment Mechanism

Closing audit and the adjustment of the outstanding amount of the consideration

Within 90 days following the closing date, Jin Jiang Hotels Development shall have the right to engage BDO China Shu Lun Pan Certified Public Accountants LLP or other accountant firms which are qualified for the securities business to conduct an audit of the net assets of Vienna Hotels as at date of closing audit in accordance with PRC accountings standards. If the outcome of the audit indicates that the net assets of Vienna Hotels shown on the consolidated financial statements as at the date of closing audit is less than the net assets as at the benchmark date, the consideration for the acquisition of 80% equity interest in Vienna Hotels shall be deducted by an amount equivalent to 80% of the difference (between the audited net assets as at the date of closing audit and the audited net assets as at the benchmark date of Vienna Hotels) (the “Adjustment”).

The aforesaid Adjustment shall be deducted from the outstanding amount of the consideration payable by Jin Jiang Hotels Development to Mr. Huang. If the outstanding amount of consideration is not sufficient for setting off the Adjustment, Mr. Huang shall make a payment to Jin Jiang Hotels Development to make up the shortfall within 5 days after receiving a notice in writing from Jin Jiang Hotels Development.

Bases of Consideration

The Vienna Hotels Equity Transfer Agreement was negotiated after arm’s length negotiations and on normal commercial terms. The consideration was determined and negotiated in accordance with the market principle such as (i) financial information (such as earnings and net debt position), operations and business of Vienna Hotels; and (ii) other commercial factors and reference such as the future business potential of Vienna Hotels, the long-term strategies and business plans of the Group and the appraised enterprise value of Vienna Hotels.

Financing arrangement

The acquisition of 80% equity interest in Vienna Hotels shall be funded by bank loans and internal resources.

Closing of the Target Assets

(i) Closing date and closing

Closing shall take place at the registered address of Vienna Hotels at 10:00 a.m. (Beijing time) on the working day immediately following the fulfilment or waiver of all closing conditions set out in the Vienna Hotels Equity Transfer Agreement, or other venue or other time and date as may be otherwise agreed in writing between Mr. Huang and Jin Jiang Hotels Development.

Except for the case that the closing conditions cannot be fulfilled for reasons on the part of the anti-monopoly audit closing shall take placing within 3 months after the execution of the Vienna Hotels Equity Transfer Agreement (which period may be extended upon agreement between the two parties). If closing is

not able to take place within such period due to the reasons of any parties of such agreement, the defaulting party shall be liable for responsibility for breach of contract.

(ii) Closing conditions

The vendor (namely, Mr. Huang) shall procure the fulfilment of mainly the following closing conditions:

- (a) The representations and warranties made by the vendor and Vienna Hotels under each transaction document are true, accurate and complete in all material aspects as at the closing date;
- (b) The consents of relevant internal and external parties (including but not limited to the consent of the anti-monopoly bureau and other competent government authorities) for the transaction have been obtained;
- (c) Persons designated by Jin Jiang Hotels Development have been duly appointed as the authorised representatives, general managers, directors and supervisors of Vienna Hotels or its subsidiaries (if necessary) and the procedures for registration with industrial and commercial authorities have been completed;
- (d) Other than trade payables and receivables reflected in the audit report of Vienna Hotels, there are no outstanding trade payables and receivables owed by or to Vienna Hotels or any of its subsidiaries, save for trade amounts arising from normal business and trading activities. All trade receivables and payables between the vendor and its related parties on the one hand and Vienna Hotels or any of its subsidiaries on the other shall have been settled in full;
- (e) All taxes due and payable have been settled in full, or all taxes that Vienna Hotels is obliged to withhold from and pay on behalf of relevant parties have been withheld and paid to the appropriate government authorities by Vienna Hotels. Vienna Hotels has settled all taxation-related liabilities that it is subject to in accordance with the law, and Vienna Hotels as a party is not subject to any outstanding taxation-related liabilities as at the time of closing;
- (f) There have been no material adverse procedures, adverse legal changes or impact.

The purchaser (namely, Jin Jiang Hotels Development) shall procure the fulfilment of mainly the following closing conditions:

- (a) The representations and warranties made by the purchaser under each transaction document are true, accurate and complete in all material aspects as at the closing Date;
- (b) The consents of relevant internal and external parties (including but not limited to the consent of the anti-monopoly bureau and other competent government authorities) for the transaction have been obtained.

Termination of Agreement

Except for the case that the closing conditions cannot be fulfilled for reasons on the part of the anti-monopoly audit the agreement may be terminated by a notice in writing given by either party to the other party if closing does not take place or the precedent conditions stipulated in the Vienna Hotels Equity Transfer Agreement are not fulfilled within 3 months (which period may be extended upon agreement between the two parties) from the date of execution of the Vienna Hotels Equity Transfer Agreement; or may be terminated by mutual consent in writing between the two parties.

(2) Baisuicun Restaurants Equity Transfer Agreement

Date

28 April 2016

Parties

Purchaser: Jin Jiang Hotels Development

Vendor: Mr. Huang

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, Mr. Huang is a third party independent of the Group and connected persons of the Group.

Target Assets

Subject to the terms and conditions of the Baisuicun Restaurants Equity Transfer Agreement, Jin Jiang Hotels Development shall acquire 80% equity interest in Baisuicun Restaurants held by Mr. Huang.

Consideration and Payment Method

(i) Total consideration for the acquisition

As agreed under relevant terms of the Baisuicun Restaurants Equity Transfer Agreement, the consideration for the acquisition of 80% equity interest in Baisuicun Restaurants is RMB800,000.00.

(ii) Payment of consideration

Jin Jiang Hotels Development shall make a payment of RMB720,000.00 to Mr. Huang within 3 working days after the closing date.

Jin Jiang Hotels Development shall settle the balance of the consideration upon the conclusion of a period of 6 months after the closing date. The amount of such outstanding payment of the consideration shall be adjusted on the basis of the outcome of the closing audit.

Price Adjustment Mechanism

Closing audit and the adjustment of the outstanding amount of the consideration

Within 90 days following the closing date, Jin Jiang Hotels Development shall have the right to engage BDO China Shu Lun Pan Certified Public Accountants LLP or other accountant firms which are qualified for the securities business to conduct an audit of the net assets of Baisuicun Restaurants shown on the consolidated financial statements as at the date of closing audit in accordance with PRC accountings standards. If the outcome of the audit indicates that the net assets of Baisuicun Restaurants as at the date of closing audit is lower than RMB1 million, the consideration for the acquisition of the vendor's equity interest shall be deducted by an amount equivalent to 80% of the difference (between the audited net assets as at the date of closing audit and RMB1 million) (the "Adjustment").

The aforesaid Adjustment shall be deducted from the outstanding amount of the consideration payable by Jin Jiang Hotels Development to Mr. Huang. If the outstanding amount of consideration is not sufficient for setting off the Adjustment, Mr. Huang shall make a payment to Jin Jiang Hotels Development to make up the shortfall within 5 days after receiving a notice in writing from Jin Jiang Hotels Development.

Bases of Consideration

The Baisuicun Restaurants Equity Transfer Agreement was negotiated after arm's length negotiations and on normal commercial terms. The consideration was determined and negotiated in accordance with the market principle such as (i) financial information (such as earnings and net debt position), operations and business of Baisuicun Restaurants; and (ii) other commercial factors and reference such as the future business potential of Baisuicun Restaurants, the long-term strategies and business plans of the Group and the appraised enterprise value of Baisuicun Restaurants.

Financing Arrangement

The acquisition of 80% equity interest in Baisuicun Restaurants shall be funded by internal resources.

Closing of the Target Assets

(i) Closing date and closing

Subject to the fulfilment or waiver of all closing conditions set out in the Baisuicun Restaurants Equity Transfer Agreement, closing shall take place at the registered address of Baisuicun Restaurants at the same time on the same closing date for the transfer of 80% equity interest in Vienna Hotels to Jin Jiang Hotels Development by Mr. Huang, or other venue or other time and date as may be separately agreed in writing between Mr. Huang and Jin Jiang Hotels Development.

(ii) Closing conditions

The vendor (namely, Mr. Huang) shall procure the fulfilment of mainly the following closing conditions:

- (a) The representations and warranties made by the vendor and Baisuicun Restaurants under each transaction document are true, accurate and complete in all material aspects as at the closing date;
- (b) The consents of relevant internal and external parties for the transaction (including but not limited to the consents of competent government authorities) have been obtained;
- (c) Persons designated by Jin Jiang Hotels Development have been duly appointed as the authorised representatives, general managers, directors and supervisors of Baisuicun Restaurants or its subsidiaries (if necessary) and the procedures for registration with industrial and commercial authorities have been completed;
- (d) Other than trade payables and receivables reflected in the audit report of Baisuicun Restaurants, there are no outstanding trade payables and receivables owed by or to Baisuicun Restaurants or any of its subsidiaries, save for trade amounts arising from normal business and trading activities. Outstanding trade receivables and payables prior to closing approved by Jin Jiang Hotels Development shall be settled by the vendor in full within 3 working days following the closing date;
- (e) All taxes due and payable have been settled in full, or all taxes that Baisuicun Restaurants is obliged to withhold from and pay on behalf of relevant parties have been withheld and paid to the appropriate government authorities by Baisuicun Restaurants. Baisuicun Restaurants has settled all taxation-related liabilities that it is subject to in accordance with the law, and Baisuicun Restaurants as a party is not subject to any outstanding taxation-related liabilities as at the time of closing;
- (f) There have been no material adverse procedures, adverse legal changes or impact.

The purchaser (namely, Jin Jiang Hotels Development) shall procure the fulfilment of mainly the following closing conditions:

- (a) The representations and warranties made by the purchaser under each transaction are true, accurate and complete in all material aspects as at the closing date;
- (b) The consents of relevant internal and external parties for the transaction (including but not limited to the consents of competent government authorities) have been obtained.

Termination of Agreement

Except for the case that the closing conditions for the acquisition of 80% equity interest in Vienna Hotels cannot be fulfilled, the agreement may be terminated by a notice in writing given by either party to the other party if closing does not take place or the precedent conditions stipulated in the Baisuicun Restaurants Equity Transfer Agreement are not fulfilled within 3 months (which period may be extended upon agreement between the two parties) from the date of execution of the Baisuicun Restaurants Equity Transfer Agreement; or if the Vienna Hotels Equity Transfer Agreement in connection with the transfer of 80% equity interest in Vienna Hotels by Mr. Huang to Jin Jiang Hotels Development is terminated; or may be terminated by mutual consent in writing between the two parties.

C. INFORMATION ON THE VENDOR AND THE TARGET COMPANIES

Information on the Vendor

Mr. Huang is a PRC national and currently the chairman of Vienna Hotels and chairman of Shenzhen Vienna Star Hotels Management Co., Ltd. (深圳市維也納之星酒店管理有限公司). As at the date of this announcement, Mr. Huang holds 92.95% equity interest in Vienna Hotels directly and 7.05% equity interest in Vienna Hotels through Shenzhen Vienna Star Hotels Management Co., Ltd.. Mr. Huang holds 100% equity interests in Baisuicun Restaurants directly.

Information on the Target Companies

Vienna Hotels is a limited liability company established in the PRC and directly or indirectly wholly-owned by Mr. Huang as at the date of this announcement. Vienna Hotels is principally engaged in accommodation services, ancillary hotel retail services for daily items, and franchised commercial activities.

Baisuicun Restaurants is a limited liability company established in the PRC and directly wholly-owned by Mr. Huang as at the date of this announcement. Baisuicun Restaurants is principally engaged in the production and sales of Chinese cuisines, production and sales of Western-style pastries, industrial businesses, and restaurant management and planning.

Financial Information

Set out below is the audited consolidated financial information of the target companies prepared in accordance with China Accounting Standards for Business Enterprises:

Vienna Hotels

	Year ended 31 December	
	2014	2015
	<i>(approximately RMB million)</i>	<i>(approximately RMB million)</i>
Revenue	1,161.4	1,461.6
Profit before taxation	84.0	205.0
Profit after taxation	53.5	144.0

	Year ended 31 December	
	2014	2015
	(approximately RMB million)	(approximately RMB million)
Revenue	236.6	280.1
Profit before taxation	0.02	6.9
Profit after taxation	(0.6)	4.5

According to the audited consolidated financial statements of the target companies prepared in accordance with China Accounting Standards for Business Enterprises, as at 31 December 2015, the audited consolidated net asset value of Vienna Hotels was approximately RMB484,382,553.29, and the audited consolidated net asset value of Baisuicun Restaurants was approximately RMB1,226,279.15.

According to the Valuation Reports prepared by the PRC Valuer, the appraised value of the shareholders' equity of Vienna Hotels was approximately RMB2,212,231,119.00 and the appraised value of the shareholders' equity of Baisuicun Restaurants was approximately RMB1,245,066.72 as at the valuation date (31 December 2015).

Upon completion of the acquisition, Vienna Hotels and Baisuicun Restaurants will become subsidiaries of the Company and their financial results and positions will be consolidated into the financial statements of the Company.

D. REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in hotel operations, management and franchising, restaurant operation, passenger transportation and logistics, and travel agency businesses.

The Board considers that the reasons for and benefits of the acquisition are as follows:

(1) Strengthening the Group's strategic positioning to facilitate ongoing strategic deployment

The acquisition of Vienna Hotels represents another strategic move to complement the hotel product line of the Group. As a leading brand of mid-market business hotel chains in the domestic market, Vienna Hotels owns more than 300 hotels in operation in more than 70 large or medium-sized cities in over 20 provinces/municipalities across the nation, which will form a sound, complementary product portfolio with the existing hotels of the Group and further enhance the strategic depth and coverage of the Group's product lines.

In terms of its brand regime, the Group has seized new opportunities in the mid-end hotel market to enrich its brand offerings and enhance its brand competitiveness in tandem with changes in consumers' requirements. Vienna Hotels, the target of the planned acquisition, has already developed 5 operating brand series, including Venus Royal Hotel (維納斯皇家酒店), Vienna International Hotel (維也納國際酒店), Vienna Hotel (維也納酒店), Vienna Classic Hotel (維也納智好酒店) and Vienna Hotel ③ (維也納3好酒店). The transaction represents a strategic move of the Group in its ongoing effort to develop an extensive brand portfolio, which will further complement its

brand regime. The transaction will facilitate the Group's solid expansion in the market of Select Service Hotels in terms of its depth of service and scope of business, with broader geographic distribution, a more complete range of brands, more diversified brand sub-segments, and richer brand substance. As a result, our market competitiveness, industry position and brand influence will be substantially enhanced. This transaction represents an important step in the Company's market strategy and brand strategy with massive strategic significance.

(2) Further expanding our scale of operations to enhance our industry position and build sustainable competitive strengths

As the hotel industry positions itself in the "New Normal Status" of the macro-economy, the expansion in scale through acquisition to foster and compete on economies of scale represents a strategic foundation for hotel operators seeking to build sustainable competitive strengths. As at 31 December 2015, Vienna Hotels owned 303 hotels in operation, including 46 directly-operated hotels and 257 franchised hotels, which offered 48,575 guest rooms in operation, comprising 11,012 guest rooms in directly-operated hotels and 37,563 guest rooms in franchised hotels. There were over 12.50 million members under various membership programmes. There were 262 hotels for which contracts had been signed but which had yet to commence operations. Following the completion of the transaction, the size of the Group's hotel operations will further expand and the number of mid-market hotels held by the Company will increase, resulting in higher market shares in the mid-market sector, an enlarged members' base and further enrichment of its resources for hotel operations. As such, the advantage afforded by large-scale operations will be further highlighted and the Company's position as an industry leader will be further consolidated.

(3) Leveraging the synergies of business integration to increase revenue and reduce operating costs

Mergers and acquisitions enable large-scale operations, while business integration fosters synergies. The greatest values of large-scale operations lies in the creation of synergies through business integration, expansion of customer base, increase of revenue and the full leveraging of centralised procurement to lower operating costs and thereby enhance overall profitability.

The transaction will enable the Group to increase its overall revenue. In future, the Group will continue to make major efforts to develop a global hotel direct-marketing platform to enhance the functions of its direct-marketing channels. It will step up with the application of Internet technologies to drive implementation of the "Internet + Hotel" strategy, such that the direct-marketing platform will showcase the core competitive strengths of the Company's brand. The transaction will also allow the Group to lower its overall operating costs. In terms of supply chains, centralised procurement for daily hotel items, consumables, materials for refurbishment, cleaning goods and central kitchen will help to improve the quality of our products, increase our bargaining power and lower procurement costs.

(4) Introducing innovative mechanisms to support the requirements of and strengthen the Group's market-oriented developments

Following the completion of the transaction, with further support from the Group, Vienna Hotels will continue to develop in areas where it has enjoyed competitive advantages, especially in relation to the cultivation and operation of brands in medium- to high-end Select Service Hotels. In the meantime, the Group will learn from Vienna Hotels' innovative mechanisms and corporate culture of excellence to support the requirements of and strengthen its market-oriented development, in order to prepare itself for challenges presented by the transformation and upgrade of the hotel industry.

In connection with team building and corporate culture, Vienna Hotels is operated by a team of high-calibre hotel managers with strong passion and vigour for innovation. The management team has proven experience in hotel management and is supported by high-calibre management personnel in hotels operations, brand management, IT systems, membership administration and supply-chain management. In terms of management model, Vienna Hotels has built a hotel management model and applied it with ongoing improvements. Claiming leadership in business culture, brand philosophy and operating mechanism, Vienna Hotels enjoys sound reputation and market influence in the mid-market chain hotel industry.

The Directors (including the independent non-executive Directors) believe that the terms of the acquisition are fair and reasonable, on normal commercial terms and in the interests of the Shareholders as a whole.

E. IMPLICATIONS UNDER THE LISTING RULES

In respect of the Vienna Hotels Equity Transfer Agreement, as the applicable percentage ratios exceed 5% but are less than 25%, the transaction under such agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

In respect of the Baisuicun Restaurants Equity Transfer Agreement, the transaction under the Vienna Hotels Equity Transfer Agreement and the transaction under the Baisuicun Restaurants Equity Transfer Agreement are aggregated in accordance with Rule 14.22 of the Listing Rules. As the applicable percentage ratios (as aggregated) exceed 5% but are less than 25%, the transaction under such agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the valuation report of Vienna Hotels was prepared on a discounted cash flow basis under the income approach, under Rule 14.61 of the Listing Rules, any valuation based on discounted cash flows will be regarded as a profit forecast. The Company will publish an announcement to comply with the requirements of Rule 14.62 of the Listing Rules in due course.

For other details of the acquisition, please visit the website of the Shanghai Stock Exchange.

F. DEFINITIONS

Unless the context otherwise requires, the terms used in this announcements shall have the following meanings:

“Baisuicun Restaurants”	Shenzhen Baisuicun Restaurants Chain Co., Ltd. (深圳市百歲村餐飲連鎖有限公司), a limited liability company established in the PRC and wholly-owned by Mr. Huang as at the date of this announcement
“Baisuicun Restaurants Equity Transfer Agreement”	the Baisuicun Restaurants Equity Transfer Agreement dated 28 April 2016 entered into between Jin Jiang Hotels Development and Mr. Huang in connection with the acquisition of the 80% equity interest in Baisuicun Restaurants held by Mr. Huang
“Board”	the board of directors of the Company
“Company”	上海錦江國際酒店(集團)股份有限公司 (Shanghai Jin Jiang International Hotels (Groups) Company Limited), a joint stock limited company incorporated in the PRC, the H shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jin Jiang Hotels Development”	Shanghai Jin Jiang International Hotels Development Company Limited, which is a joint stock limited company incorporated in the PRC with its A shares and B shares listed on the Shanghai Stock Exchange and a subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange (as amended and revised from time to time)
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“PRC Valuer”	Shanghai Cai Rui Assets Evaluation Co., Ltd. (上海財瑞資產評估有限公司)
“RMB”	RMB, the lawful currency of the PRC
“Select Service Hotels”	hotels providing guests with basic professional services which are suitable for mass consumption with emphasis on the core function of accommodation
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

- “Valuation Reports” The Vienna Hotels valuation report and the Baisuicun Restaurants valuation report prepared by the PRC Valuer dated 28 April 2016
- “Vienna Hotels” Vienna Hotels Group Co., Ltd. (維也納酒店有限公司), a limited liability company established in the PRC and directly or indirectly wholly-owned by Mr. Huang as at the date of this announcement
- “Vienna Hotels Equity Transfer Agreement” the Vienna Hotels Equity Transfer Agreement dated 28 April 2016 entered into between Jin Jiang Hotels Development and Mr. Huang in connection with the acquisition of the 80% equity interest in Vienna Hotels held by Mr. Huang

By Order of the Board
Shanghai Jin Jiang International Hotels (Group) Company Limited*
Kang Ming
Executive Director and Joint Company Secretary

Shanghai, the PRC, 28 April 2016

As at the date of this announcement, the executive Directors are Mr. Yu Minliang, Ms. Guo Lijuan, Mr. Chen Liming, Mr. Xu Ming, Mr. Zhang Qian, Mr. Zhang Xiaoqiang, Mr. Han Min and Mr. Kang Ming; and the independent non-executive Directors are Mr. Ji Gang, Dr. Rui Mingjie, Dr. Tu Qiyu, Dr. Xu Jianxin, Mr. Xie Hongbing and Dr. He Jianmin.

* *The Company is registered as a non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) under its Chinese name and the English name “**Shanghai Jin Jiang International Hotels (Group) Company Limited**”.*