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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)

**ANNOUNCEMENT
INSIDE INFORMATION
PROPOSED PLAN TO SELL DOWN SHARES IN A SUBSIDIARY BY
ITS SHAREHOLDER**

This announcement is made by Shanghai Jin Jiang International Hotels (Group) Company Limited (the “**Company**”) pursuant to the inside information provisions under Rule 13.09 (2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance.

Shanghai Jin Jiang International Hotels Development Company Limited (“**Jin Jiang Hotels Development**”), a subsidiary of the Company, has published the “Announcement on the Plan to Sell Down Shares by Shareholders with Shareholdings of 5% or above” on the website of Shanghai Stock Exchange in relation to the proposed sell-down of shares in Jin Jiang Hotels Development by Hony Capital Fund (SH), L.P. (弘毅(上海)股權投資基金中心(有限合夥), “**Hony Capital Fund**”).

The principal terms of the sell-down plan are set out as follows: Owing to its own financial arrangements, Hony Capital Fund expects to dispose of not more than 19,158,728 shares in Jin Jiang Hotels Development, i.e., not more than 2% of the total number of shares of Jin Jiang Hotels Development, by way of, among others, call auction through Shanghai Stock Exchange or block trading within 6 months after a period of 15 trading days has lapsed from the date of the announcement of Jin Jiang Hotels Development (which number of shares proposed to be disposed of and their proposed selling prices will be adjusted for ex-right and ex-dividend events such as dividend payments, bonus share issues, increase of share capital by way of transfer from capital reserves and share placing, etc., (if any) during the period of the planned sell-down). In the event of sell-down by way of call auction through Shanghai Stock Exchange, the total number of shares so disposed of during any period of 90 continuous calendar days shall

not exceed 1% of the total number of shares of Jin Jiang Hotels Development. In the event of sell-down by way of block trading, the total number of shares so disposed of during any period of 90 continuous calendar days shall not exceed 2% of the total number of shares of Jin Jiang Hotels Development. Please visit the website of Shanghai Stock Exchange for further details of the announcement of Jin Jiang Hotels Development.

As at the date of this announcement, Hony Capital Fund holds 120,325,976 shares in Jin Jiang Hotels Development, representing approximately 12.56% of the total share capital of Jin Jiang Hotels Development. As Hony Capital Fund is not a controlling shareholder or de facto controller of Jin Jiang Hotels Development, the implementation of the sell-down plan will not result in any change to the controlling shareholder or de facto controller of Jin Jiang Hotels Development, nor will it have any impact on the ongoing operation of Jin Jiang Hotels Development. Hony Capital Fund has indicated that, as a strategic investor, it is optimistic about the long-term development of Jin Jiang. The price of the sell-down by Hony Capital Fund shall be based on the market price prevailing at the implementation of the sell-down, which is subject to market or policy factors. There is uncertainty as to whether or not the sell-down plan will be implemented.

By Order of the Board
Shanghai Jin Jiang International Hotels (Group) Company Limited*
Zhang Qian
Executive Director and Chief Executive Officer

Shanghai, the People's Republic of China, 20 April 2018

As at the date of this announcement, the executive Directors of the Company are Mr. Yu Minliang, Ms. Guo Lijuan, Mr. Chen Liming, Mr. Zhang Qian and Mr. Han Min, and the independent non-executive Directors of the Company 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".*