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中國民航信息網絡股份有限公司
TravelSky Technology Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 0696)

**CONNECTED TRANSACTIONS:
CONSTRUCTION AGREEMENTS WITH QINGDAO CARES AND
SUBCONTRACT AGREEMENTS WITH DONGBEI CARES**

On 17 March 2015, the Company entered into the Construction Agreements with Qingdao Cares, pursuant to which Qingdao Cares has agreed to subcontract to the Company the overall construction of the departure system and security inspection information system for the Jinzhou Airport Project, Yingkou Airport Project and Baicheng Airport Project, respectively, which include, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation and the two-year quality warranty for the departure system and security inspection information system.

On 17 March 2015, the Company entered into the Subcontract Agreements with Dongbei Cares, pursuant to which the Company has agreed to entrust Dongbei Cares with the construction of the departure system and security inspection information system for the Jinzhou Airport Project, Yingkou Airport Project and Baicheng Airport Project, respectively, which include, but not limited to, the procurement, installation, testing and implementation of the required software and hardware and the two-year quality warranty for such software and hardware.

Qingdao Cares and Dongbei Cares are connected persons of the Company under the Listing Rules. As such, each of the Construction Agreements entered into between Qingdao Cares and the Company and each of the Subcontract Agreements entered into between the Company and Dongbei Cares and the transactions contemplated thereunder constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to each of the Construction Agreements and each of the Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreements and the Subcontract Agreements are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

1. CONSTRUCTION AGREEMENTS WITH QINGDAO CARES

On 17 March 2015, the Company entered into the Construction Agreements with Qingdao Cares, pursuant to which the Qingdao Cares has agreed to subcontract to the Company the overall construction of the departure system and security inspection information system for the Jinzhou Airport Project, Yingkou Airport Project and Baicheng Airport Project, respectively, which include, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation and the two-year quality warranty for the departure system and security inspection information system. Further details of the Construction Agreements are set out below:

1.1 Jinzhou Airport Construction Agreement

Date:	17 March 2015
Parties:	(1) Qingdao Cares; and (2) the Company
Scope of work:	Qingdao Cares will subcontract to the Company the overall construction of the departure system and security inspection information system for the Jinzhou Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation and the two-year quality warranty for the departure system and security inspection information system.
Consideration:	An aggregate of RMB10,080,000 (equivalent to approximately HK\$12,700,800) including RMB8,306,000 (equivalent to approximately HK\$10,465,560) for the consideration of the procurement of the software and hardware, and RMB1,774,000 (equivalent to approximately HK\$2,235,240) for the consideration of the implementation and maintenance.

The consideration shall be paid by Qingdao Cares to the Company in three instalments according to the progress of the Jinzhou Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Jinzhou Airport Construction Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.2 Yingkou Airport Construction Agreement

Date: 17 March 2015

Parties: (1) Qingdao Cares; and
(2) the Company

Scope of work: Qingdao Cares will subcontract to the Company the overall construction of the departure system and security inspection information system for the Yingkou Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation and the two-year quality warranty for the departure system and security inspection information system.

Consideration: An aggregate of RMB8,091,750 (equivalent to approximately HK\$10,195,605) including RMB6,826,750 (equivalent to approximately HK\$8,601,705) for the consideration of the procurement of the software and hardware, and RMB1,265,000 (equivalent to approximately HK\$1,593,900) for the consideration of the implementation and maintenance.

The consideration shall be paid by Qingdao Cares to the Company in three instalments according to the progress of the Yingkou Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Yingkou Airport Construction Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

1.3 Baicheng Airport Construction Agreement

Date: 17 March 2015

Parties: (1) Qingdao Cares; and
(2) the Company

Scope of work: Qingdao Cares will subcontract to the Company the overall construction of the departure system and security inspection information system for the Baicheng Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation and the two-year quality warranty for the departure system and security inspection information system.

Consideration: An aggregate of RMB10,678,450 (equivalent to approximately HK\$13,454,847) including RMB8,709,450 (equivalent to approximately HK\$10,973,907) for the consideration of the procurement of the software and hardware, and RMB1,969,000 (equivalent to approximately HK\$2,480,940) for the consideration of the implementation and maintenance.

The consideration shall be paid by Qingdao Cares to the Company in three instalments according to the progress of the Baicheng Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Baicheng Airport Construction Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

2. SUBCONTRACT AGREEMENTS WITH DONGBEI CARES

On 17 March 2015, the Company entered into the Subcontract Agreements with Dongbei Cares, pursuant to which the Company has agreed to entrust Dongbei Cares with the construction of the departure system and security inspection information system for the Jinzhou Airport Project, Yingkou Airport Project and Baicheng Airport Project, respectively, which include, but not limited to, the procurement, installation, testing and implementation of the required software and hardware and the two-year quality warranty for such software and hardware. Further details of the Subcontract Agreements are set out below:

2.1 Jinzhou Airport Subcontract Agreement

Date: 17 March 2015

Parties: (1) the Company; and
(2) Dongbei Cares

Scope of work: The Company will entrust Dongbei Cares with the construction of the departure system and security inspection information system for the Jinzhou Airport Project, which includes, but not limited to, the procurement, installation, testing and implementation of the required software and hardware and the two-year quality warranty for such software and hardware.

Consideration: An aggregate of RMB6,190,000 (equivalent to approximately HK\$7,799,400) including RMB4,416,000 (equivalent to approximately HK\$5,564,160) for the consideration of the procurement of the software and hardware, and RMB1,774,000 (equivalent to approximately HK\$2,235,240) for the consideration of the implementation and maintenance.

The consideration shall be paid by the Company to Dongbei Cares in three instalments according to the progress of the Jinzhou Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Jinzhou Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

2.2 Yingkou Airport Subcontract Agreement

Date:	17 March 2015
Parties:	(1) the Company; and (2) Dongbei Cares
Scope of work:	The Company will entrust Dongbei Cares with the construction of the departure system and security inspection information system for the Yingkou Airport Project, which includes, but not limited to, the procurement, installation, testing and implementation of the required software and hardware and the two-year quality warranty for such software and hardware.
Consideration:	<p>An aggregate of RMB4,947,750 (equivalent to approximately HK\$6,234,165) including RMB3,682,750 (equivalent to approximately HK\$4,640,265) for the consideration of the procurement of the software and hardware, and RMB1,265,000 (equivalent to approximately HK\$1,593,900) for the consideration of the implementation and maintenance.</p> <p>The consideration shall be paid by the Company to Dongbei Cares in three instalments according to the progress of the Yingkou Airport Project.</p> <p>The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Yingkou Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.</p> <p>The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.</p>

2.3 Baicheng Airport Subcontract Agreement

Date: 17 March 2015

Parties: (1) the Company; and
(2) Dongbei Cares

Scope of work: The Company will entrust Dongbei Cares with the construction of the departure system and security inspection information system for the Baicheng Airport Project, which includes, but not limited to, the procurement, installation, testing and implementation of the required software and hardware and the two-year quality warranty for such software and hardware.

Consideration: An aggregate of RMB6,158,450 (equivalent to approximately HK\$7,759,647) including RMB4,189,450 (equivalent to approximately HK\$5,278,707) for the consideration of the procurement of the software and hardware, and RMB1,969,000 (equivalent to approximately HK\$2,480,940) for the consideration of the implementation and maintenance.

The consideration shall be paid by the Company to Dongbei Cares in three instalments according to the progress of the Baicheng Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the Baicheng Airport Subcontract Agreement. The adjustment shall not exceed 10% of the consideration.

The above consideration has been determined and agreed between the parties on an arm's length basis based on the costs of the software and hardware including the necessary technical support services and after taking into account the market conditions.

3. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

Qingdao Cares has undertaken the Jinzhou Airport Project, Yingkou Airport Project and Baicheng Airport Project as a general contractor, respectively. The Group is engaged in the provision of computer software and hardware development and data network services through its certain members. The Company and its subsidiaries, have the necessary qualification, capability and technological skills required to carry out the relevant work as specified under the Construction Agreements.

Dongbei Cares is principally engaged in the provision of computer software and hardware development and data network services. Dongbei Cares has the necessary qualification, capability and technological skills required to carry out the relevant work as specified under the Subcontract Agreements.

The Board is of the view that it will be for the benefit of the Company to undertake the relevant work as specified under the Construction Agreements and to subcontract to Dongbei Cares the relevant work as specified under the Subcontract Agreements.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Construction Agreements and Subcontract Agreements will be conducted in the ordinary and usual course of business of the Group and on normal commercial terms, and that the terms of the transactions are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

4. IMPLICATIONS UNDER THE LISTING RULES

Qingdao Cares is a non-wholly owned subsidiary of the Company which is owned as to 51% by the Company, 36% by Qingdao International Airport Company* (青島國際機場集團有限公司) and 13% by Shanghai Civil Aviation East China Cares System Integration Co., Ltd.* (上海民航華東凱亞系統集成有限公司). Shanghai Civil Aviation East China Cares System Integration Co., Ltd. is owned as to 41% by Eastern Airlines. Eastern Airlines is a subsidiary of Eastern Holding, and Eastern Holding is a substantial shareholder of the Company as at the date of this announcement. Qingdao Cares is therefore a connected person of the Company pursuant to Rule 14A.07(5) of the Listing Rules. As such, each of the Construction Agreements entered into between Qingdao Cares and the Company and the transactions contemplated thereunder constitute connected transactions of the Company.

Dongbei Cares is owned as to 46% by the Company, 42% by Southern Holding, and 12% by Liaoning Airport Management Group Company* (遼寧省機場管理集團公司). As an associate of Southern Holding, a substantial shareholder of the Company, Dongbei Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. As such, each of the Subcontract Agreements entered into between the Company and Dongbei Cares and the transactions contemplated thereunder constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to each of the Construction Agreements and each of the Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreements and the Subcontract Agreements are subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Cai, Kevin Yang has abstained from voting on the relevant Board resolutions in respect of the Construction Agreements as he is an employee of Eastern Airlines. In addition, Mr. Xiao Yinhong has abstained from voting on the Construction Agreements as he is a director of Qingdao Cares. Further, Mr. Wang Quanhua has abstained from voting on the Subcontract Agreements as he is an employee of Southern Holding. Except for the above, none of the Directors has a material interest in the transactions contemplated under the Construction Agreements and Subcontract Agreements and none of them has abstained from voting on the relevant Board resolutions.

5. GENERAL INFORMATION

Information on the Group

The Group is principally engaged in the provision of aviation information technology services in the PRC as well as provision of accounting, settlement and clearing services and information system development and support services to domestic and worldwide airline companies.

Information on Qingdao Cares

Qingdao Cares is principally engaged in the provision of computer software and hardware development and data network services.

Information on Dongbei Cares

Dongbei Cares is principally engaged in the provision of computer software and hardware development and data network services and is located in Shenyang, Liaoning Province of the PRC.

6. DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

“associate(s)”	have the same meaning ascribed to it under the Listing Rules
“Baicheng Airport”	白城長安機場 (BaiCheng ChangAn Airport*)
“Baicheng Airport Construction Agreement”	the construction agreement dated 17 March 2015 between Qingdao Cares and the Company pursuant to which Qingdao Cares has agreed to subcontract to the Company the overall construction of the departure system and the security inspection information system for Baicheng Airport Project
“Baicheng Airport Project”	the overall construction of the departure system and security inspection information system for the new project of the Baicheng Airport
“Baicheng Airport Subcontract Agreement”	the subcontract agreement dated 17 March 2015 between the Company and Dongbei Cares pursuant to which the Company has agreed to entrust Dongbei Cares with the construction of the departure system and the security inspection information system for the Baicheng Airport Project
“Board”	the board of Directors
“Company”	TravelSky Technology Limited, a company incorporated under the laws of the PRC whose shares are listed on the Main Board of the Stock Exchange and whose American depositary shares are traded on the over-the-counter market in the United States of America
“connected person”	has the same meaning as ascribed to it under the Listing Rules
“Construction Agreements”	Jinzhou Airport Construction Agreement, Yingkou Airport Construction Agreement and Baicheng Airport Construction Agreement
“Directors”	the directors of the Company

“Dongbei Cares”	瀋陽民航東北凱亞有限公司 (Shenyang Civil Aviation Cares of Northeast China, Ltd.*)
“Eastern Airlines”	中國東方航空股份有限公司 (China Eastern Airlines Corporation Limited*) which has a shareholding of 0.27% in the Company and is a subsidiary of Eastern Holding as at the date of this announcement
“Eastern Holding”	中國東方航空集團公司 (China Eastern Air Holding Limited*) which has a shareholding of 11.22% in the Company and is a substantial shareholder of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Jinzhou Airport”	錦州灣國際機場 (Jinzhouwan International Airport*)
“Jinzhou Airport Construction Agreement”	the construction agreement dated 17 March 2015 between the Qingdao Cares and the Company pursuant to which the Qingdao Cares has agreed to subcontract to the Company the overall construction of the departure system and the security inspection information system for the Jinzhou Airport Project
“Jinzhou Airport Project”	the overall construction of the departure system and security inspection information system for the new project of the Jinzhou Airport
“Jinzhou Airport Subcontract Agreement”	the subcontract agreement dated 17 March 2015 between the Company and Dongbei Cares pursuant to which the Company has agreed to entrust Dongbei Cares with the construction of the departure system and the security inspection information system for the Jinzhou Airport Project
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Percentage Ratio(s)”	the percentage ratio(s) described under Rule 14.07 of the Listing Rules

“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region and the Macau Special Administrative Region
“Qingdao Cares”	青島民航凱亞系統集成有限公司 (Civil Aviation Cares of Qingdao Limited*)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Southern Airlines”	中國南方航空股份有限公司 (China Southern Airlines Company Limited*), a subsidiary of Southern Holding as at the date of this announcement
“Southern Holding”	中國南方航空集團公司 (China Southern Air Holding Company*) which has a shareholding of 11.94% in the Company and is a substantial shareholder of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subcontract Agreements”	Jinzhou Airport Subcontract Agreement, Yingkou Airport Subcontract Agreement and Baicheng Airport Subcontract Agreement
“Yingkou Airport”	營口蘭旗機場 (Yingkou Lanqi Airport*)
“Yingkou Airport Construction Agreement”	the construction agreement dated 17 March 2015 between the Qingdao Cares and the Company pursuant to which the Qingdao Cares has agreed to subcontract to the Company the overall construction of the departure system and the security inspection information system for the Yingkou Airport Project
“Yingkou Airport Project”	the overall construction of the departure system and security inspection information system for the new project of the Yingkou Airport

“Yingkou Airport
Subcontract Agreement”

the subcontract agreement dated 17 March 2015 between the Company and Dongbei Cares pursuant to which the Company has agreed to entrust Dongbei Cares with the construction of the departure system and the security inspection information system for the Yingkou Airport Project

“%”

per cent

* *for identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.26 has been used, where applicable, for the purpose of illustration only and not constitute a representation that any amount have been, could have been or may be exchanged.

By the order of the Board
TravelSky Technology Limited
Yu Xiaochun
Company Secretary

Beijing, PRC
17 March 2015

As at the date of this announcement, the Board comprises:

Executive Directors: Mr. Cui Zhixiong and Mr. Xiao Yinhong;

Non-executive Directors: Mr. Wang Quanhua, Mr. Cao Jianxiong and Mr. Cai, Kevin Yang;

Independent non-executive Directors: Mr. Cheung Yuk Ming, Mr. Pan Chongyi and Mr. Zhang Hainan.