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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: 00696)**

**CONNECTED TRANSACTIONS:  
HUADONG CARES SUBCONTRACT AGREEMENTS; AND  
XIAMEN CARES SUBCONTRACT AGREEMENT**

On 20 July 2016, the Company entered into three Huadong Cares Subcontract Agreements with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares respectively: (i) the construction of the security inspection information system for the Shangrao 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 one-year quality warranty for the security inspection information system; (ii) the construction of the GSM system, Wechat platform and flight control system for the Chongqing Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the implementation of the GSM system, Wechat platform and flight control system and the two-year quality warranty for the systems mentioned above; (iii) the overall construction of the self-service check-in system for the Jinan Airport Project, which includes, but not limited to, the procurement, installation and testing of the required hardware and the overall system implementation and the one-year quality warranty for the self-service check-in system.

On the same day, the Company entered into the Xiamen Cares Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Chongqing Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation and the two-year quality warranty for the security inspection information system.

Huadong Cares and Xiamen Cares are connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules. Therefore, the entering of the aforementioned subcontract agreements and the transactions contemplated thereunder constitute connected transactions of the Company.

Since each of the highest applicable Percentage Ratio calculated with reference to (i) the Huadong Cares Subcontract Agreements on an aggregate basis; and (ii) the Xiamen Cares Subcontract Agreement, respectively, is more than 0.1% but less than 5%, the transactions contemplated thereunder constitute connected transactions of the Company and are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

## **I. HUADONG CARES SUBCONTRACT AGREEMENTS**

On 20 July 2016, the Company entered into three Huadong Cares Subcontract Agreements with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares respectively: (i) the construction of the security inspection information system for the Shangrao 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 one-year quality warranty for the security inspection information system; (ii) the construction of the GSM system, Wechat platform and flight control system for the Chongqing Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the implementation of the GSM system, Wechat platform and flight control system and the two-year quality warranty for the systems mentioned above; (iii) the overall construction of the self-service check-in system for the Jinan Airport Project, which includes, but not limited to, the procurement, installation and testing of the required hardware and the overall system implementation and the one-year quality warranty for the self-service check-in system.

Further details of the Huadong Cares Subcontract Agreements are set out below:

### **1. Huadong Cares Shangrao Airport Subcontract Agreement**

Date:	20 July 2016
Parties:	(1) the Company (as contractor); and (2) Huadong Cares (as subcontractor)
Scope of work:	The Company will subcontract to Huadong Cares the construction of the security inspection information system for the Shangrao 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 one-year quality warranty for the security inspection information system.
Consideration:	RMB8,262,150 (equivalent to HK\$9,584,094)  The consideration shall be paid by the Company to Huadong Cares in five instalments according to the progress of the Shangrao Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual amount of the required software and hardware, and the provision of services under the Huadong Cares Shangrao 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. Huadong Cares Chongqing Airport Subcontract Agreement**

Date: 20 July 2016

Parties: (1) the Company (as contractor); and  
(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the construction of the GSM system, Wechat platform and flight control system for the Chongqing Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the implementation of GSM system, Wechat platform and flight control system and the two-year quality warranty for the systems mentioned above.

Consideration: RMB4,853,800 (equivalent to HK\$5,630,408)

The consideration shall be paid by the Company to Huadong Cares by instalment according to the progress of the Chongqing Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual amount of the required software and hardware, and the provision of services under the Huadong Cares Chongqing 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. Huadong Cares Jinan Airport Subcontract Agreement**

Date: 20 July 2016

Parties: (1) the Company (as contractor); and

(2) Huadong Cares (as subcontractor)

Scope of work: The Company will subcontract to Huadong Cares the overall construction of the self-service check-in system for the Jinan Airport Project, which includes, but not limited to, the procurement, installation and testing of the required hardware and the overall system implementation and the one-year quality warranty for the self-service check-in system.

Consideration: RMB890,000 (equivalent to HK\$1,032,400)

The consideration shall be paid by the Company to Huadong Cares in a lump sum.

The parties may enter into a supplemental agreement to amend the consideration according to the actual amount of the required hardware, and the provision of services under the Huadong Cares Jinan 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 hardware including the necessary technical support services and after taking into account the market conditions.

## II. XIAMEN CARES SUBCONTRACT AGREEMENT

On the same day, the Company entered into the Xiamen Cares Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Chongqing Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation and the two-year quality warranty for the security inspection information system. Further details of the Xiamen Cares Subcontract Agreement are set out below:

Date: 20 July 2016

Parties: (1) the Company (as contractor); and  
(2) Xiamen Cares (as subcontractor)

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

Consideration: RMB11,714,960 (equivalent to HK\$13,589,354)

The consideration shall be paid by the Company to Xiamen Cares by instalment according to the progress of the Chongqing Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual amount of the required software and hardware, and the provision of services under the Xiamen Cares 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.

### **III. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS**

The Company has undertaken the Shangrao Airport Project, Chongqing Airport Project and Jinan Airport Project as the general contractor. Huadong Cares and Xiamen Cares are principally engaged in the provision of computer software and hardware development and data network services. Each of Huadong Cares and Xiamen Cares has the necessary qualifications, capabilities and technological skills required to carry out the relevant works as specified under the Huadong Cares Subcontract Agreements and the Xiamen Cares Subcontract Agreement, respectively. The Board is of the view that it will be for the benefit of the Company to subcontract to Huadong Cares and Xiamen Cares the relevant work as specified under the aforementioned subcontract agreements.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Huadong Cares Subcontract Agreements and the Xiamen Cares Subcontract Agreement 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.

### **IV. IMPLICATIONS UNDER THE LISTING RULES**

Huadong Cares is owned as to 41% by the Company and over 30% by Eastern Airlines as at the date of this announcement. Eastern Airlines is a subsidiary of Eastern Holding, the substantial shareholder of the Company. As such, Huadong Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules. Therefore, the transactions contemplated under the Huadong Cares Subcontract Agreements constitute connected transactions of the Company.

Xiamen Cares is owned as to 51% by the Company, 28.5% by Xiamen Airlines and 20.5% by Xiamen Aviation as at the date of this announcement. Xiamen Airlines is a subsidiary of Southern Holding, a substantial shareholder of the Company. Xiamen Cares is therefore a connected person of the Company pursuant to Rule 14A.07(5) of the Listing Rules. As such, the transactions contemplated under the Xiamen Cares Subcontract Agreement constitute the connected transaction of the Company.

Since each of the highest applicable Percentage Ratio calculated with reference to (i) the Huadong Cares Subcontract Agreements on an aggregate basis; and (ii) the Xiamen Cares Subcontract Agreement, respectively, is more than 0.1% but less than 5%, the transactions contemplated thereunder constitute connected transactions of the Company and are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Li Yangmin has abstained from voting on the resolution in relation to the Huadong Cares Subcontract Agreements as he is a director of Eastern Airlines. Except for the above, none of the Directors has a material interest in the transactions contemplated under the Huadong Cares Subcontract Agreements, and none of them has abstained from voting on the relevant Board resolutions.

Mr. Yuan Xin'an has abstained from voting on the resolution in relation to the Xiamen Cares Subcontract Agreement thereunder as he is a director of Southern Holding. Except for the above, none of the Directors has a material interest in this regard and none of them has abstained from voting on the relevant Board resolutions.

## V. 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 Huadong Cares

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

### Information on Xiamen Cares

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

## VI. DEFINITIONS

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

“Board”	the board of Directors
“Chongqing Airport”	重慶江北國際機場 (Chongqing Jiangbei International Airport*)
“Chongqing Airport Project”	the extension construction of the departure system and security inspection information system for the Chongqing Airport
“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(s)”	has the same meaning as ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company
“Eastern Airlines”	中國東方航空股份有限公司 (China Eastern Airlines Corporation Limited*), 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*), a substantial shareholder of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“GSM”	Global System for Mobile Communications
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Huadong Cares”	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.*)
“Huadong Cares Chongqing Airport Subcontract Agreement”	the subcontract agreement dated 20 July 2016 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the GSM system, Wechat platform and flight control system for the Chongqing Airport Project
“Huadong Cares Jinan Airport Subcontract Agreement”	the subcontract agreement dated 20 July 2016 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the overall construction of the self-service check-in system for the Jinan Airport Project
“Huadong Cares Shangrao Airport Subcontract Agreement”	the subcontract agreement dated 20 July 2016 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the security inspection information system for the Shangrao Airport Project
“Huadong Cares Subcontract Agreement(s)”	Huadong Cares Jinan Airport Subcontract Agreement, Huadong Cares Shangrao Airport Subcontract Agreement and/or Huadong Cares Chongqing Airport Subcontract Agreement



“Jinan Airport”	濟南遙牆國際機場 (Jinan Yaoqiang International Airport*)
“Jinan Airport Project”	the overall construction of the self-service check-in system for the Jinan Airport
“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, the Macau Special Administrative Region, and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shangrao Airport”	上饒三清山機場 (Shangrao Sanqingshan Airport*)
“Shangrao Airport Project”	the construction of the security inspection information system for the Shangrao Airport
“Shareholder(s)”	the shareholder(s) of the Company
“Southern Holding”	中國南方航空集團公司 (China Southern Air Holding Company*), a substantial shareholder of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	have the same meaning ascribed to it under the Listing Rules
“Xiamen Airlines”	廈門航空有限公司 (Xiamen Airlines Company Limited*)
“Xiamen Aviation”	廈門國際航空港股份有限公司 (Xiamen International Aviation Company Limited*)
“Xiamen Cares”	廈門民航凱亞有限公司 (Civil Aviation Cares of Xiamen Ltd.*)

“Xiamen Cares Subcontract Agreement”

the subcontract agreement dated 20 July 2016 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Chongqing Airport Project

“%”

per cent

\* *for identification purposes only*

*For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.16 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**  
**Cui Zhixiong**  
*Chairman*

Beijing, PRC  
20 July 2016

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

*Executive Directors:*

*Mr. Cui Zhixiong (Chairman) and Mr. Xiao Yinhong;*

*Non-executive Directors:*

*Mr. Cao Jianxiong, Mr. Li Yangmin and  
Mr. Yuan Xin'an;*

*Independent non-executive Directors:*

*Mr. Cheung Yuk Ming, Mr. Cao Shiqing and  
Dr. Ngai Wai Fung.*