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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:
QINGDAO CARES SUBCONTRACT AGREEMENTS;
XIAMEN CARES SUBCONTRACT AGREEMENTS; AND
HUBEI CARES SUBCONTRACT AGREEMENTS**

On 31 August 2016, the Company entered into two Qingdao Cares Subcontract Agreements with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares respectively: (i) the procurement of the required software and hardware equipment for the flight information display system, the public broadcast system and the parking structure broadcast system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the flight information display system, the public broadcast system and the sign guidance system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

On the same day, the Company entered into two Xiamen Cares Subcontract Agreements with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares respectively: (i) the procurement of the required software and hardware equipment for the security inspection information system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the security inspection information system for the Wuhan Airport Project, and the two-year quality warranty.

On the same day, the Company entered into two Hubei Cares Subcontract Agreements with Hubei Cares, pursuant to which the Company has agreed to subcontract to Hubei Cares respectively: (i) the procurement of the required software and hardware equipment for the specialized weak current systems for the south and north information centres, the geographic information system, the management platform for IT operation and maintenance, the information integration system, the computer network and security system, the departure system, the commercial POS system and the parking structure system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the specialized weak current systems for the south and north information centres, the computer network and security system, the departure system and the commercial POS system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

Qingdao Cares, Xiamen Cares and Hubei Cares are connected persons of the Company under 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 Qingdao Cares Subcontract Agreements on an aggregate basis; (ii) the Xiamen Cares Subcontract Agreements on an aggregate basis; and (iii) the Hubei Cares Subcontract Agreements on an aggregate basis, 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.

1. QINGDAO CARES SUBCONTRACT AGREEMENTS

On 31 August 2016, the Company entered into two Qingdao Cares Subcontract Agreements with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares respectively: (i) the procurement of the required software and hardware equipment for the flight information display system, the public broadcast system and the parking structure broadcast system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the flight information display system, the public broadcast system and the sign guidance system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

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

1.1 Qingdao Cares Procurement Agreement

Date:	31 August 2016
Parties:	(1) the Company (as contractor); and (2) Qingdao Cares (as subcontractor)
Scope of work:	The Company will subcontract to Qingdao Cares the procurement of the required software and hardware equipment for the flight information display system, the public broadcast system and the parking structure broadcast system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty.
Consideration:	RMB39,758,221.85 (equivalent to HK\$46,517,119.56) The consideration shall be paid by the Company to Qingdao Cares by instalment according to the project progress as scheduled in the Qingdao Cares Procurement Agreement. The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware under the Qingdao Cares Procurement 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 Qingdao Cares Implementation Agreement

Date: 31 August 2016

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

Scope of work: The Company will subcontract to Qingdao Cares the implementation of the flight information display system, the public broadcast system and the sign guidance system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

Consideration: RMB24,681,058.99 (equivalent to HK\$28,876,839.02)

The consideration shall be paid by the Company to Qingdao Cares by instalment according to the project progress as scheduled in the Qingdao Cares Implementation Agreement.

The parties may enter into a supplemental agreement to amend the consideration. 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 provision of implementation services as well as necessary technical support services and after taking into account the market conditions.

2. XIAMEN CARES SUBCONTRACT AGREEMENTS

On the same day, the Company entered into two Xiamen Cares Subcontract Agreements with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares respectively: (i) the procurement of the required software and hardware equipment for the security inspection information system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the security inspection information system for the Wuhan Airport Project, and the two-year quality warranty.

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

2.1 Xiamen Cares Procurement Agreement

Date:	31 August 2016
Parties:	(1) the Company (as contractor); and (2) Xiamen Cares (as subcontractor)
Scope of work:	The Company will subcontract to Xiamen Cares the procurement of the required software and hardware equipment for the security inspection information system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty.
Consideration:	RMB4,279,219.00 (equivalent to HK\$5,006,686.23) The consideration shall be paid by the Company to Xiamen Cares by instalment according to the project progress as scheduled in the Xiamen Cares Procurement Agreement. The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware under the Xiamen Cares Procurement 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 Xiamen Cares Implementation Agreement

Date: 31 August 2016

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

Scope of work: The Company will subcontract to Xiamen Cares the implementation of the security inspection information system for the Wuhan Airport Project, and the two-year quality warranty.

Consideration: RMB600,781.00 (equivalent to HK\$702,913.77)

The consideration shall be paid by the Company to Xiamen Cares by instalment according to the project progress as scheduled in the Xiamen Cares Implementation Agreement.

The parties may enter into a supplemental agreement to amend the consideration. 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 provision of implementation services as well as necessary technical support services and after taking into account the market conditions.

3. HUBEI CARES SUBCONTRACT AGREEMENTS

On the same day, the Company entered into two Hubei Cares Subcontract Agreements with Hubei Cares, pursuant to which the Company has agreed to subcontract to Hubei Cares respectively: (i) the procurement of the required software and hardware equipment for the specialized weak current systems for the south and north information centres, the geographic information system, the management platform for IT operation and maintenance, the information integration system, the computer network and security system, the departure system, the commercial POS system and the parking structure system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty; and (ii) the implementation of the specialized weak current systems for the south and north information centres, the computer network and security system, the departure system and the commercial POS system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

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

3.1 Hubei Cares Procurement Agreement

- Date: 31 August 2016
- Parties: (1) the Company (as contractor); and
(2) Hubei Cares (as subcontractor)
- Scope of work: The Company will subcontract to Hubei Cares the procurement of the required software and hardware equipment for the specialized weak current systems for the south and north information centres, the geographic information system, the management platform for IT operation and maintenance, the information integration system, the computer network and security system, the departure system, the commercial POS system and the parking structure system for the Wuhan Airport Project, which includes but not limited to, the provision, installation and testing of the required software and hardware equipment, and the two-year quality warranty.
- Consideration: RMB75,745,988.00 (equivalent to HK\$88,622,805.96)

The consideration shall be paid by the Company to Hubei Cares by instalment according to the project progress as scheduled in the Hubei Cares Procurement Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware under the Hubei Cares Procurement 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.

3.2 Hubei Cares Implementation Agreement

Date: 31 August 2016

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

Scope of work: The Company will subcontract to Hubei Cares the implementation of the specialized weak current systems for the south and north information centres, the computer network and security system, the departure system and the commercial POS system for the Wuhan Airport Project, and the two-year quality warranty for the abovementioned systems.

Consideration: RMB13,527,147.00 (equivalent to HK\$15,826,761.99)

The consideration shall be paid by the Company to Hubei Cares by instalment according to the project progress as scheduled in the Hubei Cares Implementation Agreement.

The parties may enter into a supplemental agreement to amend the consideration. 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 provision of implementation services as well as necessary technical support services and after taking into account the market conditions.

4. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

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

5. 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 under the Listing Rules. As such, the transactions contemplated under the Qingdao Cares Subcontract Agreements constitute connected transactions of the Company.

Xiamen Cares is a non-wholly owned subsidiary of the Company, which is owned as to 51% by the Company, 28.5% by Xiamen Airlines Company Limited* (廈門航空有限公司) and 20.5% by Xiamen International Aviation Company Limited* (廈門國際航空港股份有限公司). Xiamen Airlines Company Limited* is a subsidiary of Southern Holding and Southern Holding is a substantial shareholder of the Company as at the date of this announcement. Xiamen Cares is therefore a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Xiamen Cares Subcontract Agreements constitute connected transactions of the Company.

Hubei Cares is a non-wholly-owned subsidiary of the Company, which is owned as to 50% by the Company, 12.5% by Cares Shenzhen Co., Ltd.* (深圳民航凱亞有限公司), a non-wholly-owned subsidiary of the Company, 12.5% by China Eastern Airlines Wuhan Limited* (中國東方航空武漢有限責任公司), 12.5% by Committee of Labour Union of Hubei Branch China Southern Airlines Company Limited* (中國南方航空股份有限公司湖北分公司工會委員會), and 12.5% by Wuhan Tianhe Airport Limited* (武漢天河機場有限責任公司). China Eastern Airlines Wuhan Limited* is a subsidiary of 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. Hubei Cares is therefore a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Hubei Cares Subcontract Agreements constitute connected transactions of the Company.

Since each of the highest applicable Percentage Ratio calculated with reference to (i) the Qingdao Cares Subcontract Agreements on an aggregate basis; (ii) the Xiamen Cares Subcontract Agreements on an aggregate basis; and (iii) the Hubei Cares Subcontract Agreements on an aggregate basis, 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 Qingdao Cares Subcontract Agreements and the Hubei Cares Subcontract Agreements as he is a director of Eastern Airlines. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Qingdao Cares Subcontract Agreements and Hubei Cares Subcontract Agreements, and none of them has abstained from voting on the relevant Board resolution.

Mr. Yuan Xin'an has abstained from voting on the resolution in relation to the Xiamen Cares Subcontract Agreements as he is a director of Southern Holding. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Xiamen Cares Subcontract Agreements, and none of them has abstained from voting on the relevant Board resolution.

6. 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 the 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 Xiamen Cares

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

Information on Hubei Cares

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

7. DEFINITIONS

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

“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(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eastern Airlines”	China Eastern Airlines Corporation Limited* (中國東方航空股份有限公司), a subsidiary of Eastern Holding as at the date of this announcement
“Eastern Holding”	China Eastern Air Holding Limited* (中國東方航空集團公司), 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
“Hubei Cares”	Cares Hubei Co., Ltd.* (湖北民航凱亞有限公司)
“Hubei Cares Implementation Agreement”	the subcontract agreement dated 31 August 2016 between the Company and Hubei Cares pursuant to which the Company has agreed to subcontract to Hubei Cares the implementation of the specialized weak current systems for the south and north information centres, the computer network and security system, the departure system and the commercial POS system for the Wuhan Airport Project

“Hubei Cares Procurement Agreement”	the subcontract agreement dated 31 August 2016 between the Company and Hubei Cares pursuant to which the Company has agreed to subcontract to Hubei Cares the procurement of the required software and hardware equipment for the specialized weak current systems for the south and north information centres, the geographic information system, the management platform for IT operation and maintenance, the information integration system, the computer network and security system, the departure system, the commercial POS system and the parking structure system for the Wuhan Airport Project
“Hubei Cares Subcontract Agreements”	the Hubei Cares Procurement Agreement and the Hubei Cares Implementation Agreement
“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
“Qingdao Cares”	Civil Aviation Cares of Qingdao Limited* (青島民航凱亞系統集成有限公司)
“Qingdao Cares Implementation Agreement”	the subcontract agreement dated 31 August 2016 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the implementation of the flight information display system, the public broadcast system and the sign guidance system for the Wuhan Airport Project
“Qingdao Cares Procurement Agreement”	the subcontract agreement dated 31 August 2016 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the procurement of the required software and hardware equipment for the flight information display system, the public broadcast system and the parking structure broadcast system for the Wuhan Airport Project

“Qingdao Cares Subcontract Agreements”	the Qingdao Cares Procurement Agreement and the Qingdao Cares Implementation Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Southern Holding”	China Southern Air Holding Company* (中國南方航空集團公司), a substantial shareholder of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the same meaning as ascribed to it under the Listing Rules
“Wuhan Airport Project”	the overall construction of the Wuhan Tianhe International Airport Phase III Project* (武漢天河國際機場三期項目), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Xiamen Cares”	Civil Aviation Cares of Xiamen Ltd.* (廈門民航凱亞有限公司)
“Xiamen Cares Implementation Agreement”	the implementation subcontract agreement dated 31 August 2016 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the implementation of the security inspection information system for the Wuhan Airport Project
“Xiamen Cares Procurement Agreement”	the subcontract agreement dated 31 August 2016 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of the required software and hardware equipment for the security inspection information system for the Wuhan Airport Project
“Xiamen Cares Subcontract Agreements”	the Xiamen Cares Procurement Agreement and the Xiamen Cares Implementation Agreement
“%”	per cent

* for identification purposes only

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.17 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

31 August 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.