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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:
XIAMEN CARES SUBCONTRACT AGREEMENTS

On 15 December 2017, the Company entered into the Xiamen Cares Boao Airport 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 Boao Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and the overall system implementation and the one-year quality warranty for the security inspection information system.

On 20 December 2017, the Company entered into the Xiamen Cares Sansha Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Sansha 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 system.

On 3 January 2018, the Company entered into the Xiamen Cares Shenzhen Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the luggage operation management system for the Shenzhen 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 three-year quality warranty for the luggage operation management system.

On 4 January 2018, the Company entered into the Xiamen Cares Lanzhou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the face recognition system for the Lanzhou 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 face recognition system.

On 5 January 2018, the Company entered into the Xiamen Cares Xingyi Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Xingyi 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 security inspection system.

On 12 February 2018, the Company entered into the Xiamen Cares Xinyang Airport 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 Xinyang 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 security inspection information system.

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.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Xiamen Cares Xinyang Airport Subcontract Agreement in aggregate with the Xiamen Cares Boao Airport Subcontract Agreement, the Xiamen Cares Sansha Airport Subcontract Agreement, the Xiamen Cares Shenzhen Airport Subcontract Agreement, the Xiamen Cares Lanzhou Airport Subcontract Agreement and the Xiamen Cares Xingyi Airport Subcontract Agreement is more than 0.1% but less than 5%, the transaction contemplated under the Xiamen Cares Xinyang Airport Subcontract Agreement is subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

1. XIAMEN CARES SUBCONTRACT AGREEMENTS

On 15 December 2017, the Company entered into the Xiamen Cares Boao Airport 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 Boao Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and the overall system implementation and the one-year quality warranty for the security inspection information system.

On 20 December 2017, the Company entered into the Xiamen Cares Sansha Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Sansha 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 system.

On 3 January 2018, the Company entered into the Xiamen Cares Shenzhen Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the luggage operation management system for the Shenzhen 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 three-year quality warranty for the luggage operation management system.

On 4 January 2018, the Company entered into the Xiamen Cares Lanzhou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the face recognition system for the Lanzhou 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 face recognition system.

On 5 January 2018, the Company entered into the Xiamen Cares Xingyi Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Xingyi 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 security inspection system.

On 12 February 2018, the Company entered into the Xiamen Cares Xinyang Airport 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 Xinyang 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 security inspection information system.

Details of the Xiamen Cares Subcontract Agreements are set out below:

1.1 Xiamen Cares Boao Airport Subcontract Agreement

- Date: 15 December 2017

- 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 Boao Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and the overall system implementation and the one-year quality warranty for the security inspection information system.

Consideration: RMB210,000.00 (equivalent to approximately HK\$252,000.00)

The consideration shall be paid by the Company to Xiamen Cares in three instalments according to the project progress as scheduled in the Xiamen Cares Boao Airport Subcontract Agreement.

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

1.2 Xiamen Cares Sansha Airport Subcontract Agreement

Date: 20 December 2017

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 system for the Sansha 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 system.

Consideration: RMB900,400.00 (equivalent to approximately HK\$1,080,480.00)

The consideration shall be paid by the Company to Xiamen Cares in three instalments according to the project progress as scheduled in the Xiamen Cares Sansha Airport Subcontract 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, and the provision of services under the Xiamen Cares Sansha 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.

1.3 Xiamen Cares Shenzhen Airport Subcontract Agreement

Date: 3 January 2018

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 luggage operation management system for the Shenzhen 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 three-year quality warranty for the luggage operation management system.

Consideration: RMB1,310,000.00 (equivalent to approximately HK\$1,572,000.00)

The consideration shall be paid by the Company to Xiamen Cares in five instalments according to the project progress as scheduled in the Xiamen Cares Shenzhen Airport Subcontract 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, and the provision of services under the Xiamen Cares Shenzhen 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.

1.4 Xiamen Cares Lanzhou Airport Subcontract Agreement

Date: 4 January 2018

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 face recognition system for the Lanzhou 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 face recognition system.

Consideration: RMB1,759,000 (equivalent to approximately HK\$2,110,800.00)

The consideration shall be paid by the Company to Xiamen Cares in four instalments according to the project progress as scheduled in the Xiamen Cares Lanzhou Airport Subcontract 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, and the provision of services under the Xiamen Cares Lanzhou 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.

1.5 Xiamen Cares Xingyi Airport Subcontract Agreement

Date: 5 January 2018

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 system for the Xingyi 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 security inspection system.

Consideration: RMB532,950.00 (equivalent to approximately HK\$639,540.00)

The consideration shall be paid by the Company to Xiamen Cares in four instalments according to the project progress as scheduled in the Xiamen Cares Xingyi Airport Subcontract 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, and the provision of services under the Xiamen Cares Xingyi 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.

1.6 Xiamen Cares Xinyang Airport Subcontract Agreement

Date: 12 February 2018

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 Xinyang 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 security inspection information system.

Consideration: RMB3,015,185.00 (equivalent to approximately HK\$3,618,222.00)

The consideration shall be paid by the Company to Xiamen Cares in four instalments according to the project progress as scheduled in the Xiamen Cares Xinyang Airport Subcontract 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, and the provision of services under the Xiamen Cares Xinyang 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. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

The Company has undertaken each of the Boao Airport Project, the Sansha Airport Project, the Shenzhen Airport Project, the Lanzhou Airport Project, the Xingyi Airport Project and the Xinyang Airport Project as a general contractor. Xiamen Cares is principally engaged in the provision of computer software and hardware development and data network services. Xiamen Cares has the necessary qualifications, capabilities and technological skills required to carry out the relevant works as specified under each of the Xiamen Cares Boao Airport Subcontract Agreement, the Xiamen Cares Sansha Airport Subcontract Agreement, the Xiamen Cares Shenzhen Airport Subcontract Agreement, the Xiamen Cares Lanzhou Airport Subcontract Agreement, the Xiamen Cares Xingyi Airport Subcontract Agreement and the Xiamen Cares Xinyang Airport Subcontract Agreement. The Board is of the view that it will be for the benefit of the Company to subcontract to Xiamen Cares the relevant works as specified under the aforementioned subcontract agreements.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Xiamen 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.

3. IMPLICATIONS UNDER THE LISTING RULES

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.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Xiamen Cares Xinyang Airport Subcontract Agreement in aggregate with the Xiamen Cares Boao Airport Subcontract Agreement, the Xiamen Cares Sansha Airport Subcontract Agreement, the Xiamen Cares Shenzhen Airport Subcontract Agreement, the Xiamen Cares Lanzhou Airport Subcontract Agreement and the Xiamen Cares Xingyi Airport Subcontract Agreement is more than 0.1% but less than 5%, the transaction contemplated under the Xiamen Cares Xinyang Airport Subcontract Agreement is subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Yuan Xin'an, a non-executive Director, has abstained from voting on the Board resolution in relation to the Xiamen Cares Subcontract Agreements as he is an employee 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.

4. 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 Xiamen Cares

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

5. DEFINITIONS

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

“Boao Airport Project”	the construction of the security inspection information system of the Boao Airport* (博鰲機場) for its second-round construction, which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
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“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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Lanzhou Airport Project”	the construction of the face recognition system of the Lanzhou Zhongchuan International Airport* (蘭州中川國際機場) for its departure paperless clearance system, which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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
“Sansha Airport Project”	the construction of the security inspection system of the Sansha Yongxing Airport* (三沙永興機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Shareholder(s)”	the shareholder(s) of the Company

“Shenzhen Airport Project”	the construction of the luggage operation management system of the Shenzhen Baoan International Airport* (深圳寶安國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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(ies)”	has the same meaning as ascribed to it under the Listing Rules
“Xiamen Cares”	Civil Aviation Cares of Xiamen Ltd.* (廈門民航凱亞有限公司)
“Xiamen Cares Boao Airport Subcontract Agreement”	the subcontract agreement dated 15 December 2017 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 Boao Airport Project
“Xiamen Cares Lanzhou Airport Subcontract Agreement”	the subcontract agreement dated 4 January 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the face recognition system for the Lanzhou Airport Project
“Xiamen Cares Sansha Airport Subcontract Agreement”	the subcontract agreement dated 20 December 2017 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Sansha Airport Project
“Xiamen Cares Shenzhen Airport Subcontract Agreement”	the subcontract agreement dated 3 January 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the luggage operation management system for the Shenzhen Airport Project

“Xiamen Cares Subcontract Agreements”	collectively, the Xiamen Cares Boao Airport Subcontract Agreement, the Xiamen Cares Sansha Airport Subcontract Agreement, the Xiamen Cares Shenzhen Airport Subcontract Agreement, the Xiamen Cares Lanzhou Airport Subcontract Agreement, the Xiamen Cares Xingyi Airport Subcontract Agreement and the Xiamen Cares Xinyang Airport Subcontract Agreement
“Xiamen Cares Xingyi Airport Subcontract Agreement”	the subcontract agreement dated 5 January 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection system for the Xingyi Airport Project
“Xiamen Cares Xinyang Airport Subcontract Agreement”	the subcontract agreement dated 12 February 2018 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 Xinyang Airport Project
“Xingyi Airport Project”	the construction of the security inspection system of the Xingyi Wanfenlin Airport* (興義萬峰林機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Xinyang Airport Project”	the construction of the security inspection system of the Xinyang Minggang Airport* (信陽明港機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“%”	per cent

* *for identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.20 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
12 February 2018

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. Cao Shiqing, Dr. Ngai Wai Fung and Mr. Liu Xiangqun.