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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 TRANSACTION CONSTRUCTION AGREEMENT WITH HUADONG CARES

On 31 August 2016, the Company entered into the Construction Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract Huadong Cares to the overall construction of the Wi-Fi project for the Dalian Airport, which includes, but not limited to, the provision of technical proposal and relevant blueprint for the Company's review, the procurement, installation and testing of the required software and hardware and the overall project implementation and the one-year quality warranty for the Dalian Airport Project.

The Company and Huadong Cares have entered into three Previous Construction Agreements before, the respective major terms of which are similar to those of the Construction Agreement.

Huadong Cares is a connected person of the Company pursuant to Rule 14A.07(4) of the Listing Rules. Therefore, the transaction contemplated under the Construction Agreement entered into between the Company and Huadong Cares constitute a connected transaction of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the Construction Agreement together with the Previous Construction Agreements on an aggregate basis is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreement 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. CONSTRUCTION AGREEMENT

On 31 August 2016, the Company entered into the Construction Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract Huadong Cares to the overall construction of the Wi-Fi project for the Dalian Airport, which includes, but not limited to, the provision of technical proposal and relevant blueprint for the Company's review, the procurement, installation and testing of the required software and hardware and the overall project implementation and the one-year quality warranty for the Dalian Airport Project. Further details of the Construction Agreement are set out below:

Date: 31 August 2016

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

Scope of work: The Company has agreed to subcontract Huadong Cares to the overall construction of the Wi-Fi project for the Dalian Airport, which includes, but not limited to, the provision of technical proposal and relevant blueprint for the Company's review, the procurement, installation and testing of the required software and hardware and the overall project implementation and the one-year quality warranty for the Dalian Airport Project.

Consideration: RMB2,135,134 (equivalent to approximately HK\$2,476,755)

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

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 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.

The Company and Huadong Cares have entered into three Previous Construction Agreements before, the respective major terms of which are similar to those of the Construction Agreement.

II. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTION

The Company has undertaken the Dalian Airport Project as the general contractor. Huadong Cares is principally engaged in the provision of computer software and hardware development and data network services. Huadong Cares has the necessary qualification, capability and technological skill required to carry out the relevant works as specified under the Construction Agreement. The Board is of the view that it will be for the benefit of the Company to entrust Huadong Cares with the relevant work as specified under the Construction Agreement.

The Directors (including the independent non-executive Directors) are of the view that the transaction under the Construction 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 transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

III. 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, a 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 transaction contemplated under the Construction Agreement entered into between the Company and Huadong Cares constitutes a connected transaction of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the Construction Agreement together with the Previous Construction Agreements on an aggregate basis is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreement 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 Construction Agreement with Huadong Cares as he is a director of Eastern Airlines. Except for the above, none of the Directors has a material interest in the transaction contemplated under the Construction Agreement, and none of them has abstained from voting on the relevant Board resolution.

IV. 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.

V. DEFINITIONS

In this announcement, the following expressions shall have the meanings 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
“Construction Agreement”	the construction agreement dated 31 August 2016 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract Huadong Cares to the overall construction of the Wi-Fi project for the Dalian Airport
“Dalian Airport”	大連周水子國際機場 (Dalian Zhoushuizi International Airport*)
“Dalian Airport Project”	the construction of the Wi-Fi project of the Dalian Airport
“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
“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.*)
“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
“Previous Construction Agreements”	the three construction agreements previously entered into between the Company and Huadong Cares in relation to the construction of Wi-Fi projects in an aggregate amount of RMB4,787,744.9 (equivalent to approximately HK\$5,553,784)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	have the same meaning ascribed to it under the Listing Rules
“%”	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
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.*