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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 AGREEMENT; AND  
DONGBEI CARES SUBCONTRACT AGREEMENT**

On 29 June 2017, the Company entered into the Qingdao Cares Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the departure system for the Jiansanjiang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the departure system.

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

Qingdao Cares and Dongbei Cares are connected persons of the Company under the Listing Rules. Therefore, the entering of the Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement and the transactions contemplated thereunder constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to each of the considerations under the Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement is more than 0.1% but less than 5%, each of the transactions contemplated under the Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement is subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

## 1. QINGDAO CARES SUBCONTRACT AGREEMENT

On 29 June 2017, the Company entered into the Qingdao Cares Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the departure system for the Jiansanjiang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the departure system.

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

Date: 29 June 2017

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

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

Consideration: RMB16,723,035.00 (equivalent to approximately HK\$18,897,029.55)

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

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 Qingdao 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.

## 2. DONGBEI CARES SUBCONTRACT AGREEMENT

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

Further details of the Dongbei Cares Subcontract Agreement are set out below:

Date: 29 June 2017

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

Scope of work: The Company will subcontract to Dongbei Cares the construction of the departure system for the Jiansanjiang Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the system implementation as well as the two-year quality warranty for the departure system.

Consideration: RMB5,997,350.00 (equivalent to approximately HK\$6,777,005.50)

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

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 Dongbei 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.

### **3. REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTION**

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

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

### **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 under the Listing Rules. As such, the transaction contemplated under the Qingdao Cares Subcontract Agreement constitutes a connected transaction of the Company.

Dongbei Cares is owned as to 46% by the Company and over 30% by Southern Holding. Southern Holding is a substantial Shareholder of the Company as at the date of this announcement. As an associate of Southern Holding, Dongbei Cares is therefore a connected person of the Company under Rule 14A.07(4) of the Listing Rules. As such, the transaction contemplated under the Dongbei Cares Subcontract Agreement constitutes a connected transaction of the Company.

Since the highest applicable Percentage Ratio calculated with reference to each of the considerations under the Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement is more than 0.1% but less than 5%, each of the transactions contemplated under the Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement is subject to the announcement requirement but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Li Yangmin, a non-executive Director, has abstained from voting on the resolution in relation to the Qingdao Cares Subcontract Agreement as he is a director of Eastern Airlines and an employee of Eastern Holding. Mr. Yuan Xin'an, a non-executive Director, has abstained from voting on the resolution in relation to the Dongbei Cares Subcontract Agreement 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 Qingdao Cares Subcontract Agreement and the Dongbei Cares Subcontract Agreement, 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 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 Dongbei Cares**

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

## **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 as ascribed to it under the Listing Rules
“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
“Dongbei Cares”	Shenyang Civil Aviation Cares of Northeast China, Ltd.* (瀋陽民航東北凱亞有限公司)
“Dongbei Cares Subcontract Agreement”	the subcontract agreement dated 29 June 2017 between the Company and Dongbei Cares pursuant to which the Company has agreed to subcontract to Dongbei Cares the construction of the departure system for the Jiansanjiang Airport Project
“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
“Jiansanjiang Airport Project”	the construction of the departure system of the Jiansanjiang Airport*(建三江機場), which includes but not limited to, the 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
“Qingdao Cares”	Civil Aviation Cares of Qingdao Limited* (青島民航凱亞系統集成有限公司)
“Qingdao Cares Subcontract Agreement”	the subcontract agreement dated 29 June 2017 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the departure system for the Jiansanjiang Airport Project

“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(ies)”	has the same meaning as 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\$1.13 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

29 June 2017

*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.*