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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**

On 19 October 2017, the Company entered into the Huadong Cares Yantai Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the passenger self-service system for the Yantai 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 passenger self-service system.

On 2 November 2017, the Company entered into the Huadong Cares Jinan Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the security inspection information management system and the departure system for the Jinan 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 management system and the departure system.

On 19 January 2018, the Company entered into the Huadong Cares Changsha Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the wireless apron dispatching system for the Changsha 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 five-year quality warranty for the wireless apron dispatching system.

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 transactions contemplated under the Huadong Cares Subcontract Agreements entered into between the Company and Huadong Cares constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Huadong Cares Changsha Airport Subcontract Agreement in aggregate with the Huadong Cares Yantai Airport Subcontract Agreement and the Huadong Cares Jinan Airport Subcontract Agreement is more than 0.1% but less than 5%, the transaction contemplated under the Huadong Cares Changsha 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. HUADONG CARES SUBCONTRACT AGREEMENTS**

On 19 October 2017, the Company entered into the Huadong Cares Yantai Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the passenger self-service system for the Yantai 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 passenger self-service system.

On 2 November 2017, the Company entered into the Huadong Cares Jinan Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the security inspection information management system and the departure system for the Jinan 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 management system and the departure system.

On 19 January 2018, the Company entered into the Huadong Cares Changsha Airport Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the wireless apron dispatching system for the Changsha 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 five-year quality warranty for the wireless apron dispatching system.

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

### **1.1 Huadong Cares Yantai Airport Subcontract Agreement**

|          |  |
|----------|--|
| Date:    | 19 October 2017  |
| Parties: | (1) the Company (as contractor); and<br>(2) Huadong Cares (as subcontractor) |

Scope of work: The Company will subcontract to Huadong Cares the construction of the passenger self-service system for the Yantai 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 passenger self-service system.

Consideration: RMB712,000.00 (equivalent to approximately HK\$861,520.00)

The consideration shall be paid by the Company to Huadong Cares in a lump sum according to the project progress as scheduled in the Huadong Cares Yantai Airport Subcontract Agreement.

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

## **1.2 Huadong Cares Jinan Airport Subcontract Agreement**

Date: 2 November 2017

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 management system and the departure system for the Jinan 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 management system and the departure system.

Consideration: RMB3,654,400.00 (equivalent to approximately HK\$4,421,824.00)

The consideration shall be paid by the Company to Huadong Cares in two instalments according to the project progress as scheduled in the Huadong Cares Jinan 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 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 software and hardware including the necessary technical support services and after taking into account the market conditions.

### **1.3 Huadong Cares Changsha Airport Subcontract Agreement**

Date: 19 January 2018

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 wireless apron dispatching system for the Changsha 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 five-year quality warranty for the wireless apron dispatching system.

Consideration: RMB2,894,190.00 (equivalent to approximately HK\$3,501,969.90)

The consideration shall be paid by the Company to Huadong Cares in five instalments according to the project progress as scheduled in the Huadong Cares Changsha 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 Huadong Cares Changsha 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 Yantai Airport Project, the Jinan Airport Project and the Changsha Airport Project as a 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 qualifications, capabilities and technological skills required to carry out the relevant works as specified under each of the Huadong Cares Yantai Airport Subcontract Agreement, the Huadong Cares Jinan Airport Subcontract Agreement and the Huadong Cares Changsha Airport Subcontract Agreement. The Board is of the view that it will be for the benefit of the Company to subcontract to Huadong 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 Huadong 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**

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 transactions contemplated under the Huadong Cares Subcontract Agreements entered into between the Company and Huadong Cares constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Huadong Cares Changsha Airport Subcontract Agreement in aggregate with the Huadong Cares Yantai Airport Subcontract Agreement and the Huadong Cares Jinan Airport Subcontract Agreement is more than 0.1% but less than 5%, the transaction contemplated under the Huadong Cares Changsha 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. Li Yangmin, a non-executive Director, has abstained from voting on the Board resolution in relation to the Huadong Cares Subcontract Agreements as he is a director of Eastern Airlines and an employee of Eastern Holding. Save as disclosed 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 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 Huadong Cares**

Huadong 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:

|  |   |
|--|---|
| “Board”  | the board of Directors  |
| “Changsha Airport Project”                             | the construction of the wireless apron dispatching system of the Changsha Huanghua International Airport * (長沙黃花國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof                |
| “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   |
| “Huadong Cares”  | 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)   |
| “Huadong Cares Changsha Airport Subcontract Agreement” | the subcontract agreement dated 19 January 2018 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the wireless apron dispatching system for the Changsha Airport Project     |

|  |   |
|--|---|
| “Huadong Cares Jinan Airport Subcontract Agreement”  | the subcontract agreement dated 2 November 2017 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 management system and the departure system for the Jinan Airport Project |
| “Huadong Cares Subcontract Agreements”               | collectively, the Huadong Cares Yantai Airport Subcontract Agreement, the Huadong Cares Jinan Airport Subcontract Agreement and the Huadong Cares Changsha Airport Subcontract Agreement  |
| “Huadong Cares Yantai Airport Subcontract Agreement” | the subcontract agreement dated 19 October 2017 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the construction of the passenger self-service system for the Yantai Airport Project   |
| “Jinan Airport Project”                              | the construction of the security inspection information management system and the departure system of the Jinan Yaoqiang International Airport* (濟南遙牆國際機場), 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  |
| “Shareholder(s)”                                     | the shareholder(s) of the Company   |
| “Stock Exchange”                                     | The Stock Exchange of Hong Kong Limited   |
| “subsidiary(ies)”                                    | has the same meaning as ascribed to it under the Listing Rules  |



“Yantai Airport Project” the construction of the passenger self-service system of the Yantai Penglai International Airport\* (煙台蓬萊國際機場), 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\$1.21 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 order of the Board  
**TravelSky Technology Limited**  
**Cui Zhixiong**  
*Chairman*

Beijing, PRC  
19 January 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.*