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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)**

**CONTINUING CONNECTED TRANSACTIONS:  
FREIGHT SYSTEM SERVICES AGREEMENTS**

Reference is made to the Announcement of the Company dated 25 August 2017 in relation to, among other things, the renewal of the continuing connected transactions under the China Cargo Technology Services Provision Agreement with China Cargo and the Eastern Logistics Technology Services Provision Agreement with Eastern Logistics.

Pursuant to the new business development needs, the Company entered into the China Cargo Freight System Services Agreement with China Cargo and the Eastern Logistics Freight System Services Agreement with Eastern Logistics on 26 November 2018, respectively, to replace the existing Technology Services Provision Agreements, with terms commencing from 1 December 2018 to 30 November 2020, respectively. Pursuant to the aforementioned two Freight System Services Agreements, the Company will continue to provide China Cargo and Eastern Logistics with the air freight logistics system services, which mainly include computer management technology services for air freight business, including services for computer management of sales, space, waybills, ground operations, standard and quality control, resources, agent and client services platform, data report, mobile application and claims and settlement, etc., as well as the relevant technology supports. The principal terms of the abovementioned two Freight System Services Agreements are substantially the same and further details of which are set out in the paragraph headed "Freight System Services Agreements" below.

China Cargo and Eastern Logistics are both subsidiaries of Eastern Holding as at the date of this announcement. Eastern Holding is a substantial shareholder of the Company. Therefore, Eastern Holding and its subsidiaries (including China Cargo and Eastern Logistics) are connected persons of the Company under the Listing Rules. As such, the transactions contemplated under the Freight System Services Agreements constitute continuing connected transactions of the Company.

Since the respective highest applicable Percentage Ratio calculated with reference to the proposed aggregated annual caps under the Freight System Services Agreements are more than 0.1% but less than 5%, the transactions contemplated under the Freight System Services Agreements and

the relevant annual caps are subject to the annual review and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

## **1. FREIGHT SYSTEM SERVICES AGREEMENTS**

Reference is made to the Announcement of the Company dated 25 August 2017 in relation to, among other things, the renewal of the continuing connected transactions under the China Cargo Technology Services Provision Agreement with China Cargo and the Eastern Logistics Technology Services Provision Agreement with Eastern Logistics.

Pursuant to the new business development needs, the Company entered into the China Cargo Freight System Services Agreement with China Cargo and the Eastern Logistics Freight System Services Agreement with Eastern Logistics on 26 November 2018, respectively, to replace the existing Technology Services Provision Agreements, with terms commencing from 1 December 2018 to 30 November 2020, respectively. Pursuant to the aforementioned two Freight System Services Agreements, the Company will continue to provide China Cargo and Eastern Logistics with the air freight logistics system services, which mainly include computer management technology services for air freight business, including services for computer management of sales, space, waybills, ground operations, standard and quality control, resources, agent and client services platform, data report, mobile application and claims and settlement, etc., as well as the relevant technology supports.

The principal terms of the abovementioned two Freight System Services Agreements are substantially the same and further details of which are set out below :

Date : 26 November 2018

Scope of work : The Company will provide air freight logistics system services, which mainly include computer management technology services for air freight business, including services for computer management of sales, space, waybills, ground operations, standard and quality control, resources, agent and client services platform, data report, mobile application and claims and settlement, etc., as well as the relevant technology supports.

Pricing of fees :

The service fees for the air freight logistics system services include (i) fees for each waybill handled by the air freight logistics system up to a maximum allowable price of RMB3 for international and regional routes and up to a maximum allowable price of RMB1.5 for domestic routes depending on the types of waybills ; and (ii) other miscellaneous fees, including but not limited to terminal equipment fees, network and interface fees and communication fees.

Such fees will be payable by China Cargo/Eastern Logistics in cash on a monthly basis.

The fees were determined and agreed between the parties on an arm's length basis based on the market price of services of a similar kind.

Term :

1 December 2018 to 30 November 2020

The original terms under the existing Technology Services Provision Agreements, which is 1 January 2018 to 31 December 2018, will be replaced by the aforementioned terms under the Freight System Services Agreements on 1 December 2018.

## 2. HISTORICAL TRANSACTION RECORDS

Set out below are the historical transaction amounts under the Technology Services Provision Agreements for the three years ended 31 December 2017 and the ten months ended 31 October 2018:

	Year ended 31 December			Ten months ended
	2015	2016	2017	31 October 2018 (unaudited)
Transactions with China Cargo and Eastern Logistics under the Technology Services Provision Agreements	RMB13,049,000 (equivalent to approximately HK\$14,745,370)	RMB13,794,000 (equivalent to approximately HK\$15,587,220)	RMB14,771,000 (equivalent to approximately HK\$16,691,230)	RMB12,148,104 (equivalent to approximately HK\$13,727,358)

### 3. ANNUAL CAPS UNDER THE FREIGHT SYSTEM SERVICES AGREEMENTS

#### Annual Caps

Set out below is the proposed aggregated annual caps for the transactions with Eastern Holding Group (including China Cargo and Eastern Logistics) under the Freight System Services Agreements for the three years ending 31 December 2020 :

	Year ending 31 December		
	2018	2019	2020
Annual Caps under the Freight System Services Agreements	RMB18,000,000 (equivalent to approximately HK\$20,340,000) <i>(Note)</i>	RMB19,000,000 (equivalent to approximately HK\$21,470,000)	RMB20,000,000 (equivalent to approximately HK\$22,600,000) <i>(Note)</i>

*Note:* Since the existing Technology Services Provision Agreements will be replaced by the Freight System Services Agreements on 1 December 2018, the proposed annual cap of the year 2018 will include the aggregate amounts of the transactions under the Technology Services Provision Agreements from 1 January 2018 to 30 November 2018 and aggregate amounts of the transaction under the Freight System Services Agreements from 1 December 2018 to 31 December 2018. The proposed annual cap of the year 2020 are annual aggregate amounts under the Freight System Services Agreements (and any possible renewal of such agreements) from 1 January 2020 to 31 December 2020.

#### Basis of the Annual Caps

The aforementioned proposed aggregated annual caps are determined with reference to (i) the actual transaction amounts for the three years ended 31 December 2017 and the ten months ended 31 October 2018 as disclosed in the paragraph above headed “Historical Transaction Records” in this announcement; (ii) the business volume of the relevant air freight logistics business of Eastern Holding Group estimated by the Company.

### 4. THE REASONS FOR AND BENEFITS OF THE CONTINUING CONNECTED TRANSACTIONS

The provision of the air freight logistics system services under the Freight System Services Agreements is in the ordinary and usual course of business of the Group. The Group will receive service fees for the provision of such services and thus such transactions will increase the total revenue of the Group.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Freight System Services Agreements have been conducted in the ordinary and usual course of business of the Group and are on normal commercial terms, and the terms of the transactions and the relevant annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **5. IMPLICATIONS UNDER THE LISTING RULES**

China Cargo and Eastern Logistics are both subsidiaries of Eastern Holding as at the date of this announcement. Eastern Holding is a substantial shareholder of the Company. Therefore, Eastern Holding and its subsidiaries (including China Cargo and Eastern Logistics) are connected persons of the Company under the Listing Rules. As such, the transactions contemplated under the Freight System Services Agreements constitute continuing connected transactions of the Company.

Since the respective highest applicable Percentage Ratio calculated with reference to the proposed aggregated annual caps under the Freight System Services Agreements are more than 0.1% but less than 5%, the transactions contemplated under the Freight System Services Agreements and the relevant annual caps are subject to the annual review 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 Freight System Services Agreements and the proposed aggregated annual caps as he is an employee of Eastern Holding. Except for the above, none of the Directors has a material interest in the abovementioned transactions 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 Eastern Holding, China Cargo and Eastern Logistics**

Eastern Holding is principally engaged in managing all the state-owned assets and equity interest formed and invested by the state in CEA Holding and its invested enterprises. Both China Cargo and Eastern Logistics, being subsidiaries of Eastern Holding, are principally engaged in the provision of cargo carriage 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
“China Cargo”	China Cargo Airlines Co., Ltd.* (中國貨運航空有限公司), a subsidiary of Eastern Holding as at the date of the announcement
“China Cargo Freight System Services Agreement”	the freight system services agreement entered into on 26 November 2018 between the Company and China Cargo, pursuant to which the Company has agreed to provide China Cargo the air freight logistics system services
“China Cargo Technology Services Provision Agreement”	the technology services provision agreement entered into on 19 December 2013 between the Company and China Cargo and renewed on 28 June 2016 and 25 August 2017, pursuant to which the Company has agreed to provide China Cargo the air freight logistics system services
“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 Holding”	China Eastern Air Holding Company Limited* (中國東方航空集團有限公司), a substantial shareholder of the Company as at the date of this announcement
“Eastern Holding Group”	Eastern Holding and its subsidiaries, including but not limited to China Cargo and Eastern Logistics
“Eastern Logistics”	Shanghai Eastern Air Logistics Co., Ltd.* (東方航空物流有限公司), a subsidiary of Eastern Holding as at the date of the announcement

“Eastern Logistics Freight System Services Agreement”	the freight system services agreement entered into on 26 November 2018 between the Company and Eastern Logistics, pursuant to which the Company has agreed to provide Eastern Logistics the air freight logistics system services
“Eastern Logistics Technology Services Provision Agreement”	the technology services provision agreement entered into on 19 December 2013 between the Company and Eastern Logistics and renewed on 28 June 2016 and 25 August 2017, pursuant to which the Company has agreed to provide Eastern Logistics the air freight logistics system services
“Freight System Services Agreement(s)”	the freight system services agreement(s) entered into or to be entered into between the Company and Eastern Holding Group in relation to the provision of air freight logistics system services by the Company, including the China Cargo Freight System Services Agreement and the Eastern Logistics Freight System Services Agreement, and the principal terms of which are substantially the same and the details of which are set out in paragraph headed “Freight System Services Agreement” in this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“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 shareholders 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

“Technology Services  
Provision Agreement(s)”

the technology services provision agreement(s) entered into or to be entered into between the Company and Eastern Holding Group in relation to the provision of air freight logistics system services by the Company, including the China Cargo Technology Services Provision Agreement and the Eastern Logistics Technology Services Provision Agreement

“%”

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  
26 November 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. Tang Bing, and Mr. Han Wensheng;*

*Independent non-executive Directors: Mr. Cao Shiqing, Dr. Ngai Wai Fung and Mr. Liu Xiangqun.*