



TravelSky Technology Limited

(A joint stock limited company incorporated in the
People's Republic of China with limited liability)

Stock Code: 00696.HK

H Shares Listed on Feb.7,2001

First Level ADR Traded on Dec.27, 2002



2019 ANNUAL RESULTS

Mar.2020



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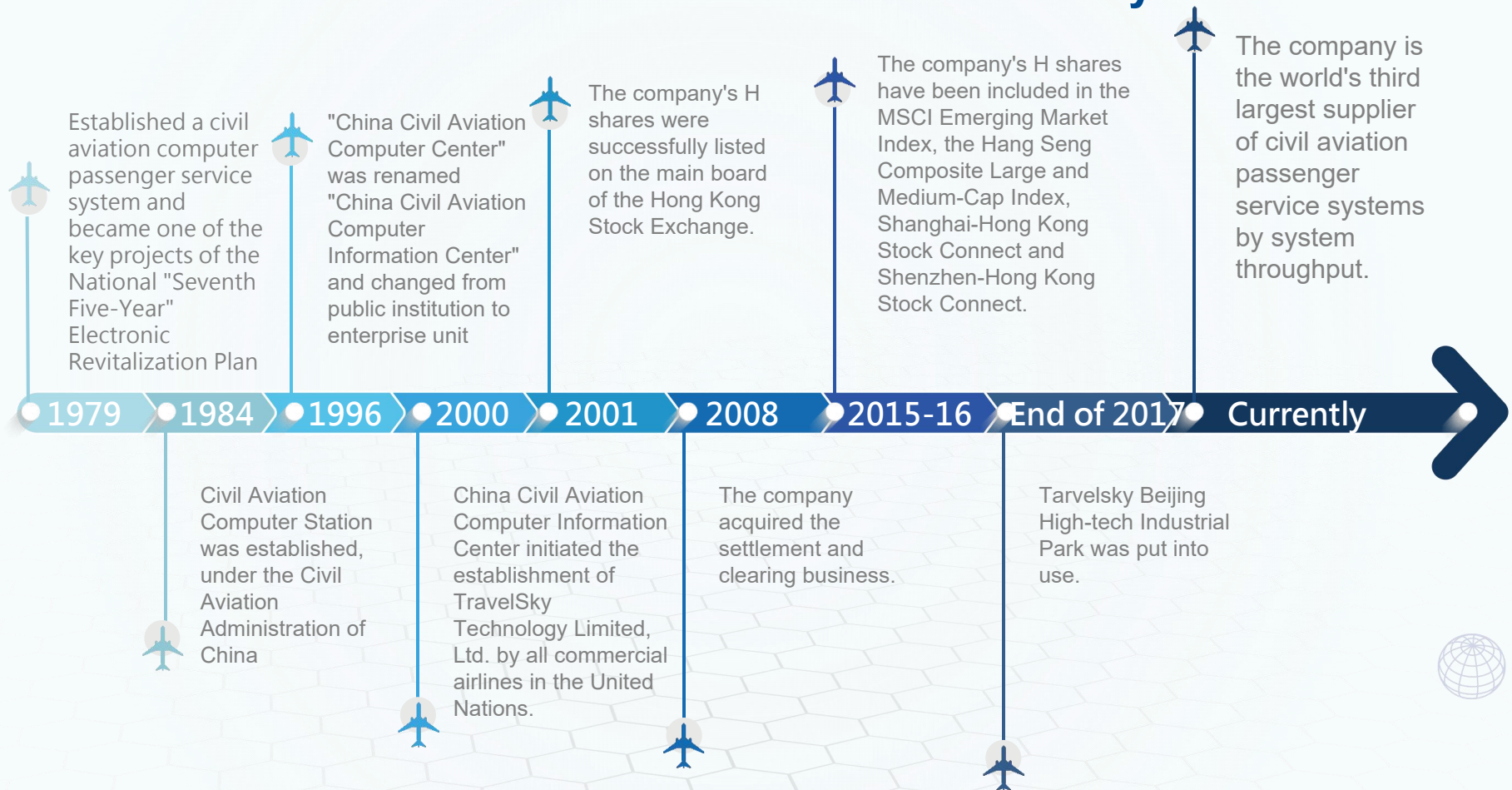
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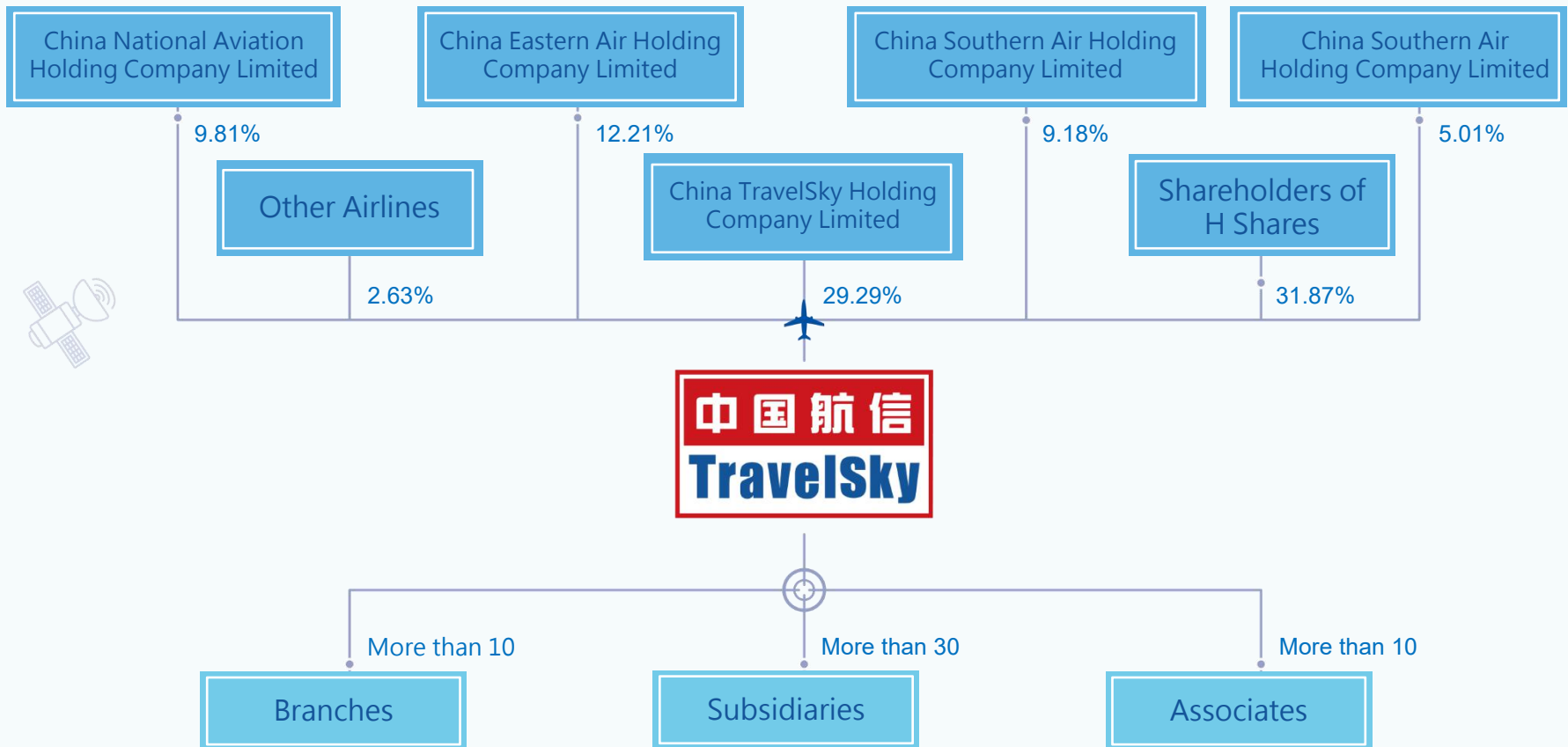
Development Process



Leading Provider of Information Technology Solutions for China's Aviation and Travel Industry



Shareholders Structure

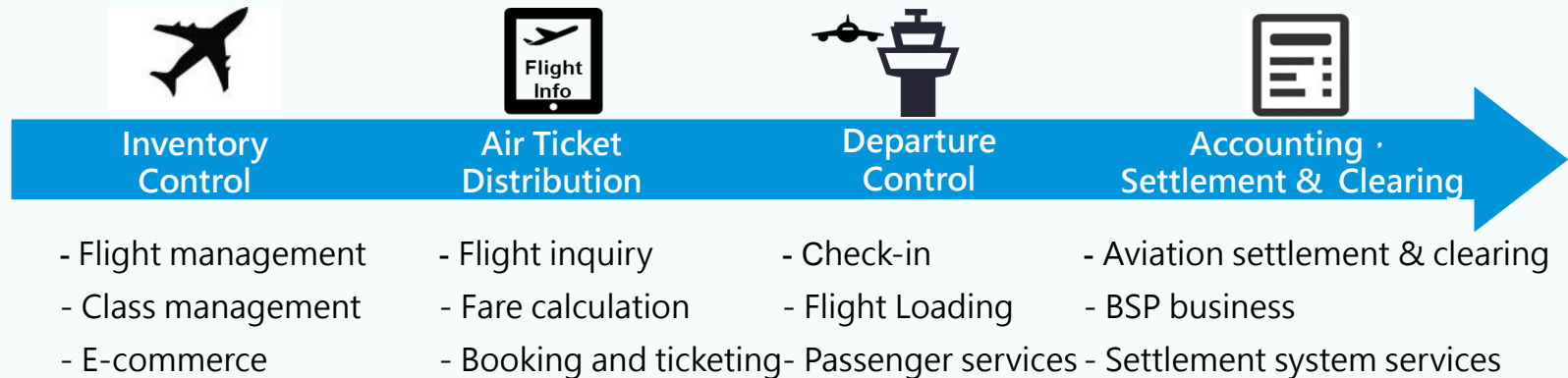


Note : As of Dec.31, 2019, the company has issued 2,926,209,589 ordinary shares, of which 1,993,647,589 domestic shares and 932,562,000 H shares.

Business Profile



Empowering Aviation Travel I.T. Service Chain Over 40 Years



68 Host Airlines

239 Domestic Airports

44 System Integration Projects on New Airports

Over 8,000 Air Ticket Agents

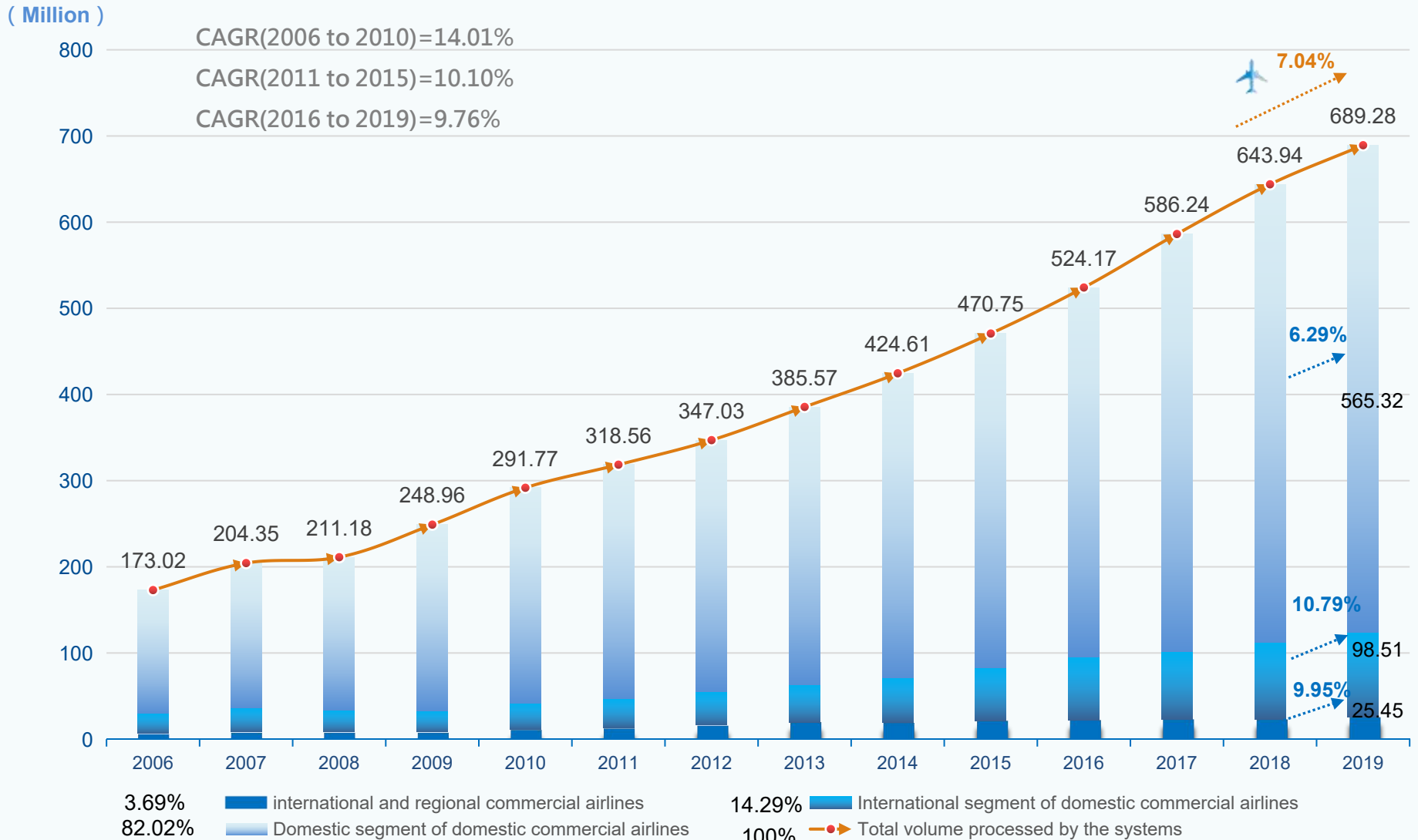
Over 350 Linked Airlines

100+ Oversea Airports

136 System Integration Projects Under Construction

World's Largest BSP Data Processing Center

Annual System Processed Volume

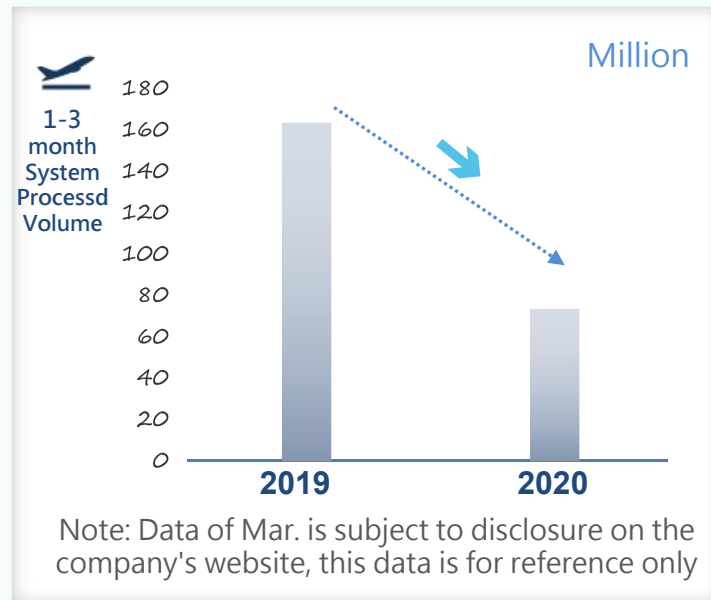
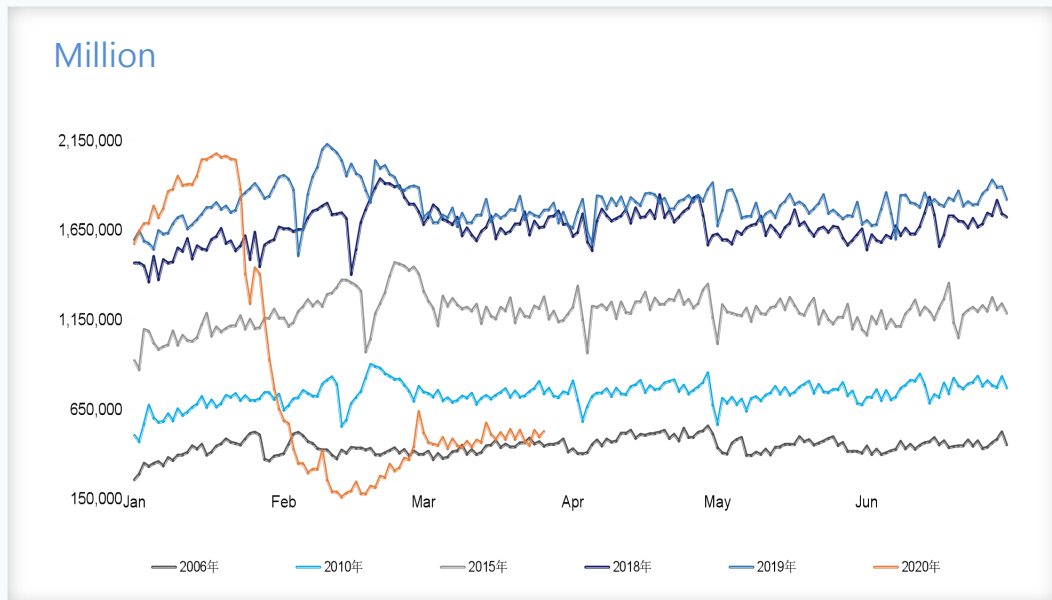




System Processed Volume in 2020 1Q



Daily System Processed Volume of Chinese Commercial Airlines



During the Epidemic

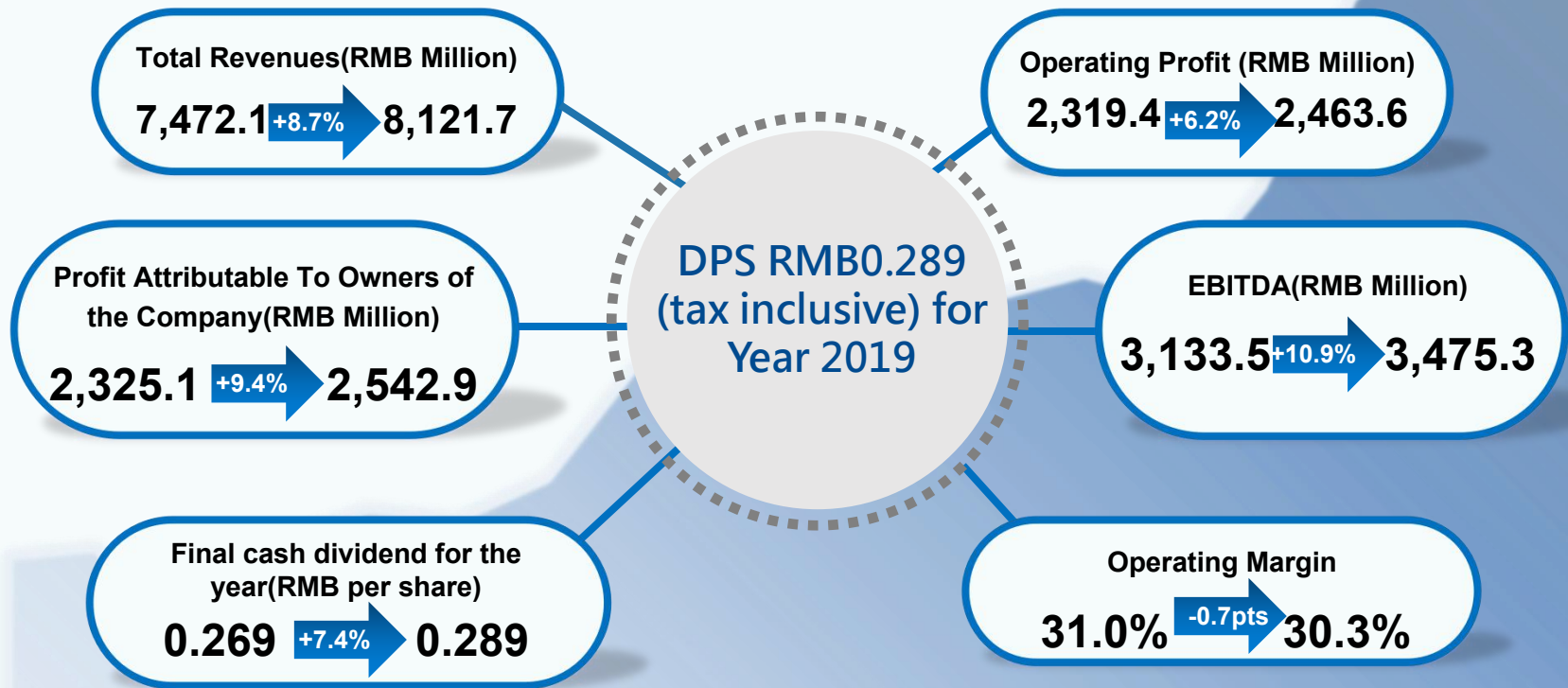
- Thousands of people invested in front-line duty.
- Services for technology and commerce will provide 7*24-hour real-time response.
- Settlement advances to respond to the peak of refunds and supports civil aviation's free refund policy.

- Big data query supports the joint prevention and control of the epidemic by government departments.
- Speed up the development of civil aviation health declaration and epidemic notification systems on the same journey.
- Optimize the adjustment of key flight information to ensure the emergency supplies of civil aviation.

Financial Highlights



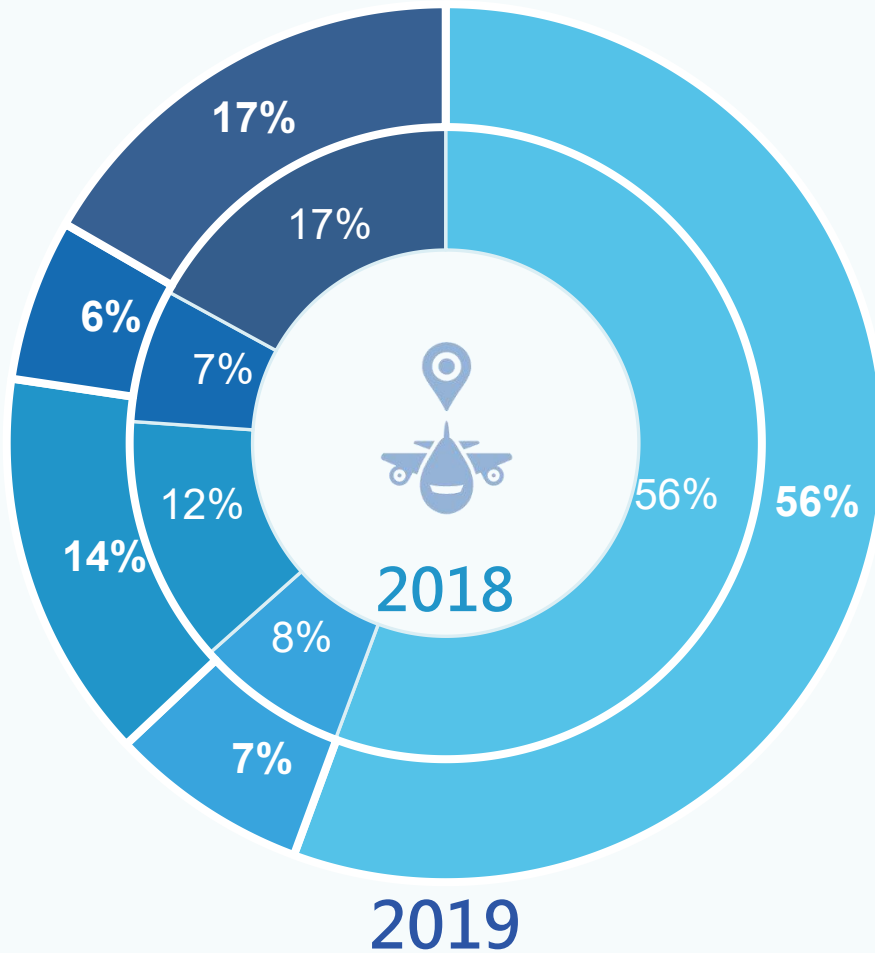
On the basis of sustainable development, the Company maintained a stable and sustained dividend policy. Generally, the Company distributed annual final dividends in cash once each year, total amount of such cash dividends accounted for approximately 30-40% of the profit after taxation (at lower of PRCGAAP Financial Statements and IAS Financial Statements) of the Company in that year.



2001 2004 2007 2010 2013 2016 2019

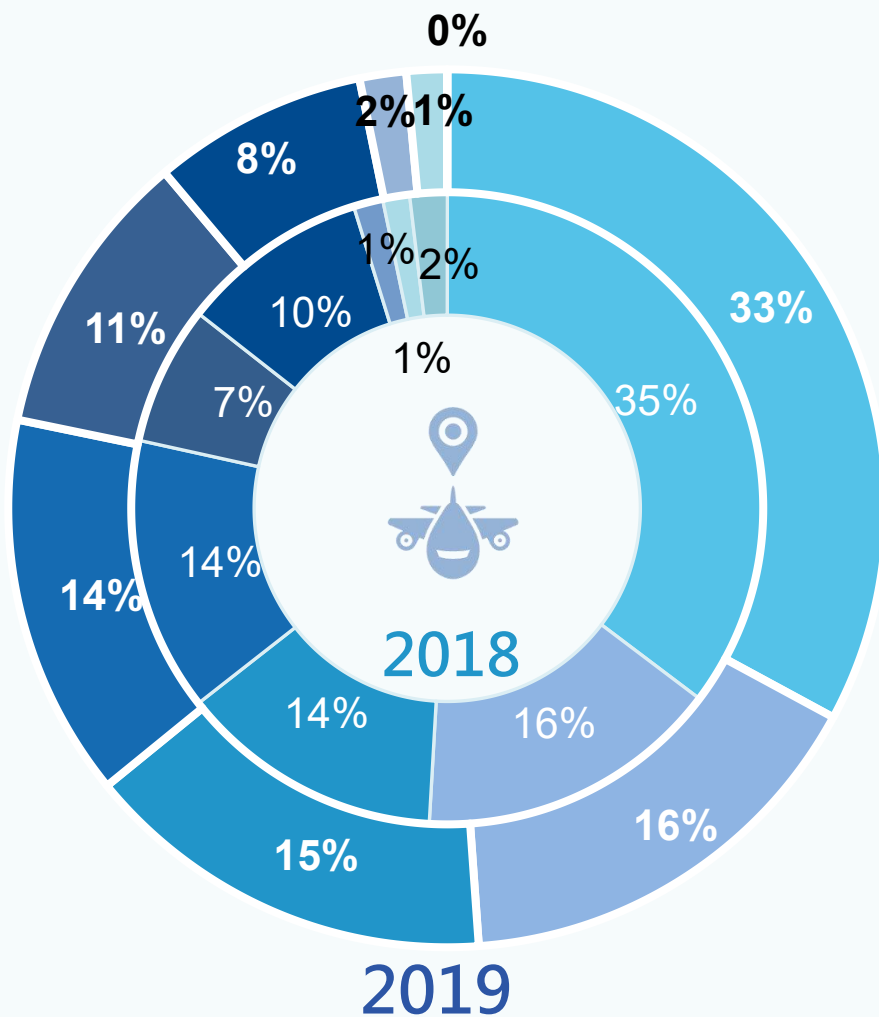
■ Total annual dividend

Revenue Analysis



Revenues	2019 (RMB Million)	2018 (RMB Million)	YOY Change
Aviation information technology services	4,517.2	4,160.1	8.6%
Accounting, settlement and clearing services	597.0	579.3	3.0%
System integration services	1,168.0	946.9	23.3%
Data network	485.1	512.3	-5.3%
Other revenues	1,354.4	1,273.4	6.4%
Total Revenues	8,121.7	7,472.1	8.7%

Operating Expense Analysis

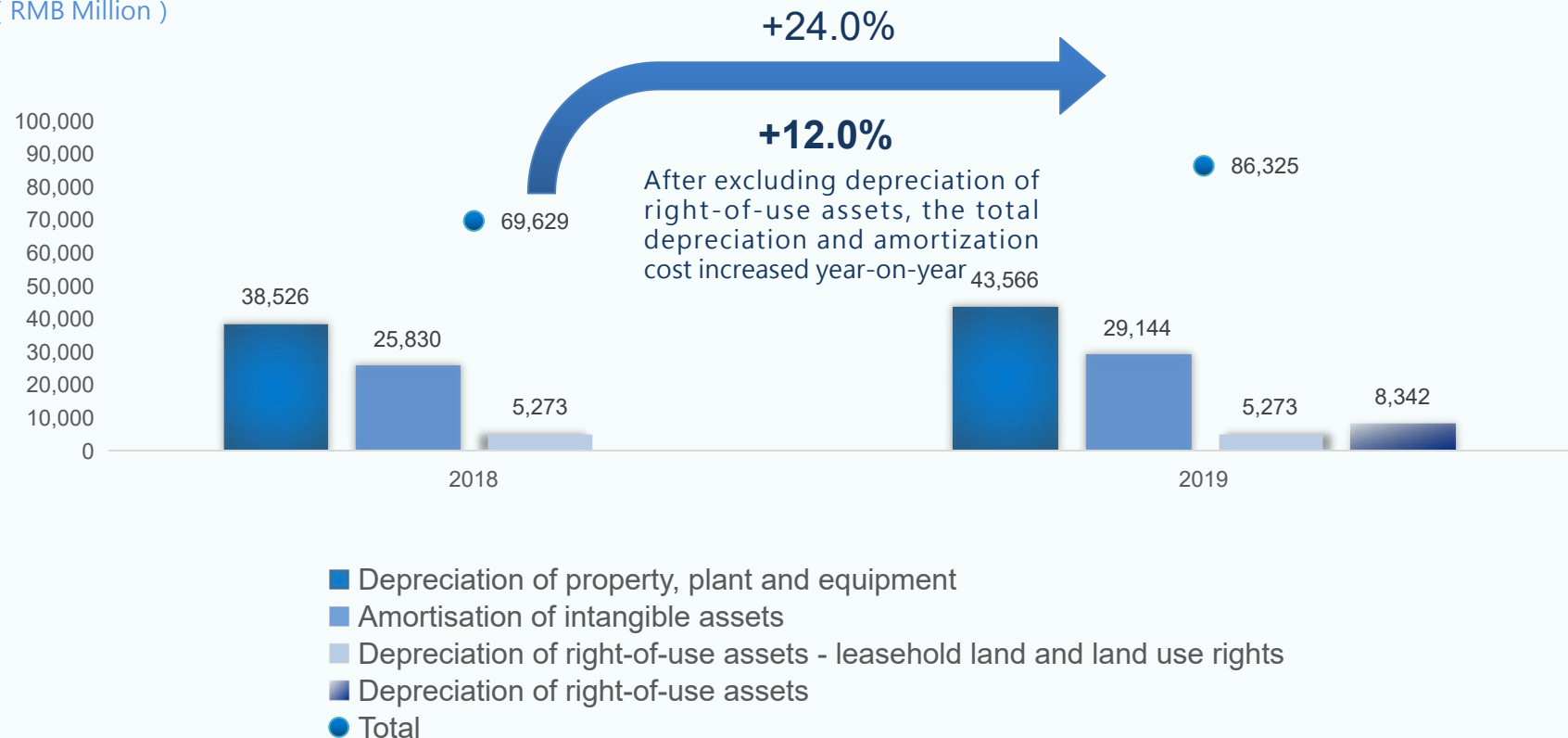


operating expenses	2019 (RMB Million)	2018 (RMB Million)	YOY Change
Personnel expenses	1,861.5	1,818.4	2.4% ↑
Technical support & maintenance fees	902.7	804.7	12.2% ↑
Depreciation & amortization	863.3	696.3	24.0% ↑
Commission & promotion expenses	799.4	723.2	10.5% ↑
Cost of software & hardware sold	601.3	367.0	63.8% ↑
Other operating expenses	448.5	496.8	-9.7% ↓
Network usage fees	97.0	77.1	25.8% ↑
Business taxes & other surcharges	84.5	70.9	19.1% ↑
Operating lease payments	0	98.2	
Total operating expenses	5,658.1	5,152.7	9.8% ↑

* Details please refer to P.11

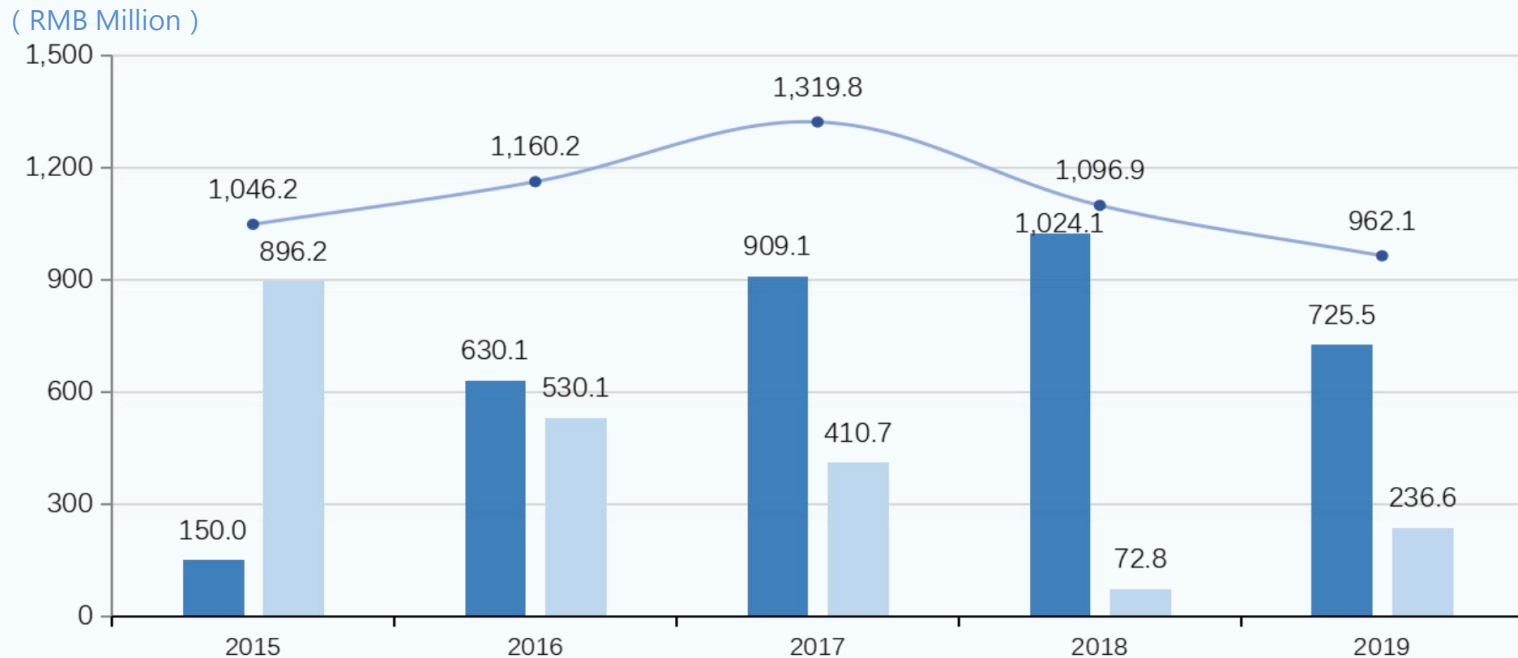
Depreciation & Amortisation Analysis

(RMB Million)



Note : According to the latest IFRS 16 Leases, the original operating lease expenses are now depreciated as a right-of use asset starting from Jan.1, 2019, as permitted under the specific transitional provisions in the standard, it is not required to restate the comparative figures for last year.

Capital Expenditure



■ Update & MA of the System Including New Generation System & Others

For the year ended Dec.31, 2019, the Group did not have any major investment or plan to acquire major capital assets. The Board estimates that the sources of funding of the Group in 2020 will be sufficient for the capital requirement of daily operations and the Group did not have any financing plan.

As at December 31, 2019, the Group's capital expenditure commitment amounted to approximately RMB502.8million, which will be mainly used for the Company's daily operation, maintenance, research and development and upgrading of computer system, and the capital expenditure commitment of the new operating centre in Beijing for the construction of Phase I project amounted to approximately RMB400million. The sources of funding for such commitments will include existing cash on hand and internal cash flow generated from operating activities.

Prospects for 2020



Opportunity

- The State issued the "Outline of Building a Powerful Country for Transportation".
- The country continues to make efforts in building smart transportation, smart civil aviation, smart airport, etc.
- Focusing on the deployment of cloud computing, big data, artificial intelligence, 5G and other new technologies in the field of civil aviation.
- The demand for digital transformation of airlines is urgent, and the investment in airport informatization is increasing year by year.



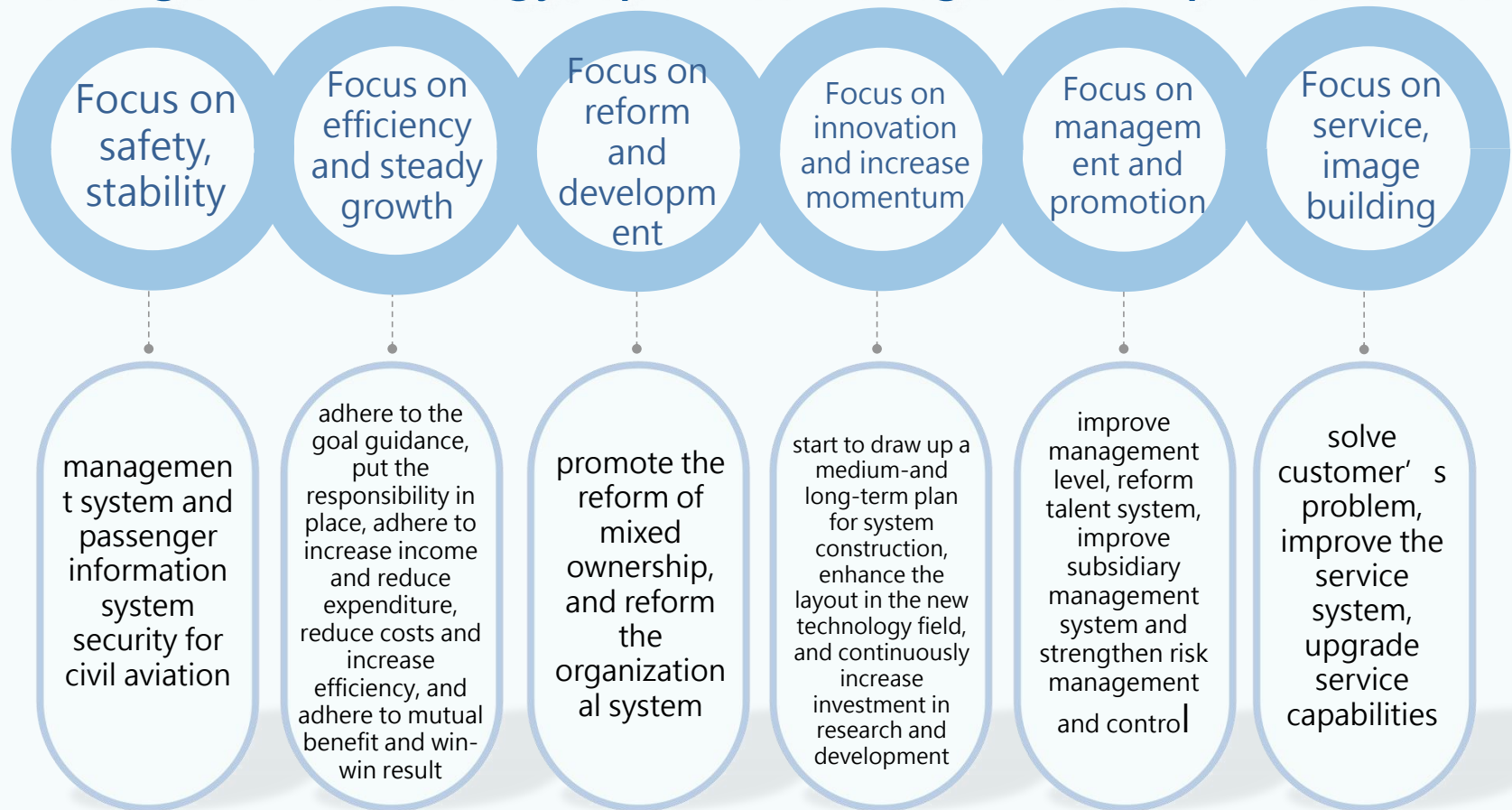
Challenge

- The world economic growth slows down, the domestic economic downward pressure increases.
- The spread of new virus epidemic, which drag down the development of the global civil aviation market.
- The risk of opening the domestic distribution market, the construction of new distribution capacity of air companies.
- The products launching by the domestic and foreign competitors' airport.

Prospects for 2020



Focus on strategy, promote development, ensure safety, strengthen technology, optimize management, improve service



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Obtain the financial reports, announcements,
circulars, operational data and other materials
of the Company

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