

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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: 0696)

CONNECTED TRANSACTIONS WITH QINGDAO CARES

On 25 February 2015, the Company entered into the Construction Agreement with Qingdao Cares, pursuant to which the Company has agreed to undertake the construction of the departure system and security inspection information system for the Ulanhot Airport, 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 departure system and security inspection information system.

Qingdao Cares is a connected person of the Company under the Listing Rules. As such, the Construction Agreement entered into between Qingdao Cares and the Company constitutes connected transactions of the Company. Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Construction Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreement are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

CONSTRUCTION AGREEMENT WITH QINGDAO CARES

On 25 February 2015, the Company entered into the Construction Agreement with Qingdao Cares, pursuant to which the Company has agreed to undertake the project construction of the departure system and security inspection information system for the Ulanhot Airport, 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 departure system and security inspection information system. Further details of the Construction Agreement are set out below:

Date: 25 February 2015

Parties: (1) Qingdao Cares; and

(2) the Company

Scope of work: The Company will provide the required software and hardware, the overall implementation and the two-year quality warranty for the departure system and the security inspection information system of the Ulanhot Airport to Qingdao Cares.

Consideration: An aggregate of RMB7,898,190 (equivalent to approximately HK\$9,951,719), including:

- (i) RMB4,033,000 (equivalent to approximately HK\$5,081,580) for the consideration of the procurement, implementation and maintenance of the required software and hardware for the departure system;
- (ii) RMB837,190 (equivalent to approximately HK\$1,054,859) for the consideration of the procurement and implementation of the required software and hardware for the security inspection information system; and
- (iii) RMB3,028,000 (equivalent to approximately HK\$3,815,280) for the consideration of the procurement of the hardware equipment and materials for the weak current system.

The consideration shall be paid by Qingdao Cares to the Company in two instalment according to the progress of the Ulanhot Airport Project.

The parties may enter into supplemental agreement(s) 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 market conditions.

REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

Qingdao Cares has undertaken the Ulanhot Airport Project as a general contractor. The Group is engaged in the provision of computer software and hardware development and data network services through its certain members. The Group has the necessary qualification, capability and technological skills required to carry out the relevant work as specified under the Construction Agreement. The Board is of the view that it will be for the benefit of the Company to undertake the relevant work as specified under the Construction Agreement.

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

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 青島國際機場集團有限公司 (Qingdao International Airport Company*) and 13% by 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.*). 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 Construction Agreement entered into between Qingdao Cares and the Company constitutes connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the consideration under the Construction Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Construction Agreement are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Cai, Kevin Yang has abstained from voting on the relevant Board resolution in respect of the Construction Agreement as he is an employee of Eastern Airlines. In addition, Mr. Xiao Yinhong has abstained from voting on the relevant Board resolution in respect of the Construction Agreement as he is a director of Qingdao Cares. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Construction Agreement and none of them has abstained from voting on the relevant Board resolution.

* For identification purposes only

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 provision of computer software and hardware development and data network services.

DEFINITIONS

In this announcement, the following expressions shall have the meaning 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 depository shares are traded on the over-the-counter market in the United States of America
“connected person”	has the same meaning as ascribed to it under the Listing Rules
“Construction Agreement”	the agreement dated 25 February 2015 between the Company and Qingdao Cares pursuant to which the Company has agreed to undertake the construction of the departure system and security inspection information system for the Ulanhot Airport, 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 departure system and security inspection information system
“Directors”	the directors 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
“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 and the Macau Special Administrative Region
“Qingdao Cares”	青島民航凱亞系統集成有限公司 (Civil Aviation Cares of Qingdao Limited*)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Ulanhot Airport”	烏蘭浩特機場 (Ulanhot Airport)
“Ulanhot Airport Project”	the overall construction of the departure system and the security inspection information system of the Ulanhot Airport
“%”	percentage

* *for identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.26 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
Yu Xiaochun
Company Secretary

Beijing, PRC
25 February 2015

As at the date of this announcement, the Board comprises:

Executive Directors: Mr. Cui Zhixiong and Mr. Xiao Yinhong;

Non-executive Directors: Mr. Wang Quanhua, Mr. Cao Jianxiong and Mr. Cai, Kevin Yang;

Independent non-executive Directors: Mr. Cheung Yuk Ming, Mr. Pan Chongyi and Mr. Zhang Hainan.