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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: 0696)

CONNECTED TRANSACTION SUBCONTRACT AGREEMENT WITH HUADONG CARES

On 20 January 2015, the Company entered into the Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the overall construction of the departure system and security inspection information 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 one-year quality warranty for the departure system and security inspection information system.

Huadong Cares is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the Subcontract Agreement constitute connected transactions of the Company.

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

1. SUBCONTRACT AGREEMENT

On 20 January 2015, the Company entered into the Subcontract Agreement with Huadong Cares, pursuant to which the Company has agreed to subcontract to Huadong Cares the overall construction of the departure system and security inspection information 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 one-year quality warranty for the departure system and security inspection information system. Further details of the Subcontract Agreement are set out below:

Date: 20 January 2015

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

Scope of work: The Company will subcontract to Huadong Cares the overall construction of the departure system and security inspection information 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 one-year quality warranty for the departure system and security inspection information system.

Consideration: An aggregate of RMB16,969,000 (equivalent to approximately HK\$21,380,940) including RMB10,769,000 (equivalent to approximately HK\$13,568,940) for the consideration of the procurement of the software and hardware, and RMB6,200,000 (equivalent to approximately HK\$7,812,000) for the provision of services.

The consideration shall be paid by the Company to Huadong Cares in four instalments according to the progress of the Jinan Airport Project.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software under the 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 TRANSACTION

The Company has undertaken the Jinan Airport Project as the 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 qualification, capability and technological skills required to carry out the relevant work as specified under the 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 work as specified under the Subcontract Agreement.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the 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.

3. IMPLICATIONS UNDER THE LISTING RULES

As at the date of the announcement, Huadong Cares is owned as to 41% by the Company, 41% by Eastern Airlines, and 18% by Shanghai International Airport Company Limited* (上海國際機場股份有限公司). Eastern Airlines is a subsidiary of Eastern Holding. Eastern Holding is a substantial Shareholder. As an associate of Eastern Holding, Huadong Cares is a connected person of the Company under the Listing Rules. Therefore, the transactions contemplated under the Subcontract Agreement constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the Subcontract Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Subcontract Agreement constitute connected transactions of the Company and 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 Subcontract Agreement as he is an employee of Eastern Airlines. Except for the above, none of the Directors has a material interest in the transactions contemplated under the Subcontract Agreement 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 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:–

“associate(s)”	have the same meaning 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”	has the same meaning as ascribed to it under the Listing Rules
“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
“Huadong Cares”	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.*)
“Jinan Airport”	濟南遙牆國際機場 (Jinan Yaoqiang International Airport*)
“Jinan Airport Project”	the overall construction of the departure system and security inspection information system for the expansion of the Jinan Airport

“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
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subcontract Agreement”	the subcontract agreement dated 20 January 2015 between the Company and Huadong Cares pursuant to which the Company has agreed to subcontract to Huadong Cares the overall construction of the departure system and the security inspection information system for Jinan Airport Project
“subsidiary”	have the same meaning 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\$1.26 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
20 January 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.