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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)**

## **REVISION OF ANNUAL CAPS FOR 2015 AND 2016 UNDER THE SICHUAN AIRLINES SERVICES AGREEMENT**

This announcement is made pursuant to Rule 14A.54 of the Listing Rules.

The Company has been providing certain technology services to Sichuan Airlines under the Sichuan Airlines Services Agreement since 26 January 2005. On 1 November 2013, the Company and Sichuan Airlines entered into a supplemental agreement to renew the Sichuan Airlines Services Agreement for a further three-year term from 1 January 2014 to 31 December 2016, with the annual caps of RMB159,352,080 (equivalent to approximately HK\$200,783,621), RMB178,474,320 (equivalent to approximately HK\$224,877,643) and RMB199,891,250 (equivalent to approximately HK\$251,862,975), respectively.

Based on the actual growth of the historical transaction amounts between the Company and Sichuan Airlines under the Sichuan Airlines Services Agreement for the two years ended 31 December 2014, it is expected that the transaction amounts in respect of the technology services provided by the Company to Sichuan Airlines will probably exceed each of the existing annual caps for 2015 and 2016. Having taken this into account, the Company revised the annual caps for 2015 and 2016 to RMB187,581,000 (equivalent to approximately HK\$236,352,060) and RMB221,346,000 (equivalent to approximately HK\$278,895,960), respectively.

By virtue of its being an associate of Southern Airlines, Sichuan Airlines is a connected person of the Company under the Listing Rules. Since the highest applicable Percentage Ratio calculated with reference to the Revised Annual Caps under the Sichuan Airlines Services Agreement is more than 0.1% but less than 5%, the continuing connected transactions with Sichuan Airlines and the revision of the annual caps under the Sichuan Airlines Services Agreement are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

## **BACKGROUND**

This announcement is made pursuant to Rule 14A.54 of the Listing Rules.

Reference is made to the announcement of the Company dated 1 November 2013 in relation to the continuing connected transaction with Sichuan Airlines under the Sichuan Airlines Services Agreement.

The Company has been providing certain technology services to Sichuan Airlines under the Sichuan Airlines Services Agreement since 26 January 2005. On 1 November 2013, the Company and Sichuan Airlines entered into a supplemental agreement to renew the Sichuan Airlines Services Agreement for a further three-year term from 1 January 2014 to 31 December 2016, with the annual caps of RMB159,352,080 (equivalent to approximately HK\$200,783,621), RMB178,474,320 (equivalent to approximately HK\$224,877,643) and RMB199,891,250 (equivalent to approximately HK\$251,862,975), respectively.

### **REVISION OF ANNUAL CAPS FOR 2015 AND 2016 UNDER THE SICHUAN AIRLINES SERVICES AGREEMENT**

Based on the actual growth of the historical transaction amounts between the Company and Sichuan Airlines under the Sichuan Airlines Services Agreement for the two years ended 31 December 2014, it is expected that the transaction amounts in respect of the technology services provided by the Company to Sichuan Airlines will probably exceed each of the existing annual caps for 2015 and 2016. Having taken this into account, the Company revised the annual caps for 2015 and 2016 to RMB187,581,000 (equivalent to approximately HK\$236,352,060) and RMB221,346,000 (equivalent to approximately HK\$278,895,960), respectively.

The Board confirms that the existing annual cap for 2015 under the Sichuan Airlines Services Agreement has not yet been exceeded as at the date of this announcement.

The Revised Annual Caps represent an estimated annual growth rate of 18% in the transaction volume calculated based on the Company's audited full year transaction amount of 2014. The Revised Annual Caps and the estimated annual growth rate of 18% are determined by the Company with reference to the following factors:

- (i) the historical transaction amounts between the Company and Sichuan Airlines under the Sichuan Airlines Services Agreement for the two years ended 31 December 2014 were approximately RMB146,290,000 (equivalent to approximately HK\$184,325,400) and RMB158,967,000 (equivalent to approximately HK\$200,298,420), respectively;
- (ii) the historical annual growth rates for the two years ended 31 December 2014 were approximately 15.2% and 8.6%, respectively. The historical growth rate for 2013 exceeded the expectation of the Company when determining the existing annual cap due to the increase in the demand of the Group's services by Sichuan Airlines which in turn was a result of increase in its air passenger volume;

- (iii) the expansion of Sichuan Airlines' business from time to time through acquisition of other airlines or establishing more subsidiaries or branches;
- (iv) a buffer necessary to accommodate the unexpected fluctuation in the annual growth of transaction volume.

## **IMPLICATIONS UNDER THE LISTING RULES**

Sichuan Airlines is owned as to 40% by Sichuan Air Group Company\* (四川航空集團有限責任公司), 39% by Southern Airlines, 10% by Shanghai Airlines Company Limited\* (上海航空股份有限公司), 10% by Shandong Airlines Company Limited\* (山東航空股份有限公司) and 1% by an independent third party. Southern Airlines is a subsidiary of Southern Air, the substantial shareholder of the Company. By virtue of its being an associate of Southern Airlines, Sichuan Airlines is a connected person of the Company under the Listing Rules.

Since the highest applicable Percentage Ratio calculated with reference to the Revised Annual Caps under the Sichuan Airlines Services Agreement is more than 0.1% but less than 5%, the continuing connected transactions with Sichuan Airlines and the revision of the annual caps under the Sichuan Airlines Services Agreement are only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement of Chapter 14A of the Listing Rules.

Mr. Wang Quanhua has abstained from voting on the revision of the annual caps under the Sichuan Airlines Services Agreement for the two years ending 31 December 2016 as he is an employee of Southern Air. Save as disclosed above, none of the Directors has a material interest in the aforementioned revision of the annual caps and none of them has abstained from voting on the relevant Board resolutions.

## **GENERAL INFORMATION**

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.

Sichuan Airlines is principally engaged in airline operation in the PRC.

## 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 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
“Directors”	the directors of the Company
“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
“Revised Annual Cap(s)”	the revised maximum aggregate annual amount of the transactions under the Sichuan Airlines Services Agreement for the two years ending 31 December 2016
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholder(s) of the Company
“Sichuan Airlines”	Sichuan Airlines Company Limited* (四川航空股份有限公司)

“Sichuan Airlines Services Agreement”	the agreement entered into between the Company and Sichuan Airlines on 26 January 2005 in relation to the provision of technology services by the Company to Sichuan Airlines for a period up to 31 December 2016 as renewed by both parties from time to time
“Southern Air”	China Southern Air Holding Company* (中國南方航空集團公司), a substantial shareholder of the Company with a shareholding of 11.94% in the Company as at the date of this announcement
“Southern Airlines”	China Southern Airlines Company Limited* (中國南方航空股份有限公司), a subsidiary of Southern Air as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	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  
25 March 2015

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

<i>Executive Directors:</i>	<i>Mr. Cui Zhixiong and Mr. Xiao Yinhong;</i>
<i>Non-executive Directors:</i>	<i>Mr. Wang Quanhua, Mr. Cao Jianxiong and Mr. Cai, Kevin Yang;</i>
<i>Independent non-executive Directors:</i>	<i>Mr. Cheung Yuk Ming, Mr. Pan Chongyi and Mr. Zhang Hainan.</i>