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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)

CONNECTED TRANSACTIONS :
XIAMEN CARES SUBCONTRACT AGREEMENTS

On 20 April 2018, the Company entered into the Xiamen Cares Changchun Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Changchun Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the two-year quality warranty for the security inspection information system.

On 25 April 2018, the Company entered into the Xiamen Cares Fuzhou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the common use self-service system for the Fuzhou 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 common use self-service system.

On 28 May 2018, the Company entered into the Xiamen Cares Guilin Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Guilin 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 security inspection information system.

On 6 June 2018, the Company entered into the Xiamen Cares Baotou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Baotou Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

On 14 June 2018, the Company entered into the Xiamen Cares Hailar Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Hailar Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

On 15 June 2018, the Company entered into the Xiamen Cares Nanchang Changbei Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Nanchang Changbei International Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and the overall system implementation as well as the one-year quality warranty for the security inspection information system.

On 25 July 2018, the Company entered into the Xiamen Cares Changsha Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Changsha Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation as well as the two-year quality warranty for the security inspection information system.

Xiamen Cares is a non-wholly owned subsidiary of the Company, which is owned as to 51% by the Company, 28.5% by Xiamen Airlines Company Limited* (廈門航空有限公司) and 20.5% by Xiamen International Aviation Company Limited* (廈門國際航空港股份有限公司). Xiamen Airlines Company Limited* is a subsidiary of Southern Holding and Southern Holding is a substantial shareholder of the Company as at the date of this announcement. Xiamen Cares is therefore a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Xiamen Cares Subcontract Agreements constitute connected transactions of the company.

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

1. XIAMEN CARES SUBCONTRACT AGREEMENTS

On 20 April 2018, the Company entered into the Xiamen Cares Changchun Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Changchun Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the two-year quality warranty for the security inspection information system.

On 25 April 2018, the Company entered into the Xiamen Cares Fuzhou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the common use self-service system for the Fuzhou 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 common use self-service system.

On 28 May 2018, the Company entered into the Xiamen Cares Guilin Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Guilin 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 security inspection information system.

On 6 June 2018, the Company entered into the Xiamen Cares Baotou Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Baotou Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

On 14 June 2018, the Company entered into the Xiamen Cares Hailar Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Hailar Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

On 15 June 2018, the Company entered into the Xiamen Cares Nanchang Changbei Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Nanchang Changbei International Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and the overall system implementation as well as the one-year quality warranty for the security inspection information system.

On 25 July 2018, the Company entered into the Xiamen Cares Changsha Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Changsha Airport Project, which includes, but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation as well as the two-year quality warranty for the security inspection information system.

Further details of the Xiamen Cares Subcontract Agreements are set out below:

1.1 Xiamen Cares Changchun Airport Subcontract Agreement

Date: 20 April 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the procurement of security inspection information system for the Changchun Airport Project, which includes, but not limited to, the procurement and delivery of the required software and the two-year quality warranty for the security inspection information system.

Consideration: RMB450,000.00 (equivalent to approximately HK\$540,000.00)

The consideration shall be paid by the Company to Xiamen Cares in three instalments according to the project progress as scheduled in Xiamen Cares Changchun Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and the provision of services under the Xiamen Cares Changchun Airport 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 including the necessary technical support services and after taking into account the market conditions.

1.2 Xiamen Cares Fuzhou Airport Subcontract Agreement

Date: 25 April 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the construction of the common use self-service system for the Fuzhou Airport Project, which includes but not limited to, the installation and testing of the required software and hardware and the overall system implementation as well as the one-year quality warranty for the common use self-service system.

Consideration: RMB516,000.00 (equivalent to approximately HK\$619,200.00)

The consideration shall be paid by the Company to Xiamen Cares in two instalments according to the project progress as scheduled in the Xiamen Cares Fuzhou Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Xiamen Cares Fuzhou Airport 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.

1.3 Xiamen Cares Guilin Airport Subcontract Agreement

Date: 28 May 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the construction of the security inspection information system for the Guilin Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation as well as the one-year quality warranty for the security inspection information system.

Consideration: RMB3,482,600.00 (equivalent to approximately HK\$4,179,120.00)

The consideration shall be paid by the Company to Xiamen Cares in four instalments according to the project progress as scheduled in the Xiamen Cares Guilin Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Xiamen Cares Guilin Airport 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.

1.4 Xiamen Cares Baotou Airport Subcontract Agreement

Date: 6 June 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the procurement of security inspection information system for the Baotou Airport Project, which includes but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

Consideration: RMB280,000.00 (equivalent to approximately HK\$336,000.00)

The consideration shall be paid by the Company to Xiamen Cares in a lump sum according to the project progress as scheduled in the Xiamen Cares Baotou Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and the provision of services under the Xiamen Cares Baotou Airport 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 including the necessary technical support services and after taking into account the market conditions.

1.5 Xiamen Cares Hailar Airport Subcontract Agreement

Date: 14 June 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the procurement of security inspection information system for the Hailar Airport Project, which includes but not limited to, the procurement and delivery of the required software and the one-year quality warranty for the security inspection information system.

Consideration: RMB606,000.00 (equivalent to approximately HK\$727,200.00)

The consideration shall be paid by the Company to Xiamen Cares in a lump sum according to the project progress as scheduled in the Xiamen Cares Hailar Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and the provision of services under the Xiamen Cares Hailar Airport 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 including the necessary technical support services and after taking into account the market conditions.

1.6 Xiamen Cares Nanchang Changbei Airport Subcontract Agreement

Date: 15 June 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the construction of the security inspection information system for the Nanchang Changbei International Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation as well as the one-year quality warranty for the security inspection information system.

Consideration: RMB350,000.00 (equivalent to approximately HK\$420,000.00)

The consideration shall be paid by the Company to Xiamen Cares in three instalments according to the project progress as scheduled in the Xiamen Cares Nanchang Changbei Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and the provision of services under the Xiamen Cares Nanchang Changbei Airport 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 including the necessary technical support services and after taking into account the market conditions.

1.7 Xiamen Cares Changsha Airport Subcontract Agreement

Date: 25 July 2018

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

Scope of work: The Company will subcontract to Xiamen Cares the construction of the security inspection information system for the Changsha Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and hardware and the overall system implementation as well as the two-year quality warranty for the security inspection information system.

Consideration: RMB1,199,400.00 (equivalent to approximately HK\$1,439,280.00)

The consideration shall be paid by the Company to Xiamen Cares in certain instalments in line with the payment method and time under the main contract according to the project progress as scheduled in the Xiamen Cares Changsha Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required software and hardware, and the provision of services under the Xiamen Cares Changsha Airport 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 TRANSACTIONS

The Company has undertaken each of the Changchun Airport Project, Fuzhou Airport Project, Guilin Airport Project, Baotou Airport Project, Hailar Airport Project, Nanchang Changbei International Airport Project and Changsha Airport Project as a general contractor. Xiamen Cares is principally engaged in the provision of computer software and hardware development and data network services. Xiamen Cares has the necessary qualifications, capabilities and technological skills required to carry out the relevant work as specified under the Xiamen Cares Subcontract Agreements. The Board is of the view that it will be of the benefit to the Company to subcontract to Xiamen Cares the relevant work as specified under the aforementioned agreements.

The Directors (including the independent non-executive Directors) are of the view that the transactions under the Xiamen Cares Subcontract Agreements 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

Xiamen Cares is a non-wholly owned subsidiary of the Company, which is owned as to 51% by the Company, 28.5% by Xiamen Airlines Company Limited* (廈門航空有限公司) and 20.5% by Xiamen International Aviation Company Limited* (廈門國際航空港股份有限公司). Xiamen Airlines Company Limited* is a subsidiary of Southern Holding and Southern Holding is a substantial shareholder of the Company as at the date of this announcement.

Xiamen Cares is therefore a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Xiamen Cares Subcontract Agreements constitute connected transactions of the company.

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

Mr. Yuan Xin'an, a non-executive Director, has abstained from voting on the resolution in relation to the Xiamen Cares Subcontract Agreements as he is an employee of Southern Holding. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Xiamen Cares Subcontract Agreements, 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 the provision of accounting, settlement and clearing services and information system development and support services to domestic and worldwide airline companies.

Information on Xiamen Cares

Xiamen Cares is principally engaged in the provision of computer software and hardware development and data net work services.

5. DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

“Baotou Airport Project”	the procurement of the security inspection information system of the Baotou Airport* (包頭機場), which includes but not limited to, the procurement and delivery of certain systems thereof
“Board”	the board of Directors

“Changchun Airport Project”	the procurement of the security inspection information system of Changchun Airport* (長春機場) for renovation of Terminal 1, which includes but not limited to, the procurement and delivery of certain systems thereof
“Changsha Airport Project”	the construction of security inspection information system of Changsha Airport* (長沙機場) for renovation and resumption of Terminal 1, including but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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
“Fuzhou Airport Project”	the construction of the common use self-service system of the Fuzhou Airport* (福州機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Group”	the Company and its subsidiaries
“Guilin Airport Project”	the construction of the security inspection information system of the Guilin Airport* (桂林機場) for its expansion, which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“Hailar Airport Project”	the procurement of security inspection information system of the Hailar Airport* (海拉爾機場), which includes but not limited to, the procurement and delivery of certain systems thereof
“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

“Nanchang Changbei International Airport Project”	the construction of the security inspection information system of the Nanchang Changbei International Airport* (南昌昌北國際機場) for overall renovation of Terminal 1, which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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 shareholder(s) of the Company
“Southern Holding”	China Southern Air Holding Company Limited* (中國南方航空集團有限公司), a substantial shareholder of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
“Xiamen Cares”	Civil Aviation Cares of Xiamen Ltd.* (廈門民航凱亞有限公司)
“Xiamen Cares Baotou Airport Subcontract Agreement”	the subcontract agreement dated 6 June 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Baotou Airport Project
“Xiamen Cares Changchun Airport Subcontract Agreement”	the subcontract agreement dated 20 April 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Changchun Airport Project

“Xiamen Cares Changsha Airport Subcontract Agreement”	the subcontract agreement dated 25 July 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Changsha Airport Project
“Xiamen Cares Fuzhou Airport Subcontract Agreement”	the subcontract agreement dated 25 April 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the common use self-service system for the Fuzhou Airport Project
“Xiamen Cares Guilin Airport Subcontract Agreement”	the subcontract agreement dated 28 May 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Guilin Airport Project
“Xiamen Cares Hailar Airport Subcontract Agreement”	the subcontract agreement dated 14 June 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the procurement of security inspection information system for the Hailar Airport Project
“Xiamen Cares Nanchang Changbei Airport Subcontract Agreement”	the subcontract agreement dated 15 June 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection information system for the Nanchang Changbei International Airport Project
“Xiamen Cares Subcontract Agreements”	collectively, the Xiamen Cares Changchun Airport Subcontract Agreement, the Xiamen Cares Fuzhou Airport Subcontract Agreement, the Xiamen Cares Guilin Airport Subcontract Agreement, the Xiamen Cares Baotou Airport Subcontract Agreement, the Xiamen Cares Hailar Airport Subcontract Agreement, the Xiamen Cares Nanchang Changbei Airport Subcontract Agreement and the Xiamen Cares Changsha Airport Subcontract Agreement
“%”	per cent

* *for identification purposes only*

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.20 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
25 July 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. Li Yangmin and Mr. Yuan Xin'an;

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