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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 3 August 2018, the Company entered into the Xiamen Cares Beijing Capital Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection/boarding whole-process pilot program for the Beijing Capital 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 and the six-month quality warranty for the security inspection/boarding whole-process pilot program.

On 17 August 2018, the Company entered into the Xiamen Cares Forty-Eight Airports (Including Fuzhou and Changchun) Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the facial recognition & ID authentication system for the Forty-Eight Airports (Including Fuzhou and Changchun) 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 facial recognition & ID authentication 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 3 August 2018, the Company entered into the Xiamen Cares Beijing Capital Airport Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the security inspection/boarding whole-process pilot program for the Beijing Capital 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 and the six-month quality warranty for the security inspection/boarding whole-process pilot program.

On 17 August 2018, the Company entered into the Xiamen Cares Forty-Eight Airports (Including Fuzhou and Changchun) Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the facial recognition & ID authentication system for the Forty-Eight Airports (Including Fuzhou and Changchun) 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 facial recognition & ID authentication system.

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

### **1.1 Xiamen Cares Beijing Capital Airport Subcontract Agreement**

Date:	3 August 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/boarding whole-process pilot program for the Beijing Capital 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 and the six-month quality warranty for the security inspection/boarding whole-process pilot program.
Consideration:	RMB1,108,300.00 (equivalent to approximately HK\$1,274,545.00)

The consideration shall be paid by the Company to Xiamen Cares in two instalments according to the project progress as scheduled in Xiamen Cares Beijing Capital 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 Beijing Capital 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.

## **1.2 Xiamen Cares Forty-Eight Airports (Including Fuzhou and Changchun) Subcontract Agreement**

Date: 17 August 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 facial recognition & ID authentication system for the Forty-Eight Airports (Including Fuzhou and Changchun) 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 facial recognition & ID authentication system.

Consideration: RMB17,027,200.00 (equivalent to approximately HK\$19,581,280.00)

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 Forty-Eight Airports (Including Fuzhou and Changchun) 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 Forty-Eight Airports (Including Fuzhou and Changchun) 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 Beijing Capital International Airport Project and the Forty-Eight Airports (Including Fuzhou and Changchun) 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:

“Beijing Capital International Airport Project”	the construction of the security inspection/boarding whole-process pilot program in the west area of the Beijing Capital International Airport* (北京首都國際機場), which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Forty-Eight Airports (Including Fuzhou and Changchun) Project”	the construction of facial recognition & ID authentication system of forty-eight airports including Fuzhou Changle International Airport* (福州長樂國際機場), Changchun Longjia International Airport* (長春龍嘉國際機場) and etc., which includes but not limited to, the procurement, installation, testing and implementation of certain systems thereof
“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, 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 Beijing Capital Airport Subcontract Agreement”	the subcontract agreement dated 3 August 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/boarding whole-process pilot program for the Beijing Capital International Airport Project
“Xiamen Cares Forty-Eight Airports (Including Fuzhou and Changchun) Subcontract Agreement”	the subcontract agreement dated 17 August 2018 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the construction of the facial recognition & ID authentication system for the Forty-Eight Airports (Including Fuzhou and Changchun) Project
“Xiamen Cares Subcontract Agreements”	collectively, the Xiamen Cares Beijing Capital Airport Subcontract Agreement and the Xiamen Cares Forty-Eight Airports (Including Fuzhou and Changchun) Subcontract Agreement
“%”	per cent

\* *for identification purposes only*

*For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.15 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  
17 August 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.*