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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: 696)**

## **CONNECTED TRANSACTION**

### **SUBCONTRACT AGREEMENT WITH XIAMEN CARES**

On 20 December 2013, the Company entered into the Subcontract Agreement with Xiamen Cares, pursuant to which the Company has agreed to subcontract to Xiamen Cares the overall construction of the departure system and security inspection information system for the Enshi 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 one-year quality warranty for the departure system and security inspection information system.

Xiamen Cares is a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules. As such, the Subcontract Agreement entered into between the Company and Xiamen Cares constitutes the connected transaction 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 are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

### **SUBCONTRACT AGREEMENT**

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Date: 20 December 2013

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

Scope of work:	The Company will subcontract to Xiamen Cares the overall construction of the departure system and security inspection information system for the Enshi 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 one-year quality warranty for the departure system and security inspection information system.
Consideration:	<p>An aggregate of RMB9,885,118.4 (equivalent to approximately HK\$12,455,249.18), including RMB8,255,118.4 of the consideration of the purchase of the required software and hardware (equivalent to approximately HK\$10,401,449.18) and RMB1,630,000 of the consideration of the implementation and maintenance (equivalent to approximately HK\$2,053,800).</p> <p>The consideration shall be paid by the Company to Xiamen Cares in cash within 15 working days upon receipt of the invoice issued by Xiamen Cares after the signing of the Subcontract Agreement.</p> <p>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.</p>

## **REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS**

The Company has undertaken the Enshi 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 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 Xiamen 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.

## **IMPLICATIONS UNDER THE LISTING RULES**

Xiamen Cares is a non-wholly owned subsidiary of the Company 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 (廈門航空有限公司) is a subsidiary of Southern Holding. Southern Holding is a substantial Shareholder of the Company. Xiamen Cares is therefore a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules. As such, the Subcontract Agreement entered into between the Company and Xiamen Cares constitutes the connected transaction 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 are 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 Subcontract Agreement as he is the vice president of Southern Holding. 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.

## **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 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 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
“Enshi Airport”	恩施許家坪機場 (Enshi Xujiaping Airport*)
“Enshi Airport Project”	the overall construction of the departure system and security inspection information system of the Enshi Airport
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Southern Holding”	中國南方航空集團公司 (China Southern Air Holding Company*), a substantial shareholder of the Company as at the date of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subcontract Agreement”	the subcontract agreement dated 20 December 2013 between the Company and Xiamen Cares pursuant to which the Company has agreed to subcontract to Xiamen Cares the overall construction of the departure system and security inspection information system of the Enshi airport
“Xiamen Cares”	廈門民航凱亞有限公司 (Civil Aviation Cares of Xiamen Ltd.*)
“%”	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**  
**Xu Qiang**  
Chairman

Beijing, PRC  
20 December 2013

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

*Executive Directors:* Mr. Xu Qiang (Chairman), Mr. Cui Zhixiong and Mr. Xiao Yinhong;

*Non-executive Directors:* Mr. Wang Quanhua, Mr. Sun Yude and Mr. Cai, Kevin Yang;

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