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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 TRANSACTIONS WITH QINGDAO CARES

On 16 January 2014, the Company entered into the Supply Agreements with Qingdao Cares, including three separate agreements, pursuant to which the Company agreed to provide the required software, the overall implementation and the one-year quality warranty for the departure system and the security inspection information system of the Fuyuan Airport to Qingdao Cares.

Qingdao Cares is a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules. As such, the Supply Agreements entered into between Qingdao Cares and the Company constitute connected transactions of the Company. Since the highest applicable Percentage Ratio calculated with reference to the aggregated consideration under the Supply Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Supply Agreements are subject to the reporting and announcement requirements but exempt from the independent Shareholders' approval requirement of Chapter 14A of the Listing Rules.

SUPPLY AGREEMENTS

On 16 January 2014, the Company entered into the Supply Agreements with Qingdao Cares, pursuant to which the Company agreed to provide the required software, the overall implementation and the one-year quality warranty for the departure system and the security inspection information system of the Fuyuan Airport to Qingdao Cares. The Supply Agreements include three separate agreements entered into between the Company and Qingdao

Cares in relation to the Fuyuan Airport Project on the same date, namely the software supply agreement for the departure system, the software supply agreement for the security inspection information system and the implementation and warranty agreement for the departure system and the security inspection information system. Further details of the Supply Agreements are set out below:

Date: 16 January 2014

Parties: (1) Qingdao Cares; and
(2) the Company

Scope of work: The Company will provide the required software, the overall implementation and the one-year quality warranty for the departure system and the security inspection information system of the Fuyuan Airport to Qingdao Cares.

Consideration: An aggregate of RMB2,586,000 (equivalent to approximately HK\$3,258,360), including:

- (i) RMB1,374,000 (equivalent to approximately HK\$1,731,240) for the consideration of the procurement of the required software for the departure system;
- (ii) RMB400,000 (equivalent to approximately HK\$504,000) for the consideration of the procurement of the required software for the security inspection information system; and
- (iii) RMB812,000 (equivalent to approximately HK\$1,023,120) for the consideration of the implementation and maintenances services for the departure system and the security inspection information system.

The consideration shall be paid by Qingdao Cares to the Company in cash within 10 working days upon receipt of the relevant invoices which will be issued by the Company after the signing of the Supply Agreements.

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 market conditions.

REASONS FOR AND BENEFITS OF THE CONNECTED TRANSACTIONS

Qingdao Cares has undertaken the Fuyuan Airport Project as a general contractor. The Group is engaged in the provision of computer software and hardware development and data network services through its certain members. The Group has the necessary qualification, capability and technological skills required to carry out the relevant work as specified under the Supply Agreements. The Board is of the view that it will be for the benefit of the Company to undertake the relevant work as specified under the Supply Agreements.

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

IMPLICATIONS UNDER THE LISTING RULES

Qingdao Cares is a non-wholly owned subsidiary of the Company which is owned as to 51% by the Company, 36% by 青島國際機場集團有限公司 (Qingdao International Airport Company*) and 13% by 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.*). Shanghai Civil Aviation East China Cares System Integration Co., Ltd. is owned as to 41% by Eastern Airlines. Eastern Airlines is a subsidiary of Eastern Holding, and Eastern Holding is a substantial shareholder of the Company as at the date of this announcement. Qingdao Cares is therefore a connected person of the Company pursuant to Rule 14A.11(5) of the Listing Rules. As such, the Supply Agreements entered into between Qingdao Cares and the Company constitute connected transactions of the Company.

Since the highest applicable Percentage Ratio calculated with reference to the aggregated consideration under the Supply Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Supply Agreements 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 Supply Agreements as he is the chief information officer of Eastern Airlines. In addition, Mr. Xiao Yinhong has abstained from voting on the Supply Agreements as he is a director of Qingdao Cares. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the Supply Agreements and none of them has abstained from voting on the relevant board resolutions.

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 Qingdao Cares

Qingdao Cares is principally engaged in 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
“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
“Fuyuan Airport”	撫遠東極機場 (Fuyuan Dongji Airport*)
“Fuyuan Airport Project”	the overall construction of the departure system and the security inspection information system of the Fuyuan 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
“Qingdao Cares”	青島民航凱亞系統集成有限公司 (Civil Aviation Cares of Qingdao Limited*)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supply Agreements”	the three agreements all dated 16 January 2014 between the Company and Qingdao Cares pursuant to which the Company has agreed to provide the required software, the overall implementation and the one-year quality warranty for the departure system and the security inspection information system of the Fuyuan Airport to Qingdao Cares
“%”	percentage

* 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
16 January 2014

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

<i>Executive Directors:</i>	<i>Mr. Xu Qiang (Chairman), Mr. Cui Zhixiong and Mr. Xiao Yinhong;</i>
<i>Non-executive Directors:</i>	<i>Mr. Wang Quanhua, Mr. Sun Yude 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>