

MAJOR EVENTS IN 2002

January Civil Aviation Cares of Qingdao Ltd., a newly established local distribution centre of the Company, was incorporated to provide better services for the customers in Shandong.

February The Company and IATA signed an agreement to participate in the Billing Settlement Plan (“BSP”) system of Taiwan following the participations in BSP of Hong Kong and Singapore, which were significant initiatives by the Company to develop the overseas markets.

The Company started to publish operating data for the previous month on its website (www.travelsky.net).

March Announcement of the annual results of the Company for Year 2001.

April Electronic sale and management system of air-travel personal injury insurance, developed by the Company, commenced its operations at Kunming airport, Yunnan.

May The Annual General Meeting of the Company for Year 2001 was held, at which shareholders approved the distribution of final dividends for Year 2001.

June The Company entered into a cooperation agreement with AMADEUS with respect to air travel businesses such as global hotel reservations. Such global distribution system enables Chinese travel agencies to provide travel distribution services, such as global hotel reservations and car rentals to travellers.

July The Company announced that the “air mileage data banks” for frequent travellers, jointly established by the Company and Air China, were commence its operations.

The Company announced that the APP system in the 100 top ranking domestic airports in terms of passenger volume was about to complete in Year 2002.

Civil Aviation Cares of Xi’an Ltd. and Civil Aviation Cares Technology of Xinjiang Ltd., newly established local distribution centres of the Company, were incorporated to provide better services for the customers in Xinjiang and Shaanxi.

August Announcement of the interim results of the Company for Year 2002.

Hebei Branch Company, a newly established regional distribution centre of the Company, was established to provide better services to the customers in Hebei.

September Establishment of direct link with the system of American Northwest Airlines, which marked a significant development of the air travel distribution market in North America.

Qinghai Branch Company, a newly established regional distribution centre of the Company, was established to provide better services for the customers in Qinghai.

October The Company developed and launched trials for the internet-based electronic ticketing platform. Shenzhen Airlines Ltd. became the first customer to use such platform.

The Board of Directors convened a board meeting and approved the resignation of Mr. Yang Jun from the position of the Chairman.

December An extraordinary general meeting was convened and the resignation of Mr. Yang Jun as a Director of the Company and the appointment of Mr. Ma Tiesheng as a replacement Director were approved.

The Board of Directors convened a board meeting and elected Mr. Ma Tiesheng as the Chairman of the Company.

The Company was ranked as one of the 2002 Deloitte Touche Tohmatsu Asia Pacific Technology Fast 500.

The Sponsored Level I American depositary receipt programme of the Company was approved by the United States Securities and Exchange Commission and the depositary receipts commenced trading on the American over-the-counter market.

Shanxi Branch Company, a newly established regional distribution centre of the Company, was established to provide better services for the customers in Shanxi.