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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)

REVISION OF ANNUAL CAPS UNDER THE SERVICES FRAMEWORK AGREEMENTS

Reference is made to the announcement of the Company dated 27 August 2015 in relation to, among other things, the Dongbei Cares Services Framework Agreement with Dongbei Cares, the Hainan Cares Services Framework Agreement with Hainan Cares and the Huadong Cares Services Framework Agreement with Huadong Cares.

The main terms and obligations under each aforementioned services framework agreement are similar. Pursuant to these agreements, Dongbei Cares, Hainan Cares and Huadong Cares shall provide the Company or its customers with technical training and maintenance services, and services in respect of sale of products, purchase of equipment, marketing and distribution of products of the Company for a term of three years ending 31 December 2018. For details, please refer to the Company's announcement dated 27 August 2015.

Based on the Company's current operation plan, it is expected that the technology research and development cooperation between the Company and Dongbei Cares, Hainan Cares and Huadong Cares will be strengthened, which in turn will increase the transaction amounts under the respective Services Framework Agreements.

Taking this into account, the Company estimated that each of the original annual caps for the three years ending 31 December 2018 under each Services Framework Agreement is likely to be exceeded. As such, on 28 June 2016, the Board revised the aforementioned annual caps accordingly.

Dongbei Cares, Hainan Cares and Huadong Cares are connected persons of the Company pursuant to Rule 14A.07 of the Listing Rules.

Since each of the highest Percentage Ratio with reference to the revised annual caps for the three years ending 31 December 2018 under the respective Services Framework Agreements on an aggregate basis is more than 0.1% but less than 5%, the revision of annual caps thereunder is only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

I. BACKGROUND

Reference is made to the announcement of the Company dated 27 August 2015 in relation to, among other things, the Dongbei Cares Services Framework Agreement with Dongbei Cares, the Hainan Cares Services Framework Agreement with Hainan Cares and the Huadong Cares Services Framework Agreement with Huadong Cares.

The main terms and obligations under each aforementioned services framework agreement are similar. Pursuant to these agreements, Dongbei Cares, Hainan Cares and Huadong Cares shall provide the Company or its customers with technical training and maintenance services, and services in respect of sale of products, purchase of equipment, marketing and distribution of products of the Company for a term of three years ending 31 December 2018. For details, please refer to the Company's announcement dated 27 August 2015.

II. ORIGINAL ANNUAL CAPS UNDER THE SERVICES FRAMEWORK AGREEMENTS

Set out below are the respective original annual caps for each Services Framework Agreement for the three years ending 31 December 2018:

	Year ending 31 December		
	2016	2017	2018
Transaction under the Dongbei Cares Services Framework Agreement	RMB30,000,000 (equivalent to approximately HK\$35.4million)	RMB36,000,000 (equivalent to approximately HK\$42.48million)	RMB43,200,000 (equivalent to approximately HK\$50.98million)
Transaction under the Hainan Cares Services Framework Agreement	RMB11,629,000 (equivalent to approximately HK\$13.72million)	RMB13,955,000 (equivalent to approximately HK\$16.47million)	RMB16,746,000 (equivalent to approximately HK\$19.76million)
Transaction under the Huadong Cares Services Framework Agreement	RMB36,161,000 (equivalent to approximately HK\$42.67million)	RMB39,777,000 (equivalent to approximately HK\$46.94million)	RMB43,755,000 (equivalent to approximately HK\$51.63million)

III. REVISED ANNUAL CAPS UNDER THE SERVICES FRAMEWORK AGREEMENTS

Based on the Company's current operation plan, it is expected that the technology research and development cooperation between the Company and Dongbei Cares, Hainan Cares and Huadong Cares will be strengthened, which in turn will increase the transaction amounts under the respective Services Framework Agreements.

Taking this into account, the Company estimated that each of the original annual caps for the three years ending 31 December 2018 under each Services Framework Agreement is likely to be exceeded. As such, on 28 June 2016, the Board revised the aforementioned annual caps accordingly.

Set out below are the respective revised annual caps for each Services Framework Agreement for the three years ending 31 December 2018:

	Year ending 31 December		
	2016	2017	2018
Transaction under the Dongbei Cares Services Framework Agreement	RMB33,000,000 (equivalent to approximately HK\$38.94million)	RMB39,600,000 (equivalent to approximately HK\$46.73million)	RMB47,520,000 (equivalent to approximately HK\$56.07million)
Transaction under the Hainan Cares Services Framework Agreement	RMB20,000,000 (equivalent to approximately HK\$23.6 million)	RMB24,000,000 (equivalent to approximately HK\$28.32million)	RMB28,800,000 (equivalent to approximately HK\$33.98million)
Transaction under the Huadong Cares Services Framework Agreement	RMB42,900,000 (equivalent to approximately HK\$50.62million)	RMB47,190,000 (equivalent to approximately HK\$55.68million)	RMB51,910,000 (equivalent to approximately HK\$61.25million)

The aforementioned revised annual caps under each Services Framework Agreement are determined with reference to the following factors:

- (i) the historical transaction amounts for the three years ended 31 December 2015 and the four months ended 30 April 2016 as shown in the table below:

	Year ended 31 December			Four months ended
	2013	2014	2015	30 April 2016 (unaudited)
Transaction under the Dongbei Cares Services Framework Agreement	RMB8,630,000 (equivalent to approximately HK\$10.79 million)	RMB16,358,000 (equivalent to approximately HK\$20.45 million)	RMB9,254,000 (equivalent to approximately HK\$10.92 million)	RMB7,786,998 (equivalent to approximately HK\$9.19 million)
Transaction under the Hainan Cares Services Framework Agreement	RMB3,251,000 (equivalent to approximately HK\$4.06 million)	RMB8,076,000 (equivalent to approximately HK\$10.10 million)	RMB10,192,000 (equivalent to approximately HK\$12.03 million)	RMB4,130,583 (equivalent to approximately HK\$4.87 million)
Transaction under the Huadong Cares Services Framework Agreement	RMB24,452,000 (equivalent to approximately HK\$30.57 million)	RMB27,343,000 (equivalent to approximately HK\$34.18 million)	RMB31,300,000 (equivalent to approximately HK\$36.93 million)	RMB9,321,300 (equivalent to approximately HK\$11.00 million)

- (ii) the increasing business demand of the Company for the relevant technology services.

The Board further confirms that each original annual cap for the year ending 31 December 2016 under the respective Services Framework Agreements has not yet been exceeded as at the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

Dongbei Cares is owned as to 46% by the Company and over 30% by Southern Holding. As an associate of Southern Holding, Dongbei Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

Hainan Cares is a non-wholly owned subsidiary of the Company owned as to 64.78% by the Company and over 10% by Southern Holding. As Southern Holding is directly interested in more than 10% shareholding in Hainan Cares, Hainan Cares is a connected person of the Company pursuant to Rule 14A.07(5) of the Listing Rules.

Huadong Cares is owned as to 41% by the Company and over 30% by Eastern Airlines. As an associate of Eastern Holding, Huadong Cares is a connected person of the Company under Rule 14A.07(4) of the Listing Rules.

As such, the Services Framework Agreements, the transactions and revised annual caps contemplated thereunder constitute connected transactions of the Listing Rules. Since each of the highest Percentage Ratio with reference to the revised annual caps for the three years ending 31 December 2018 under the respective Services Framework Agreements on an aggregate basis is more than 0.1% but less than 5%, the revision of annual caps thereunder is only subject to the reporting and announcement requirements but exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Yuan Xin'an has abstained from voting on the revision to the original annual caps under the Hainan Cares Services Framework Agreement and the Dongbei Cares Services Framework Agreement as he is a director of Southern Holding. Mr. Li Yangmin has abstained from voting to the revision of the annual caps under the Huadong Cares Services Framework Agreement as he is a director of Eastern Airlines. Except for the above, none of the Directors has a material interest in the revision to the annual caps under the Services Framework Agreements and none of them has abstained from voting on the relevant Board resolutions.

IV. 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 provision of accounting, settlement and clearing services and information system development and support services to domestic and worldwide airline companies.

Information on Dongbei Cares

Dongbei Cares is principally engaged in the provision of computer hardware and software development and data network services.

Information on Hainan Cares

Hainan Cares is principally engaged in the provision of electronic travel distribution and cargo management services, and sale and installation of the related information systems.

Information on Huadong Cares

Huadong Cares is principally engaged in the provision of computer hardware and software development and data network services.

V. DEFINITIONS

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

“associate(s)”	have the same meaning ascribed to it under the Listing Rules
“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
“Dongbei Cares”	瀋陽民航東北凱亞有限公司 (Shenyang Civil Aviation Cares of Northeast China, Ltd.*)
“Dongbei Cares Services Framework Agreement”	the services framework agreement entered into on 31 August 2012 between the Company and Dongbei Cares and renewed on 27 August 2015 for a term of three years ending 31 December 2018 in relation to the provision of technical training and maintenance services, and services in respect of sale of products, purchase of equipment, marketing and distribution of products 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 Company*), a substantial shareholder of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hainan Cares”	海南民航凱亞有限公司 (Hainan Civil Aviation Cares Co., Ltd.*)

“Hainan Cares Services Framework Agreement”	the services framework agreement entered into on 31 August 2013 between the Company and Hainan Cares and renewed on 27 August 2015 for a term of three years ending 31 December 2018 in relation to the provision of technical training and maintenance services, and services in respect of sale of products, purchase of equipment, marketing and distribution of products of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Huadong Cares”	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.*)
“Huadong Cares Services Framework Agreement”	the services framework agreement entered into on 31 August 2012 between the Company and Huadong Cares and renewed on 27 August 2015 for a term of three years ending 31 December 2018 in relation to the provision of technical training and maintenance services, and services in respect of sale of products, purchase of equipment, marketing and distribution of products of the Company
“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
“Services Framework Agreement(s)”	Dongbei Cares Services Framework Agreement, Hainan Cares Services Framework Agreement and/or Huadong Cares Services Framework Agreement
“Shareholder(s)”	the shareholders of the Company
“Southern Holding”	中國南方航空集團公司 (China Southern Air Holding Company*) which is a substantial shareholder of the Company as at the date of the announcement

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the same meaning as ascribed to it under the Listing Rules
“%”	per cent

* For identification purposes only

For the purpose of this announcement, unless otherwise indicated, the exchange rate at RMB1 = HK\$1.18 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
28 June 2016

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

<i>Executive Directors:</i>	<i>Mr. Cui Zhixiong (Chairman) and Mr. Xiao Yinhong;</i>
<i>Non-executive Directors:</i>	<i>Mr. Cao Jianxiong, Mr. Li Yangmin, and Mr. Yuan Xin'an;</i>
<i>Independent non-executive Directors:</i>	<i>Mr. Cheung Yuk Ming, Mr. Cao Shiqing and Dr. Ngai Wai Fung.</i>