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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:  
QINGDAO CARES SUBCONTRACT AGREEMENTS**

On 12 August 2020, the Company entered into the Qingdao Cares Penglai International Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the operation command dispatching information system for the Penglai International Airport Project, which includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the three-year quality warranty for the operation command dispatching information system.

On 12 October 2020, the Company entered into the Qingdao Cares Taoxian Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Taoxian Airport Project, which includes but not limited to, the installation, testing and maintenance of the required hardware and software and the overall system implementation for the airport collaborative decision-making (A-CDM) system.

On 12 November 2020, the Company entered into the Qingdao Cares Zhuhai Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system and operation management platform system for the Zhuhai Airport Project, which includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the one-year quality warranty for the airport collaborative decision-making (A-CDM) system and operation management platform system.

On 3 December 2020, the Company entered into the Qingdao Cares Jining Qufu Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Jining Qufu Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and the overall system implementation as well as the two-year quality warranty for the airport collaborative decision-making (A-CDM) system.

On 30 December 2020, the Company entered into the Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the weak current system for the Anshun Huangguoshu Airport Project, which includes but not limited to, the procurement, installation and testing of the required hardware and software and the overall system implementation as well as the two-year quality warranty for the weak current system.

Qingdao Cares is a non-wholly-owned subsidiary of the Company, which is owned as to 51% by the Company, 36% by Qingdao International Airport and 13% by Huadong Cares. Huadong Cares 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 under the Listing Rules. As such, the transactions contemplated under the Qingdao Cares Subcontract Agreements constitute connected transactions of the Company.

Since the highest applicable percentage ratio calculated with reference to the consideration under the Qingdao Cares Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Qingdao 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. QINGDAO CARES SUBCONTRACT AGREEMENTS**

On 12 August 2020, the Company entered into the Qingdao Cares Penglai International Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the operation command dispatching information system for the Penglai International Airport Project, which includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the three-year quality warranty for the operation command dispatching information system.

On 12 October 2020, the Company entered into the Qingdao Cares Taoxian Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Taoxian Airport Project, which includes but not limited to, the installation, testing and maintenance of the required hardware and software and the overall system implementation for the airport collaborative decision-making (A-CDM) system.

On 12 November 2020, the Company entered into the Qingdao Cares Zhuhai Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system and operation management platform system for the Zhuhai Airport Project, which

includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the one-year quality warranty for the airport collaborative decision-making (A-CDM) system and operation management platform system.

On 3 December 2020, the Company entered into the Qingdao Cares Jining Qufu Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Jining Qufu Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and the overall system implementation as well as the two-year quality warranty for the airport collaborative decision-making (A-CDM) system.

On 30 December 2020, the Company entered into the Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement with Qingdao Cares, pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the weak current system for the Anshun Huangguoshu Airport Project, which includes but not limited to, the procurement, installation and testing of the required hardware and software and the overall system implementation as well as the two-year quality warranty for the weak current system.

Further details of Qingdao Cares Subcontract Agreements are set out below:

**1.1 Qingdao Cares Penglai International Airport Subcontract Agreement**

Date:	12 August 2020
Parties:	(1) the Company (as contractor); and (2) Qingdao Cares (as subcontractor)
Scope of work:	The Company will subcontract to Qingdao Cares the construction of the operation command dispatching information system for the Penglai International Airport Project, which includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the three-year quality warranty for the operation command dispatching information system.
Consideration:	RMB2,718,795.38 (equivalent to approximately HK\$3,208,178.55).

The consideration shall be paid by the Company to Qingdao Cares in three instalments according to the project progress as scheduled in the Qingdao Cares Penglai International Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual provision of services under the Qingdao Cares Penglai International 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 relevant services and after taking into account the market conditions.

## **1.2 Qingdao Cares Taoxian Airport Subcontract Agreement**

Date: 12 October 2020

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

Scope of work: The Company will subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Taoxian Airport Project, which includes but not limited to, the installation, testing and maintenance of the required hardware and software and the overall system implementation for the airport collaborative decision-making (A-CDM) system.

Consideration: RMB250,000.00 (equivalent to approximately HK\$295,000.00).

The consideration shall be paid by the Company to Qingdao Cares in two instalments according to the project progress as scheduled in the Qingdao Cares Taoxian Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual provision of services under the Qingdao Cares Taoxian 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 relevant services and after taking into account the market conditions.

### **1.3 Qingdao Cares Zhuhai Airport Subcontract Agreement**

Date: 12 November 2020

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

Scope of work: The Company will subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system and operation management platform system for the Zhuhai Airport Project, which includes but not limited to, the installation and testing of the required hardware and software and the overall system implementation as well as the one-year quality warranty for the airport collaborative decision-making (A-CDM) system and operation management platform system.

Consideration: RMB3,968,128.26 (equivalent to approximately HK\$4,682,391.35).

The consideration shall be paid by the Company to Qingdao Cares in two instalments according to the project progress as scheduled in the Qingdao Cares Zhuhai Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual provision of services under the Qingdao Cares Zhuhai 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 relevant services and after taking into account the market conditions.

#### **1.4 Qingdao Cares Jining Qufu Airport Subcontract Agreement**

Date: 3 December 2020

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

Scope of work: The Company will subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Jining Qufu Airport Project, which includes but not limited to, the procurement, installation and testing of the required software and the overall system implementation as well as the two-year quality warranty for the airport collaborative decision-making (A-CDM) system.

Consideration: RMB230,000.00 (equivalent to approximately HK\$271,400.00).

The consideration shall be paid by the Company to Qingdao Cares in two instalments according to the project progress as scheduled in the Qingdao Cares Jining Qufu 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 the provision of services under the Qingdao Cares Jining Qufu 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 including the necessary technical support services and after taking into account the market conditions.

## **1.5 Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement**

Date: 30 December 2020

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

Scope of work: The Company will subcontract to Qingdao Cares the construction of the weak current system for the Anshun Huangguoshu Airport Project, which includes but not limited to, the procurement, installation and testing of the required hardware and software and the overall system implementation as well as the two-year quality warranty for the weak current system.

Consideration: RMB7,047,173.40 (equivalent to approximately HK\$8,315,664.64).

The consideration shall be paid by the Company to Qingdao Cares in four instalments according to the project progress as scheduled in the Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement.

The parties may enter into a supplemental agreement to amend the consideration according to the actual purchase amount of the required hardware and software and the provision of services under the Qingdao Cares Anshun Huangguoshu 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 hardware and software 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 the Penglai International Airport Project, the Taoxian Airport Project, the Zhuhai Airport Project, the Jining Qufu Airport Project and the Anshun Huangguoshu Airport Project as a general contractor. Qingdao Cares is principally engaged in the provision of computer software and hardware development and data network services.

Qingdao Cares has the necessary qualifications, capabilities and technological skills required to carry out the relevant works as specified under the Qingdao Cares Subcontract Agreements. The Board is of the view that it will be for the benefit of the Company that the Company subcontracts to Qingdao Cares the relevant work as specified under the aforementioned subcontract agreements.

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

Qingdao Cares is a non-wholly-owned subsidiary of the Company, which is owned as to 51% by the Company, 36% by Qingdao International Airport and 13% by Huadong Cares. Huadong Cares 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 under the Listing Rules. As such, the transactions contemplated under the Qingdao Cares Subcontract Agreements constitute connected transactions of the Company.

Since the highest applicable percentage ratio calculated with reference to the consideration under the Qingdao Cares Subcontract Agreements is more than 0.1% but less than 5%, the transactions contemplated under the Qingdao 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. Xi Sheng, a non-executive Director, who holds positions in Eastern Holding and Eastern Airlines, has abstained from voting at the Board meeting to approve the transactions under the Qingdao Cares Subcontract Agreements. Except for the above, none of the Directors has a material interest in the transactions under the Qingdao Cares Subcontract Agreements and none of them has abstained from voting on the relevant Board resolutions.

### **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 settlement and clearing services and information system development and support services to domestic and worldwide airline companies.



## **Information on CTHCL**

CTHCL is a wholly PRC state-owned enterprise. As at the date of this announcement, it is a substantial Shareholder of the Company and holds approximately 29.29% of the total issued share capital of the Company. It is principally engaged in the management of the state-owned assets and state-owned equity interests resulting from investments of the state in the group companies and its invested entities.

## **Information on Qingdao Cares**

Qingdao Cares is principally engaged in the provision of computer software and hardware development and data network services. As at the date of this announcement, Qingdao Cares is a non-wholly-owned subsidiary of the Company, which is owned as to 51% by the Company, 36% by Qingdao International Airport and 13% by Huadong Cares.

## **Information on Huadong Cares**

Huadong Cares is principally engaged in the provision of computer software and hardware development and data network services. As at the date of this announcement, Huadong Cares is owned as to 41% by the Company, 41% by Eastern Airlines and 18% by Shanghai International Airport.

Eastern Airlines is a company listed on the Shanghai Stock Exchange (Stock Code: 600115), the Stock Exchange (Stock Code: 670) and the New York Stock Exchange (ADR: CEA), and is principally engaged in the operation of civil aviation, including the provision of passenger, cargo, mail delivery and other extended transportation services. As at the date of this announcement, Eastern Airlines is a subsidiary of Eastern Holding, and Eastern Holding is a state-owned company ultimately wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC as well as a substantial Shareholder of the Company. Therefore, each of Eastern Airlines and Eastern Holding is a connected person of the Company pursuant to the Listing Rules.

Shanghai International Airport is a company listed on the Shanghai Stock Exchange (Stock Code: 600009), and is principally engaged in ground support services for global air transport enterprises and passengers. As at the date of this announcement, Shanghai International Airport is a subsidiary of Shanghai Airport (Group) and Shanghai Airport (Group) is a state-owned company ultimately wholly owned by the State-owned Assets Supervision and Administration Commission of Shanghai. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Shanghai International Airport and Shanghai Airport (Group) is an independent third party of the Company and its connected persons.

## Information on Qingdao International Airport

Qingdao International Airport is a limited liability company incorporated in the PRC, and is principally engaged in the airport management, asset operation management; air transport services; air passenger and cargo agency services; real estate development; design, production, agency; air cargo insurance; parking services; site and property rental and franchising; property management; business management consulting, etc. As at the date of this announcement, Qingdao International Airport is owned as to 93.7% by State-owned Assets Supervision and Administration Commission of the People's Government of Qingdao and 6.3% by China Development Fund. China Development Fund is a state-owned company ultimately wholly owned by the State Council of the PRC and is principally engaged in the investment in non-securities business, investment management and consulting. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Qingdao International Airport and China Development Fund is an independent third party of the Company and its connected persons.

## 5. DEFINITIONS

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

“Anshun Huangguoshu Airport Project”	the construction of the weak current system of Anshun Huangguoshu Airport* (安順黃果樹機場), which includes but not limited to, the installation, testing and implementation of certain systems thereof
“Board”	the board of Directors
“China Development Fund”	China Development Fund Co., Ltd.* (國開發展基金有限公司)
“Company”	TravelSky Technology Limited, a company incorporated under the laws of the PRC whose H 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(s)”	has the same meaning as ascribed to it under the Listing Rules
“CTHCL”	China TravelSky Holding Company Limited* (中國民航信息集團有限公司), a substantial Shareholder of the Company as at the date of this announcement
“Director(s)”	the director(s) of the Company

“Eastern Airlines”	China Eastern Airlines Corporation Limited* (中國東方航空股份有限公司), a subsidiary of Eastern Holding as at the date of this announcement
“Eastern Holding”	China Eastern Air Holding Company Limited* (中國東方航空集團有限公司), a substantial Shareholder of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Hong Kong”	the Hong Kong Special Administrative Region
“Huadong Cares”	Shanghai Civil Aviation East China Cares System Integration Co., Ltd.* (上海民航華東凱亞系統集成有限公司)
“Jining Qufu Airport Project”	the construction of the airport collaborative decision-making (A-CDM) system of Jining Qufu Airport* (濟寧曲阜機場), which includes but not limited to, the installation, testing and implementation of certain systems thereof
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Penglai International Airport Project”	the construction of the operation command dispatching information system of Yantai Penglai International Airport* (煙台蓬萊國際機場), which includes but not limited to, the installation, testing and implementation of certain systems thereof
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Qingdao Cares”	Civil Aviation Cares of Qingdao Limited* (青島民航凱亞系統集成有限公司)
“Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement”	the subcontract agreement dated 30 December 2020 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the weak current system for the Anshun Huangguoshu Airport Project

“Qingdao Cares Jining Qufu Airport Subcontract Agreement”	the subcontract agreement dated 3 December 2020 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Jining Qufu Airport Project
“Qingdao Cares Penglai International Airport Subcontract Agreement”	the subcontract agreement dated 12 August 2020 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the operation command dispatching information system for the Penglai International Airport Project
“Qingdao Cares Subcontract Agreements”	collectively, the Qingdao Cares Penglai International Airport Subcontract Agreement, the Qingdao Cares Taoxian Airport Subcontract Agreement, the Qingdao Cares Zhuhai Airport Subcontract Agreement, the Qingdao Cares Jining Qufu Airport Subcontract Agreement and the Qingdao Cares Anshun Huangguoshu Airport Subcontract Agreement
"Qingdao Cares Taoxian Airport Subcontract Agreement”	the subcontract agreement dated 12 October 2020 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system for the Taoxian Airport Project
“Qingdao Cares Zhuhai Airport Subcontract Agreement”	the subcontract agreement dated 12 November 2020 between the Company and Qingdao Cares pursuant to which the Company has agreed to subcontract to Qingdao Cares the construction of the airport collaborative decision-making (A-CDM) system and operation management platform system for the Zhuhai Airport Project
“Qingdao International Airport”	Qingdao International Airport Group Co., Ltd.* (青島國際機場集團有限公司)
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Airport (Group)”	Shanghai Airport (Group) Co., Ltd.* (上海機場(集團)有限公司)
“Shanghai International Airport”	Shanghai International Airport Company Limited* (上海國際機場股份有限公司)
“Shareholder(s)”	the shareholder(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning as ascribed to it under the Listing Rules
"Taoxian Airport Project"	the construction of the airport collaborative decision-making (A-CDM) system of the Shenyang Taoxian International Airport* (瀋陽桃仙國際機場), which includes but not limited to, the installation, testing, maintenance and implementation of certain systems thereof
“Zhuhai Airport Project”	the construction of the airport collaborative decision-making (A-CDM) system and operation management platform system of the Zhuhai Airport* (珠海機場), which includes but not limited to, the installation, testing and implementation of certain systems thereof
“%”	per cent

\* *for identification purpose 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 does not constitute a representation that any amount has been, could have been or may be exchanged.*

By the order of the Board  
**TravelSky Technology Limited**  
**Cui Zhixiong**  
*Chairman*

Beijing, PRC  
30 December 2020

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

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

*Non-executive Directors: Mr. Zhao Xiaohang, Mr. Xi Sheng and Mr. Luo Laijun;*

*Independent non-executive Directors: Mr. Cao Shiqing, Dr. Ngai Wai Fung and Mr. Liu Xiangqun.*