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**SkyNet Group Limited**  
**航空互聯集團有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8176)**

**INSIDE INFORMATION**

**2016 COOPERATION AGREEMENT  
WITH AN AIRLINE COMPANY**

This announcement is made by SkyNet Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 3 December 2015 in relation to, among other things, the cooperation agreement dated 3 December 2015 (the “**2015 Cooperation Agreement**”) entered into between Shenzhen Donica Networking Technology Co. Ltd. (“**Shenzhen Donica**”), an indirect wholly-owned subsidiary of the Company and a wholly-foreign-owned enterprise in the People’s Republic of China (the “**PRC**”), and an airline company in the PRC (the “**Airline**”).

The Board hereby announces that, on 24 October 2016 (after trading hours), Shenzhen Donica entered into another cooperation agreement (the “**2016 Cooperation Agreement**”) with the Airline, pursuant to which the 2015 Cooperation Agreement and all other relevant arrangements contemplated thereunder have been superseded by the 2016 Cooperation Agreement. The arrangements under the 2016 Cooperation Agreement are more favourable to Shenzhen Donica as compared to those under the 2015 Cooperation Agreement. Pursuant to the 2016 Cooperation Agreement, the annual guaranteed minimum payment from Shenzhen Donica to the Airline has been substantially reduced and Shenzhen Donica is entitled to a higher profit sharing ratio for revenue generated by the in-flight WLAN and WIFI connection equipment business introduced by Shenzhen Donica. In addition, the Airline agreed to forgo all of the unpaid annual guaranteed minimum payment owed by Shenzhen Donica to the Airline under the 2015 Cooperation Agreement.

In return of the above, Shenzhen Donica agreed to transfer to the Airline the right of use of a specified number of in-flight WLAN and WIFI equipment and in the event that Shenzhen Donica breaches the 2016 Cooperation Agreement, the ownerships of such in-flight WLAN and WIFI equipment will be transferred to the Airline.

The term of the 2016 Cooperation Agreement is three years commencing from 24 October 2016.

The Directors are of the view that the terms of the 2016 Cooperation Agreement are on normal commercial terms, which are fair and reasonable, and are in the interests of the Company and its shareholders as a whole. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Airline and its ultimate beneficial owner(s) are independent third parties of and are not connected with the Company and its connected persons (as defined under the GEM Listing Rules) as at the date of this announcement.

By Order of the Board  
**SkyNet Group Limited**  
**Cai Zhaoyang**  
*Executive Director, Chairman and  
Chief Executive Officer*

Hong Kong, 24 October 2016

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cai Zhaoyang, Mr. Chan Kin Wah Billy and Mr. Lee Chan Wah, and three independent non-executive Directors, namely Mr. Tam B Ray Billy, Mr. Chu Kin Wang Peleus and Mr. Tse Joseph.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the website of the Growth Enterprise Market at <http://www.hkgem.com> for at least 7 days from the date of its posting and be posted on the website of the Company at <http://www.skynetgroup.com.hk>.*