



WING ON TRAVEL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

(Warrant Code: 774)

ANNOUNCEMENT

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to certain press articles appeared on today's Apple Daily and am730 (the "Articles") in which it was reported that, among other things, the application for leave to appeal submitted by Wing On Travel (Holdings) Limited (the "Company", together with its subsidiaries, the "Group") to the Court of Appeal in relation to the calculation of tour escort's holiday compensation allowance has been dismissed on 8 October 2008. It was also reported that the labour union for tour escort has received more than 200 complaints in relation to this matter and the Company is one of the tour operators which received most complaints. It was further reported that the maximum amount of claims involved may reach HK\$1.25 billion by all the tour escorts in the industry.

The board of directors (the "Board") of the Company wishes to state that the Company has been informed of the result of the dismissal of the appeal and is seeking legal advice on further course of actions to be taken including whether any application for appeal will be made to the Appeal Committee of the Court of Final Appeal. The Company is however not aware of the total number of complaints received by the labour union as mentioned in the Articles and is not in a position to ascertain the basis of the statement contained in the Articles regarding the maximum potential claims of HK\$1.25 billion in the industry. The Board wishes to state that as of today, there are 108 ex-employees of the Company who have filed their claims with the Labour Tribunal and the amount of claims involved is approximately HK\$11 million (the "Claims"). As the amount of the Claims to date represents less than 0.5% of the total equity of the Group of approximately HK\$2,515 million as of 30 June 2008, the Board considers that the Claims would not have a material adverse impact on the Group's business operations and financial position. However, as the final number of all claimants cannot be ascertained and the final amount of the claims, if any, which may be successfully awarded is

subject to court decision and the Labour Tribunal's further deliberation, the Board estimates that, in the meantime, the likely amount of all such potential claims is in the range of HK\$20 million to HK\$45 million. The Company will, in conjunction with its legal advisers, monitor the position and assess the impact of this matter on the Group from time to time and keep shareholders and investors informed as and when appropriate.

Shareholders and investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
WING ON TRAVEL (HOLDINGS) LIMITED
Lui Siu Tsuen, Richard
Executive Director

Hong Kong, 9 October 2008

As at the date of this announcement, the directors are as follows:

Executive Directors:

Mr. Cheung Hon Kit (*Managing Director*)
Dr. Yap, Allan
Mr. Chan Pak Cheung, Natalis
Mr. Lui Siu Tsuen, Richard

Independent Non-Executive Directors:

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai