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WING ON TRAVEL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

(Warrant Code: 774)

DISCLOSEABLE TRANSACTION RELATING TO ACQUISITION OF EQUITY INTEREST IN A NON WHOLLY-OWNED SUBSIDIARY

On 30 June 2009 (after the trading hours of the Stock Exchange), the Purchaser entered into the Agreement with the Vendor, pursuant to which the Vendor has agreed to sell and the Purchaser, an indirect wholly-owned subsidiary of the Company, has agreed to purchase the Sale Shares for a total cash consideration of HK\$70 million.

The Sales Shares represent 8% of the issued share capital of Apex Quality as at the date of this announcement. Upon Completion, the Company's equity interest in Apex Quality will increase from 67.9% to 75.9% and Apex Quality will remain as an indirect non wholly-owned subsidiary of the Company.

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

THE AGREEMENT

Date:

30 June 2009

Parties:

- (i) Purchaser: Millennium Target Holdings Limited; and
- (ii) Vendor: Mr. Wang Yung Tyng

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for being a shareholder of Apex Quality holding 8% of its issued share capital prior to the Acquisition, the Vendor is an Independent Third Party. The Company has not involved in any previous transaction with the Vendor in the previous 12 months which would otherwise require aggregation with the Acquisition pursuant to Rule 14.22 of the Listing Rules.

Assets to be acquired

The Sale Shares, being 22,204,500 ordinary shares of US\$0.02 each in the capital of Apex Quality beneficially and legally owned by the Vendor, represent 8% of the issued share capital of Apex Quality as at the date of this announcement.

The Sale Shares shall be acquired free from all liens, charges and encumbrances and together with all rights attaching thereto including all dividends and distributions declared, made or paid on or after the date of the Agreement.

Consideration

The total consideration for the Sale Shares is HK\$70 million which shall be settled in cash upon Completion. The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser having taken into account the unaudited consolidated net asset value of the Apex Quality Group of approximately HK\$694.6 million as at 31 March 2009, the future prospects of the hotel business of the Apex Quality Group in the PRC, and the potential appreciation in the value of the hotel property owned by the Apex Quality Group.

The cash consideration will be funded by internal resources of the Group.

Conditions precedent to the Agreement

Completion is conditional upon fulfilment or waiver of the following conditions:

- (i) (if required) the passing by the Shareholders (other than those who are prohibited from voting under the Listing Rules, if applicable) of all necessary resolutions at a special general meeting of the Company approving this Agreement and the transactions contemplated thereunder as required by the Listing Rules;
- (ii) the Purchaser being satisfied that all the warranties, representations and/or undertakings given or made by the Vendor as contained in the Agreement remain true and accurate in all respects and not misleading in any respect as at the fulfillment or waiver of the last in time to be fulfilled of all the conditions precedent to the Agreement (other than this condition);
- (iii) all other requisite consents, authorizations and approvals (or, as the case may be, the relevant waiver) in connection with the entering into and performance of the terms of the Agreement having been obtained by the respective parties;
- (iv) the Purchaser being satisfied that there has been no material adverse change in the financial position, business or results of operations of Apex Quality as a whole as at the date of Completion;
- (v) where required pursuant to the terms of any contracts, agreements or any loan or finance documentation entered into by Apex Quality, the counterparties thereto having confirmed that they will not seek to terminate or vary any term therein or make a claim thereunder as a result of, or treat as a breach of any terms thereof as a result of completion of the transactions contemplated by the Agreement; and
- (vi) the Vendor having fulfilled all his obligations and undertakings contained in the Agreement to the satisfaction of the Purchaser.

Since the transactions contemplated under the Agreement constitute only a discloseable transaction under the Listing Rules and no Shareholders' approval is required, condition (i) is considered satisfied. The Purchaser may in its absolute discretion waive the other conditions precedent above at any time by notice in writing to the Vendor.

In the event that not all of the conditions precedent to the Agreement are fulfilled, or waived by the Purchaser on or before 31 August 2009 (or such later date as the Purchaser and the Vendor may agree in writing), then neither the Purchaser nor the Vendor shall be bounded to proceed with the sale and purchase of the Sale Shares and the Agreement shall be automatically terminated forthwith and ceased to be of any effect except for certain clauses stated in the Agreement which shall remain in force, whereupon the Purchaser and the Vendor shall have no claim against each other arising out of or in connection with the Agreement and in respect of claims arising out of any antecedent breach of the Agreement.

Completion

Completion shall take place on the third business day following the satisfaction or waiver of all the conditions precedent to the Agreement (or such other date as the Purchaser and the Vendor shall agree in writing).

INFORMATION ON THE APEX QUALITY GROUP

Apex Quality is a private limited company incorporated in BVI on 23 April 2003. It is an investment holding company with its subsidiaries principally engaged in the business of hotel management and hotel operation in Hong Kong and the PRC.

The table below sets out the audited consolidated financial information of the Apex Quality Group:

(HK\$'000)

Profit/(loss) before tax	
– year ended 31 December 2007	32,611
– year ended 31 December 2008	(28,162)
Profit/(loss) after tax	
– year ended 31 December 2007	80,176
– year ended 31 December 2008	(29,239)
Equity attributable to equity holders	
– as at 31 December 2008	707,667
– as at 31 March 2009 (unaudited)	694,644

The above financial information of the Apex Quality Group is prepared using the Hong Kong Financial Reporting Standards.

REASONS FOR THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in the business of providing package tours, travel and other related services, hotel operation in Hong Kong and the PRC and trading of securities.

The Apex Quality Group is engaged in the business of hotel management and hotel operation in Hong Kong, Guangzhou, Luoyang, Beijing and Shenyang in the PRC. As disclosed in the 2008 annual report of the Company, the Directors believe that the PRC continues to be the world tourism focus on both domestic and international travel. To this end, the Group has formulated strategies to expand its PRC network through the expansion of its hotel portfolio and has recently announced the acquisition of a company with an operation right to a hotel in the Henan Province. As the Apex Quality Group has established a solid foundation in hotel operation in the PRC, the Directors consider that the Acquisition would further enhance the Group's position in tapping the growth potential in the tourism and hospitality industry in the PRC. The Directors also consider that the potential value of the hotel property of the Apex Quality Group in Hong Kong could be benefited from the recent revitalizing property market condition and the acquisition of additional equity interest in the Apex Quality Group could further increase the Group's interest in such potential benefits.

The Directors are of the opinion that the terms of the Agreement are fair and reasonable and the Acquisition is on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

Upon Completion, the Company's equity interest in Apex Quality will increase from 67.9% to 75.9% and Apex Quality will remain as an indirect non wholly-owned subsidiary of the Company.

GENERAL

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings as set out below:–

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Agreement
“Agreement”	the conditional sale and purchase agreement dated 30 June 2009 entered into between the Purchaser and the Vendor in respect of the Acquisition
“Apex Quality”	Apex Quality Group Limited, a company incorporated under the laws of BVI and is directly owned as to 67.9% by the Purchaser as at the date of this announcement
“Apex Quality Group”	Apex Quality and its subsidiaries from time to time
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands

“Company”	Wing On Travel (Holdings) Limited, a company incorporated under the laws of Bermuda with limited liability and the shares and warrants of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Consideration”	the aggregate consideration of HK\$70,000,000 for the Acquisition
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is/are independent of and not connected with the Company and any of the directors, chief executive, substantial shareholders of the Company or any of its subsidiaries or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Millennium Target Holdings Limited, a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Sale Shares”	22,204,500 ordinary shares of US\$0.02 each in the capital of Apex Quality, representing 8% of the issued share capital of Apex Quality

“Shareholders”	holders of the ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Mr. Wang Yung Tyng
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America

By Order of the Board
Wing On Travel (Holdings) Limited
Dr. Yap, Allan
Executive Director

Hong Kong, 30 June 2009

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

Executive Directors:

Mr. Cheung Hon Kit (*Chairman*)
Ms. Chan Ling, Eva (*Managing Director*)
Dr. Yap, Allan
Mr. Chan Pak Cheung, Natalis

Independent Non-Executive Directors:

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