WLS Holdings Limited
滙隆控股有限公司*

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

(Stock Code: 8021)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2015

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED ("STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of the issuer ("Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules ("GEM Listing Rules") Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the issuer. 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.

* *For identification purpose only*

The Board of Directors ("Board") of WLS Holdings Limited ("Company") announces the consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 30 April 2015 ("Year") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 April 2015

	Notes	**2015** **HK$'000**	2014 *HK$'000*
Turnover	2	**136,641**	111,961
Cost of sales		**(118,885)**	(102,254)
Gross profit		**17,756**	9,707
Other income	4	**1,956**	1,058
Operating and administrative expenses		**(28,099)**	(75,012)
Increase in fair value of investment properties		**5,071**	620
Change in fair value of call option		**1,610**	–
Gain/(loss) on disposal of property, plant and equipment		**418**	(183)
Loss on early redemption of convertible bonds		**(743)**	–
Loss on write-off of property, plant and equipment		**(1,237)**	–
Finance costs	5	**(5,575)**	(2,093)
Impairment of goodwill		**–**	(3,138)
Share of results of associates		**1,315**	–
Loss before taxation		**(7,528)**	(69,041)
Taxation	6	**(206)**	7,572
Loss for the year	7	**(7,734)**	(61,469)
Other comprehensive income, net of tax		**–**	–
Total comprehensive loss for the year		**(7,734)**	(61,469)
Loss and total comprehensive loss attributable to:			
Equity holders of the Company		**(9,655)**	(61,275)
Non-controlling interests		**1,921**	(194)
		(7,734)	(61,469)
Dividend	8	**–**	–
			(Restated)
Loss per share – basic	9	**(HK0.9 cent)**	(HK13 cents)
			(Restated)
Loss per share – diluted	9	**(HK0.9 cent)**	(HK13 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 April 2015

	Notes	2015 HK$'000	2014 HK$'000
Non-current assets			
Investment properties		**84,100**	36,370
Property, plant and equipment		**42,566**	33,870
Deferred tax assets		**7,335**	8,018
Goodwill		**–**	–
Interests in associates		**17,309**	–
Interests in joint ventures		**–**	–
		151,310	78,258
Current assets			
Other financial assets		**1,641**	–
Amounts due from associates		**–**	34
Amounts due from joint ventures		**–**	15
Amounts due from customers for contract work		**34,115**	24,704
Inventories		**313**	774
Prepayments, deposits and other current assets		**3,072**	6,068
Trade receivables	*10*	**49,099**	58,920
Retention monies receivables		**5,276**	6,348
Current tax recoverable		**29**	80
Pledged bank deposit		**–**	680
Bank balances and cash		**129,009**	7,405
		222,554	105,028
Current liabilities			
Other loans – unsecured		**–**	9,689
Amounts due to customers for contract work		**772**	6,452
Trade and other payables	*11*	**23,617**	15,054
Retention monies payables		**2,361**	1,779
Obligations under finance leases – current portion		**519**	577
Current tax payable		**582**	2,872
Bank loans		**35,603**	41,205
Bank overdrafts		**12,062**	11,772
		75,516	89,400
Net current assets		**147,038**	15,628
Total assets less current liabilities		**298,348**	93,886

	2015	2014
	HK$'000	*HK$'000*
Non-current liabilities		
Obligations under finance leases – non-current portion	**8**	444
Deferred tax liabilities	**114**	273
	122	717
Net assets	**298,226**	93,169
Capital and reserves		
Share capital	**127,177**	13,843
Reserves	**154,733**	85,780
Equity attributable to equity holders of the Company	**281,910**	99,623
Non-controlling interests	**16,316**	(6,454)
Total equity	**298,226**	93,169

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company										
	Share capital *HK$'000*	**Share premium** *HK$'000*	**Contributed surplus** *HK$'000* *(Note 2)*	**Merger reserve** *HK$'000* *(Note 3)*	**Share option reserve** *HK$'000* *(Note 4)*	**Warrant reserve** *HK$'000*	**Equity component of convertible bonds** *HK$'000*	**Accumulated losses** *HK$'000* *(Note 1)*	**Total** *HK$'000*	**Non-controlling interests** *HK$'000*	**Total equity** *HK$'000*
At 1 May 2013	11,198	119,374	–	2,222	7,174	200	–	(5,934)	134,234	(6,260)	127,974
Loss and total comprehensive loss for the year	–	–	–	–	–	–	–	(61,275)	(61,275)	(194)	(61,469)
Placing of shares	2,239	21,947	–	–	–	–	–	–	24,186	–	24,186
Exercise of share options	406	2,072	–	–	–	–	–	–	2,478	–	2,478
Share options lapsed during the year	–	–	–	–	(5,530)	–	–	5,530	–	–	–
At 30 April 2014 and 1 May 2014	13,843	143,393	–	2,222	1,644	200	–	(61,679)	99,623	(6,454)	93,169
Loss and total comprehensive loss for the year	–	–	–	–	–	–	–	(9,655)	(9,655)	1,921	(7,734)
Grant of share options	–	–	–	–	1,723	–	–	–	1,723	–	1,723
Exercise of warrants	2,000	13,000	–	–	–	–	–	–	15,000	–	15,000
Exercise of share options	138	941	–	–	–	–	–	–	1,079	–	1,079
Subscription of shares	3,196	10,946	–	–	–	–	–	–	14,142	–	14,142
Expenses on subscription of shares	–	(125)	–	–	–	–	–	–	(125)	–	(125)
Issue of convertible bonds	–	–	–	–	–	–	1,615	–	1,615	–	1,615
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	20,849	20,849
Transfer to contributed surplus *(Note 2)*	–	(157,334)	157,334	–	–	–	–	–	–	–	–
Placing of shares	108,000	54,000	–	–	–	–	–	–	162,000	–	162,000
Expenses on placing of shares	–	(2,140)	–	–	–	–	–	–	(2,140)	–	(2,140)
Share options lapsed during the year	–	–	–	–	(1,003)	–	–	1,003	–	–	–
Expenses on redemption of convertible bonds	–	–	–	–	–	–	(1)	–	(1)	–	(1)
Equity component of convertible bonds written back on redemption	–	–	–	–	–	–	(1,351)	–	(1,351)	–	(1,351)
Transfer to accumulated losses upon:											
– Exercise of warrants	–	–	–	–	–	(200)	–	200	–	–	–
– Redemption of convertible bonds	–	–	–	–	–	–	(263)	263	–	–	–
At 30 April 2015	127,177	62,681	157,334	2,222	2,364	–	–	(69,868)	281,910	16,316	298,226

Notes:

(1) The loss for the year attributable to equity holders of the Company includes a loss of HK$9,016,000 (2014: loss of HK$22,550,000), which has been dealt with in the financial statements of the Company.

(2) The contributed surplus of the Group represents the amount transferred from share premium amount upon the cancellation of the entire amount standing to the credit of the share premium account as at 28 August 2014 pursuant to a special resolution passed by the shareholders at an extraordinary general meeting held on that date.

(3) The merger reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company in exchange for the nominal value for the issued share capital of the subsidiaries acquired pursuant to the Group's reorganisation on 23 November 2001.

(4) The share option reserve of the Group represents the fair value of share options granted to the Directors and employees of the Company at the relevant grant dates.

NOTES

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The final results set out in this announcement do not constitute the consolidated financial statements of the Group for the year ended 30 April 2015 but are extracted therefrom.

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM Listing Rules") which for this financial year and the comparative period, as permitted by the GEM Listing Rules, continue to be those of the predecessor Companies Ordinance (Cap. 32).

(b) Basis of preparation of consolidated financial statements

These consolidated financial statements have been prepared under the historical cost basis except for investment properties and certain financial instruments which are measured at fair value.

The significant accounting policies and methods of computation used in the preparation of the consolidated financial statements for the year ended 30 April 2015 are consistent with those adopted in the preparation of the consolidated financial statements for the year ended 30 April 2014, except for the adoption of the new and revised HKFRSs as explained below.

These consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

(c) Adoption of Hong Kong Financial Reporting Standards ("HKFRSs")

(i) Adoption of new/revised HKFRSs — effective 1 May 2014

The Group has adopted the following new/revised HKFRSs (which include all HKFRSs, HKASs and Interpretations) issued by the HKICPA that are relevant to its operations and effective for annual periods beginning on or after 1 May 2014.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Impairment of Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
HK(IFRIC) 21	Levies

The adoption of the new/revised HKFRSs in the current year has had no material effect on the Group's consolidated financial statements.

(ii) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's operations, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRS 9	Financial instruments[1]
HKFRS 15	Revenue from contracts with customers[2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception[4]
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture[4]
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations[4]
Amendments to HKAS 1	Disclosure initiative[4]
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortization[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants[4]
Amendments to HKAS 19	Defined benefit plans: Employee contributions[3]
Amendments to HKAS 27	Equity method in separate financial statements[4]
Amendments to HKFRSs	Annual improvements to HKFRSs 2010–2012 cycle[5]
Amendments to HKFRSs	Annual improvements to HKFRSs 2011–2013 cycle[3]
Amendments to HKFRSs	Annual improvements to HKFRSs 2012–2014 cycle[4]

[1] Effective for annual periods beginning on or after 1 January 2018
[2] Effective for annual periods beginning on or after 1 January 2017
[3] Effective for annual periods beginning on or after 1 July 2014
[4] Effective for annual periods beginning on or after 1 January 2016
[5] Effective for annual periods beginning, or transactions occurring, on or after 1 July 2014

HKFRS 9 (2014) — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (FVTOCI) if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (FVTPL).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 — Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the consolidated financial statements will be resulted.

(iii) Early adoption of GEM Listing Rule regarding to New Hong Kong Companies Ordinance provisions relating to the preparation of consolidated financial statements

The requirements of Part 9 "Accounts and Audit" of the Hong Kong Companies Ordinance, Cap. 622 came into effect for the first time, during the current financial year. The adoption of the requirements has primarily impacted the presentation and disclosure of certain information in the consolidated financial statements. These changes mainly include the presentation of the Company's statement of financial position as a note disclosure instead of a primary statement, updating any references to the Companies Ordinance to refer to the current Companies Ordinance and replacing certain terminology no longer used in the Companies Ordinance with terminology used in HKFRS.

2. TURNOVER

	2015	2014
	HK$'000	*HK$'000*
Contract revenue in respect of construction and buildings work for the provision of		
– scaffolding services	**105,671**	83,040
– fitting out services	**18,733**	14,745
Management contracting services	**2,753**	1,843
Gondolas, parapet railings and access equipment installation and maintenance services	**9,484**	12,333
	136,641	111,961

3. OPERATING SEGMENTS

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions. For the year ended 30 April 2015, the Group has four reportable segments – (i) scaffolding services for construction and buildings work, (ii) fitting out services for construction and buildings work, (iii) management contracting services for construction and buildings work, and (iv) gondolas, parapet railings and access equipment installation and maintenance services. These segments are managed separately as they belong to different industries and require different operating systems and strategies. There are no sales or other transactions between these reportable segments. An analysis of the Group's segment information for the years ended 30 April 2015 and 2014 is presented below:

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
For the year ended 30 April 2015						
REVENUE						
Total external sales	**105,671**	**18,733**	**2,753**	**9,484**	**–**	**136,641**
SEGMENT RESULTS						
Gross profit/(loss)	**9,260**	**7,246**	**(145)**	**1,395**	**–**	**17,756**
Operating and administrative expenses	**(9,749)**	**(6,644)**	**(135)**	**(2,574)**	**(8,997)**	**(28,099)**
	(489)	**602**	**(280)**	**(1,179)**	**(8,997)**	**(10,343)**
Other income						**1,956**
Increase in fair value of investment properties						**5,071**
Change in fair value of call option						**1,610**
Gain on disposal of property, plant and equipment						**418**
Loss on early redemption of convertible bonds						**(743)**
Loss on write-off of property, plant and equipment						**(1,237)**
Finance costs						**(5,575)**
Share of results of associates						**1,315**
Loss before taxation						**(7,528)**
Taxation						**(206)**
Loss for the year						**(7,734)**

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
At 30 April 2015						
ASSETS						
Segment assets	**103,913**	**11,021**	**14,855**	**4,654**	**239,421**	**373,864**
Amounts due from associates	**–**	**–**	**–**	**–**	**–**	**–**
Amounts due from joint ventures	**–**	**–**	**–**	**–**	**–**	**–**
Total assets	**103,913**	**11,021**	**14,855**	**4,654**	**239,421**	**373,864**
LIABILITIES						
Segment liabilities	**69,514**	**4,097**	**54**	**561**	**1,412**	**75,638**

OTHER SEGMENT INFORMATION

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Capital expenditure	**(14,603)**	**(495)**	**–**	**(372)**	**(444)**	**(15,914)**
Depreciation	**(5,042)**	**(14)**	**–**	**(431)**	**(400)**	**(5,887)**
Allowance for bad and doubtful debts	**(1,780)**	**(497)**	**–**	**(232)**	**–**	**(2,509)**
Increase in fair value of investment properties	**–**	**–**	**–**	**–**	**5,071**	**5,071**
Change in fair value of call option	**–**	**–**	**–**	**–**	**1,610**	**1,610**
Gain/(loss) on disposal of property, plant and equipment	**430**	**–**	**–**	**–**	**(12)**	**418**
Loss on early redemption of convertible bonds	**–**	**–**	**–**	**–**	**(743)**	**(743)**
Loss on write-off of property, plant and equipment	**(1,237)**	**–**	**–**	**–**	**–**	**(1,237)**

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
For the year ended 30 April 2014						
REVENUE						
Total external sales	83,040	14,745	1,843	12,333	–	111,961
SEGMENT RESULTS						
Gross profit	5,323	525	287	3,572	–	9,707
Operating and administrative expenses	(65,043)	(3,898)	(221)	(1,399)	(4,451)	(75,012)
	(59,720)	(3,373)	66	2,173	(4,451)	(65,305)
Other income						1,058
Increase in fair value of investment properties						620
Loss on disposal of property, plant and equipment						(183)
Finance costs						(2,093)
Impairment of goodwill						(3,138)
Loss before taxation						(69,041)
Taxation						7,572
Loss for the year						(61,469)

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
At 30 April 2014						
ASSETS						
Segment assets	106,082	9,210	15,307	7,526	45,112	183,237
Amounts due from associates	17	17	–	–	–	34
Amounts due from joint ventures	7	–	–	–	8	15
Total assets	106,106	9,227	15,307	7,526	45,120	183,286
LIABILITIES						
Segment liabilities	81,824	4,003	348	2,180	1,762	90,117

OTHER SEGMENT INFORMATION

	Scaffolding services for construction and buildings work *HK$'000*	Fitting out services for construction and buildings work *HK$'000*	Management contracting services for construction and buildings work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Capital expenditure	(8,628)	–	–	(220)	–	(8,848)
Depreciation	(4,090)	–	–	(390)	(314)	(4,794)
Allowance for bad and doubtful debts	–	(268)	–	–	–	(268)
Write-off of amounts due from customers for contract work	(53,624)	(2,416)	(36)	–	–	(56,076)
Write-off of prepayments, deposits and other current assets	–	–	–	–	(150)	(150)
Impairment of goodwill	–	–	–	(3,138)	–	(3,138)
Increase in fair value of investment properties	–	–	–	–	620	620
Loss on disposal of property, plant and equipment	(183)	–	–	–	–	(183)

Geographical Segments

	Revenue		Non-current assets	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**136,619**	111,644	**151,310**	78,258
Macau	**22**	317	**–**	–
	136,641	111,961	**151,310**	78,258

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specific non-current assets is based on the physical location of the asset.

Information on major customers

During the Year, the Group had transactions with one (2014: two) customer who contributed to over 10% of the Group's total gross revenue for the Year. A summary of revenue earned from this major customer is set out below:

	2015	2014
	HK$'000	*HK$'000*
Revenue earned from scaffolding services for construction and buildings work:		
Customer 1	**100,449**	44,303
Customer 2	**–**	16,246
	100,449	60,549

4. OTHER INCOME

	2015	2014
	HK$'000	*HK$'000*
Foreign exchange gains, net	**–**	2
Interest income	**1**	8
Rental income, net of outgoings of nil	**1,617**	1,002
Sundry income	**338**	46
	1,956	1,058

5. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest on bank loans		
– wholly repayable within five years	**1,534**	1,030
– wholly repayable beyond five years	**679**	438
Interest on other loans	**507**	580
Interest on obligations under finance leases	**63**	93
Interest on convertible bonds	**2,792**	–
	5,575	2,141
Less: Amount capitalised in construction contracts	**–**	(48)
	5,575	2,093

6. TAXATION

	2015	2014
	HK$'000	*HK$'000*
Taxation comprises:		
Hong Kong Profits Tax		
Current year	**711**	49
(Over)/underprovision in prior years	**(1,029)**	2,235
	(318)	2,284
Deferred tax		
Current year	**524**	(9,856)
	206	(7,572)

Provision for Hong Kong Profits Tax has been made at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the Year (2014: 16.5%).

No Macau Complementary Tax has been provided as the Group had no assessable profits subject to such tax during the Year (2014: Nil).

7. LOSS FOR THE YEAR

	2015	2014
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging/(crediting):		
Allowance for bad and doubtful debts	**2,509**	268
Loss on early redemption of convertible bonds	**743**	–
Write-off of amounts due from customers for contract work	**–**	56,076
Impairment of goodwill	**–**	3,138
Write-off of inventories	**–**	10
Write-off of prepayments, deposits and other current assets	**–**	150
Auditor's remuneration	**583**	795
Cost of inventories recognised as an expense	**13,558**	1,090
Depreciation	**5,887**	4,794
Less: Amount capitalised in construction contracts	**(4,484)**	(3,999)
	1,403	795
(Gain)/loss on disposal of property, plant and equipment	**(418)**	183
Loss on write-off of property, plant and equipment	**1,237**	–
Minimum lease payments for operating leases in respect of land and buildings	**2,668**	1,375
Less: Amount capitalised to construction contracts	**(1,728)**	(1,256)
	940	119
Staff costs including directors' emoluments		
– Equity-settled share option expenses	**1,723**	–
– Settled by other means	**31,485**	35,771
	33,208	35,771
Less: Amount capitalised in construction contracts	**(15,089)**	(16,022)
	18,119	19,749

8. DIVIDEND

No dividend has been proposed by the Directors for the year ended 30 April 2015 (2014: Nil).

9. LOSS PER SHARE

Basic loss per share

The calculation of the basic loss per share is based on the loss attributable to the equity holders of the Company totaling approximately HK$9,655,000 (2014: HK$61,275,000) for the Year and on the weighted average number of 1,105,318,000 (2014: 470,796,000) ordinary shares outstanding during the Year.

The weighted average numbers of ordinary shares for the purpose of calculating basic earnings per share have been retrospectively adjusted to reflect the share consolidation with effect from 21 August 2014, the share consolidation with effect from 6 March 2015 and the bonus issue completed on 3 July 2015.

Diluted loss per share

No adjustment has been made to the loss per share amount presented for the period in respect of the share options that are fully exercised during the Year as the impact on the share options and convertible bonds has an anti-dilutive effect on the loss per share amount presented.

10. TRADE RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**51,128**	59,168
Less: Allowance for bad and doubtful debts	**(2,029)**	(248)
	49,099	58,920

Movements in the allowance for bad and doubtful debts during the Year were as follows:–

	2015	2014
	HK$'000	*HK$'000*
1 May	**248**	20,700
Allowance for bad and doubtful debts	**2,029**	248
Amounts written off as uncollectible	**(248)**	(20,700)
30 April	**2,029**	248

Included in the above allowances for impairment of trade receivables of the Group are allowances for individually impaired trade receivables of approximately HK$2,029,000 (2014: approximately HK$248,000). The individually impaired receivables relate to customers that were in default and only a portion of the receivables is expected to be recovered.

The credit terms given to each individual customer were in accordance with the payment terms stipulated in the relevant tenders or contracts. The aged analysis of trade receivables is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 90 days	**25,121**	21,288
91 to 180 days	**2,149**	9,443
181 to 365 days	**896**	8,339
Above 1 year	**22,962**	20,098
	51,128	59,168

11. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK$18,991,000 (2014: HK$10,412,000) with an aged analysis as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 90 days	**15,058**	6,311
91 to 180 days	**3,326**	3,041
181 to 365 days	**243**	1,010
Above 1 year	**364**	50
	18,991	10,412

12. CAPITAL COMMITMENT

The Group did not have any capital commitment at the end of the reporting period (2014: Nil).

13. COMMITMENTS

Operating lease commitments and arrangements

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2015	2014
	HK$'000	*HK$'000*
Within one year	**1,934**	510
In the second to fifth years inclusive	**–**	250
	1,934	760

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	2015	2014
	HK$'000	*HK$'000*
Within one year	**1,204**	1,080
In the second to fifth years inclusive	**624**	555
	1,828	1,635

14. EVENTS AFTER THE END OF THE REPORTING PERIOD

(i) Proposed Capital Reorganisation and Bonus Issue of New Shares

On 15 May 2015, the Board proposed the following capital reorganisation which involves the capital reduction and the share subdivision ("Capital Reorganisation"):

(a) the issued share capital of the Company will be reduced through a cancellation of the paid up capital to the extent of HK$0.19 ("Capital Reduction") on each of the issued shares such that the nominal value of each issued share will be reduced from HK$0.20 to HK$0.01 ("New Share");

(b) immediately following the Capital Reduction, each of the authorised but unissued shares of HK$0.20 each be subdivided into twenty (20) New Share of HK$0.01 each; and

(c) the credits arising in the books of the Company from the Capital Reduction of approximately HK$120,819,000 will be credited to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (as amended).

The New Shares remained to be traded in board lot of 10,000 New Shares after the Capital Reorganisation became effective.

Subject to the Capital Reorganisation becoming effective, the Board also proposed a bonus issue of New Shares on the basis of seven (7) bonus shares for every one (1) New Share ("Bonus Shares") held by the qualifying shareholders whose names appear on the register of members of the Company on 26 June 2015 ("Bonus Issue").

The Bonus Shares would be credited as fully paid at par value by way of capitalisation of an amount equal to the total par value of the Bonus Shares (i.e. HK$44,512,134.38) standing to the credit of the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (as amended). The Bonus Shares, upon issue, would rank *pari passu* in all respects with the then New Shares.

The Capital Reorganisaiton and the Bonus Issue had been approved by the shareholders at the special general meeting of the Company on 18 June 2015. Details are set out in the Company's announcements dated 15 May 2015 and 18 June 2015 and circular dated 26 May 2015.

(ii) Proposed issue of new shares

On 19 June 2015 and 22 June 2015, the Company (as issuer) and Shin Kong Capital Management Inc. ("Shin Kong") and Avant Capital Management (HK) Limited ("Avant Capital") (as subscribers) entered into the framework agreement ("Framework Agreement") and the supplemental framework agreement respectively, pursuant to which the Company has conditionally agreed to allot and issue, and each of Shin Kong and Avant Capital has conditionally agreed to subscribe for New Shares such that Shin Kong and Avant Capital would hold approximately 45% and 15% respectively of the issued share capital of the Company as enlarged by such issue ("Possible Subscription"). If the Possible Subscription is materialised, the aggregate gross proceeds of the Possible Subscription will be HK$528 million.

The Framework Agreement is legally binding in nature but is subject to the entering into of a formal subscription agreement. Pursuant to the Framework Agreement, the parties thereto agreed that they should use their best endeavours to negotiate and finalise a formal subscription agreement within 30 business days (or such other date as agreed by the parties) from the date of the Framework Agreement, failing which the Framework Agreement shall be deemed to be terminated and shall have no further effect (save as the provisions regarding confidentiality and jurisdiction and any claim (if any) in respect of any antecedent breach of the Framework Agreement). As at the date of this announcement, no formal agreement in relation to the Possible Subscription had been entered into.

For details, please refer to the announcement published by the Company on 23 June 2015.

BUSINESS REVIEW

For the year ended 30 April 2015 (“Year”), the turnover of the Group saw an improvement, reaching approximately HK$136,641,000, an increase of approximately 22% as compared to the year ended 30 April 2014 (“Last Year”). Due to the Group’s effective cost control measures and satisfactory performance of our fitting out service operations during the Year, the net loss attributable to equity holders of the Company was reduced to approximately HK$9,655,000 (net loss attributable to equity holders in Last Year: approximately HK$61,275,000).

Scaffolding services

2014 was a banner year in the construction industry given the Hong Kong Government’s policy of increasing the overall real estate supply and active encouragement of infrastructure construction. However, this also led to intensified competition in the scaffolding sector during the Year, which contributed to lower profit margins throughout the industry as well as in the Group’s related business division. Despite this, because we are one of the well known scaffolding service providers in Hong Kong, the Group won 12 new contracts amounting to approximately HK$83,900,000 during the Year.

A shortage of manpower and the ageing of skilled construction workers have been the primary concerns across the entire industry, resulting in higher labour costs and adversely impacting the financial performance of the Group’s scaffolding services division. During the Year, the Group adopted a more prudent approach in acquiring new projects in order to minimise the negative impacts of rising labour costs.

The Group’s self-invented “Pik-Lik” scaffolding system helped generate stable revenues for the Group with an utilisation rate holding steady at 15%. During the Year, the Group provided scaffolding services for 18 projects that were completed on schedule. These include the Chinese People’s Liberation Army Force Hong Kong Building, the extension block to the Salesian Seminary at 18 Chai Wan Road, and various private residential projects such as AnaCapri (Park Island - Phase 6) and Deauville. In addition, the two Mass Transit Railway Corporation’s (“MTR”) Ocean Park Station and Wong Chuk Hang Station projects together with the provision of scaffolding services for the three construction sites of considerable size in Yoho Town 3, Sha Po Site 1A &1B, Yuen Long were all proceeding according to schedule.

Fitting out services

Regarding the operating results of our fitting out services business division, the contract to provide fitting out services to the bridal room at the 100th floor of The Hong Kong International Commerce Centre, which was considered a signature accomplished works contract, was completed during the Year.

The Group established a new 51% owned subsidiary namely, Sense Key Design Holdings Limited ("Sense Key"), which provides interior design services for residential properties in Hong Kong. It has already begun to contribute satisfactory revenue for the Group with high profit margins and has secured 12 new fitting out and interior design contracts during the Year. We consider this subsidiary to be a new solid growth driver in the future. The Group aims to provide fitting out services targeting commercial institutions and luxurious residential end-users. The fitting out services division has a team of professional designers with over 10 years' experience and a reputation in the industry. In view of the sanguine market outlook, the Group intends to earmark more resources, focusing on the development of this division as we move forward.

Management contracting services

Our management contracting services business division won a contract to supply and install glass re-inforced concrete (GRC) panels for the Mass Transit Railway Express Rail Link in Shek Kong, New Territories, and this project is progressing on schedule. The Group recorded a total turnover of approximately HK$2,753,000 in management contracting services during the Year.

Gondolas, parapet railings, access equipment installation and maintenance services

The Group recorded results in its access equipment division with revenue reaching approximately HK$9,484,000, a decrease of approximately 23% compared to Last Year. Since our current fleet of temporary gondolas is close to being fully utilised, the Group purchased an additional 20 temporary gondolas to meet increasing demand in coming year. The contract for the supply and installation of a building maintenance unit at the HKU Station of the MTR together with the testing and commissioning process was completed as planned.

Real estate agency business

During the Year, the Group subscribed for 20% of the enlarged issued share capital of an overseas real estate agency, AP Assets Limited ("AP Assets"). AP Assets has contributed approximately HK$1,315,000 to the consolidated financial results of the Group for the Year. AP Assets provides real estate agency business in particular the sale of properties in Australia, Malaysia and the United Kingdom.

Hong Kong customers accounted for approximately 70% of the total customers of AP Assets while the rest was mainland Chinese customers. On the back of strong Hong Kong dollar during the Year, the Group saw increasing demand for overseas real estate. This subscription marked a successful expansion of the Group's overall investment portfolio and offered a valuable stepping stone into overseas markets.

Research & Development and awards

The Group plays a vital role in the scaffolding industry thanks to its high-quality service. As a result we were awarded 4 monthly awards as winner of Safety Sub-contractor Award in MTR South Island Line sites in recognition of our efforts in enhancing and maintaining high safety standard during the Year.

Business Outlook

Benefitting from the growing demand for infrastructure and real estate construction over the near-term, the Group is cautiously optimistic about the prospects for the year ahead. However, the severe labour shortage problem and ageing of skilled workers are expected to mount a continuing challenge for the Group and the industry at large. To help ease this situation, the Group will continue to promote the use of the highly efficient "Pik-Lik" scaffolding system, an exclusive patented technology which can save up to 75% on manpower as compared to traditional systems.

The Group also plans to implement a prudent strategy for purchasing additional temporary gondolas due to the lack of skilled equipment operators in the market.

The Group has carried out aggressive fund-raising activities throughout the Year in order to improve its financial position and finance existing business development as well as possible investment opportunities. More available funding will allow the Group to explore other acquisition or investment opportunities for business portfolio diversification.

Gold Medal Hong Kong Limited, an indirect wholly-owned subsidiary of the Company, has been granted a money lender's licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) in November 2014. This enables the Group to engage in the money lending operations to diversify its overall revenue stream. To date, the Group granted a loan in the principal amount of HK$18,000,000 and a revolving loan facility with a maximum principal amount of HK$20,000,000, both having an interest rate of 8% per annum.

The target customers of the money lending business include listed companies and those medium to large sized enterprises which can provide personal guarantee. In the near future, the Group aims to lend up to HK$350,000,000-HK$500,000,000.

In June 2015, the Group entered into a framework agreement and a supplemental framework agreement with Shin Kong and Avant Capital pursuant to which the Company had conditionally agreed to allot and issue, and each of Shin Kong and Avant Capital had conditionally agreed to subscribe for new shares of the Company such that Shin Kong and Avant Capital would hold approximately 45.1% and 15.0% of the enlarged issued share capital of the Company respectively immediately after completion of such subscription. If the proposed subscription is materialised, it is expected that Shin Kong (or its nominee) would become the largest shareholder of the Group immediately upon completion of such subscription. The Group envisions that it will be benefited by the subscription by using the proceeds for business development and will seek the opportunity to create synergy effect with Shin Kong. As at the date of this announcement, such proposed subscription is still under negotiation by the parties.

Overall the Group remains confident yet cautious about the general development of the scaffolding industry. Our aim is to capture all possible opportunities arising from Hong Kong's bustling construction market while seeking other new profitable business options in order to provide a stronger return for shareholders. Concurrently, the Group will continue to adopt a policy of stringent cost controls and operational streamlining to achieve optimised efficiency and reach higher financial targets.

Project Portfolio of Scaffolding Division (As at 30 April 2015)

Hong Kong

- Yoho Town, Phase 3
- Residential Development at Area 36, Tung Chung
- Residential Development at Sha Po North (Phase 1A)
- Residential Development at Sha Po North (Phase 1B)
- Comprehensive Development at Junction of Java Road & Tin Chiu Street, North Point
- Residential Development at 8 Mount Nicholson Road
- Ocean Park Station and Wong Chuk Hang Station of MTRC
- Midfield Concourse of Hong Kong International Airport
- Public Housing Development at Anderson Road, Site D
- Public Housing Development at Lei Yue Mun, Phase 3
- W50 Office Building at 50 Wong Chuk Hang Road
- Residential Development of House No. 35, TMTL 449, Tsing Fat Lane, Siu Lam
- Residential Development at 1 Serenity Path, Silverstrand, Sai Kung
- Residential Development at 20 Pik Sha Road, Clear Water Bay, Sai Kung
- Refurbishment of Central Government Office, Lower Albert Road, Central
- Refurbishment of Metroplaza, Kwai Fong
- Refurbishment of Nan Fung Tower, Central
- Refurbishment of 26 Nathan Road, Tsim Sha Tsui
- Refurbishment of Luen Tai Industrial Building at KCTL 131
- Refurbishment of Valid Industrial Centre,13-15 Wing Kei Road,Kwai Chung

FINANCIAL REVIEW AND ANALYSIS

During the Year, the Group recorded a turnover of approximately HK$136,641,000 (2014: approximately HK$111,961,000), representing an increase of approximately 22% as compared with that of Last Year. The Company recorded a net loss attributable to its equity holders of approximately HK$9,655,000 during the Year (2014: approximately HK$61,275,000).

The increase in turnover was mainly due to the Group's effective cost control measures and satisfactory performance of fitting out service segment during the Year, and the decrease in net loss was mainly due to the absence of write-off of amounts due from customers for contract work and impairment of goodwill in the Year (2014: HK$56,076,000 and HK$3,138,000, respectively).

Gross profit of the Group increased by approximately 83% to approximately HK$17,756,000 as compared with Last Year (2014: approximately HK$9,707,000) whilst gross profit margin increased by approximately 4% during the Year. Gross profit margin of the Group increased mainly because higher profit margins for contracts were awarded to the scaffolding and fitting out business divisions.

During the Year, operating and administrative expenses (excluding allowance for the bad and doubtful debts and write-off of amounts due from customers for contract work totalling approximately HK$56,344,000 incurred in Last Year) increased by approximately 51% as compared to the Last Year. The increase was mainly due to increase in legal and professional fees for corporate exercises by approximately HK$1.0 million and the operating and administrative expenses of approximately HK$6.5 million incurred for a newly established subsidiary, Sense Key. Management of the Group continues to adopt a policy of vigilant cost monitoring and operation streamlining in an effort to minimise cost and optimise efficiency.

LIQUIDITY, FINANCIAL RESOURCES, AND GEARING RATIO

During the Year, the Group financed its operations by banking facilities and finance leases provided by banks and finance companies, and proceeds raised from issue of new shares and convertible bonds of the Company.

As at 30 April 2015, the Group's consolidated shareholders' funds, current assets, net current assets and total assets were approximately HK$281,910,000 (2014: approximately HK$99,623,000), approximately HK$222,554,000 (2014: approximately HK$105,028,000), approximately HK$147,038,000 (2014: approximately HK$15,628,000) and approximately HK$373,864,000 (2014: approximately HK$183,286,000) respectively.

As at 30 April 2015, the Group's consolidated bank overdrafts and bank loans were approximately HK$12,062,000 (2014: approximately HK$11,772,000) and approximately HK$35,603,000 (2014: approximately HK$41,205,000) respectively. As at 30 April 2015, the Group's other loans had been fully settled (2014: approximately HK$9,689,000). As at 30 April 2015, obligations under finance leases amounted to approximately HK$527,000 (2014: approximately HK$1,021,000), of which HK$519,000 is due for repayment next financial year and approximately HK$8,000 is due for repayment after next financial year.

As at 30 April 2015, the Group's bank and cash balances amounted to approximately HK$129,009,000 (2014: approximately HK$7,405,000). As at 30 April 2015, the Group's gearing ratio (total borrowings and obligations under finance leases divided by shareholders' fund) was approximately 17% (2014: approximately 64%).

Most of the Group's bank and cash balances, bank borrowings and obligations under finance leases are denominated in Hong Kong dollars. Most of the bank borrowings bear interest at market rates and are repayable by instalments over a period of 3 months to 9 years. Obligations under finance leases have an average lease term of 4 years. All such leases have interest rates fixed at the contract date and fixed repayment bases.

CAPITAL STRUCTURE

During the Year, the Company has completed two share consolidations as stated below:

1. The First Share Consolidation

On 17 July 2014, the Board proposed that every four (4) issued and unissued then existing shares of the Company of HK$0.01 each be consolidated into one (1) consolidated share of HK$0.04 each ("2014 Consolidated Shares") ("First Share Consolidation"). The First Share Consolidation was approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 20 August 2014. The First Share Consolidation took effect on 21 August 2014.

2. The Second Share Consolidation

On 21 January 2015, the Board proposed that every five (5) issued and unissued 2014 Consolidated Shares of the Company of HK$0.04 each be consolidated into one (1) consolidated share of HK$0.20 each ("2015 Consolidated Shares") ("Second Share Consolidation"). The Second Share Consolidation was approved by the shareholders of the Company at the special general meeting of the Company held on 5 March 2015. The Second Share Consolidation took effect on 6 March 2015.

3. Capital Reorganisation

Subsequent to the end of the reporting period, on 15 May 2015, the Board proposed to implement the capital reorganisation ("Capital Reorganisation") which involved the following:

(a) the issued share capital of the Company would be reduced through a cancellation of the paid up capital to the extent of HK$0.19 on each of the issued 2015 Consolidated Shares such that the nominal value of each issued 2015 Consolidated Share would be reduced from HK$0.20 to HK$0.01 ("Capital Reduction");

(b) immediately following the Capital Reduction, each of the authorised but unissued 2015 Consolidated Shares of HK$0.20 each be subdivided into twenty (20) new shares of HK$0.01 each ("New Shares"); and

(c) the credits arising in the books of the Company from the Capital Reduction of approximately HK$120,819,000 would be credited to the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (as amended).

The shareholders of the Company approved the Capital Reorganisation at the special general meeting of the Company held on 18 June 2015. Immediately following the Capital Reorganisation which became effective on 19 June 2015, the authorised share capital of the Company was HK$400,000,000 divided into 40,000,000,000 New Shares of HK$0.01 each, of which 635,887,634 New Shares were in issue.

4. Bonus Issue

On 15 May 2015, the Board also proposed, subject to the Capital Reorganisation becoming effective, a bonus issue ("Bonus Issue") of New Shares on the basis of seven (7) bonus shares for every one (1) New Share held by the shareholders of the Company whose names appear on the register of members of the Company on 26 June 2015, being the record date for the purpose of determination of entitlement to the Bonus Issue. The shareholders of the Company approved the Bonus Issue at the special general meeting of the Company held on 18 June 2015. The Bonus Issue was completed on 3 July 2015, immediately after which the number of New Shares in issue increased to 5,087,101,072.

FINANCING

During the Year, the Company had conducted the following fund raising exercises.

1. Placing of Convertible Bonds

On 27 June 2014, the Company and RHB OSK Securities Hong Kong Limited ("RHB") entered into a placing agreement pursuant to which RHB conditionally agreed to procure not less than six Placees for the subscription of the convertible bonds of the Company in the aggregate principal amount of HK$30,000,000 ("Convertible Bonds"), failing which, it would subscribe for the Convertible Bonds ("CB Placing"). The Convertible Bonds would bear interest from, and including, the issue date of the Convertible Bonds at 10% per annum. The bondholders would have the right to convert the whole or part of the principal amount of the Convertible Bonds into shares of the Company ("Conversion Shares") at the initial conversion price ("Conversion Price"), being HK$0.1 per Conversion Share (subject to adjustments) at any time during the conversion period. Assuming the conversion rights attached to the Convertible Bonds were exercised in full at the initial Conversion Price, a maximum number of 300,000,000 Conversion Shares would be allotted and issued.

On 28 July 2014, the Company and RHB entered into a supplemental placing agreement, pursuant to which, among others, the initial Conversion Price under the terms of the Convertible Bonds was changed from HK$0.1 per Conversion Share to HK$0.4 per Conversion Share (subject to adjustments), with a maximum number of 75,000,000 Conversion Shares be allotted and issued upon full conversion.

The shareholders of the Company approved the CB Placing and the grant of a specific mandate for the CB Placing at an extraordinary general meeting held on 20 August 2014. The completion of the CB Placing took place on 28 August 2014, at which Convertible Bonds in the aggregate principal amount of HK$30,000,000 was issued to RHB. The aggregate net proceeds from the CB Placing were approximately HK$28.61 million. As a result of the Second Share Consolidation, the Conversion Price was subsequently adjusted to HK$2.0 per Conversion Share of HK$0.04 each, with a maximum number of 15,000,000 Conversion Shares be allotted and issued upon full conversion.

On 31 March 2015, the Company redeemed the entire outstanding principal amount of the Convertible Bonds in the aggregate principal amount of HK$30,000,000 and settled all unpaid accrued interests thereon in the sum of approximately HK$0.28 million by the exercise of its early redemption right pursuant to the terms and conditions of the Convertible Bonds ("Early Redemption"). Prior to the Early Redemption, there was no exercise of the conversion rights.

The aggregate net proceeds from the CB Placing of approximately HK$28.61 million was intended to be used as to (i) approximately HK$17.36 million for the acquisition of 51% interest in Dragon Oriental Investment Limited; and (ii) approximately HK$11.25 million as general working capital of the Group, out of which (a) approximately HK$3.00 million would be allocated for repayment of bank overdraft of the Group; and (b) approximately HK$8.25 million would be allocated for payment of operational outgoings (such as payroll costs, other administrative expenses and professional fees).

As at the date of this announcement, all of the net proceeds have been used as follows: (i) approximately HK$17.36 million had been used for the acquisition as intended; (ii) approximately HK$4.02 million had been applied for repayment of bank loans and bank overdraft of the Group; and (iii) approximately HK$7.23 million had been applied as general working capital of the Group.

2. Issue of shares under General Mandate

On 21 October 2014, the Company and Eagle Gain Investments Limited ("Eagle Gain") entered into the subscription agreement, pursuant to which Eagle Gain conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, 79,900,000 new 2014 Consolidated Shares ("Subscription Shares") at the subscription price of HK$0.177 per Subscription Share under a general mandate. The Subscription Price represented a premium of approximately 0.57% over the closing price of HK$0.176 per 2014 Consolidated Share as quoted on the Stock Exchange on the date of the Subscription Agreement. The Board believed that the Subscription represented good opportunities to enhance its shareholders' base and raise additional funds at a reasonable cost for the Group.

Completion of such subscription took place on 31 October 2014, at which 79,900,000 fully-paid Subscription Shares were allotted and issued by the Company to Eagle Gain. The aggregate net proceeds of such subscription, after deduction of expenses, were approximately HK$13.99 million, which had been used to finance the subscription of the shares of AP Assets as intended. The aggregate nominal value of the Subscription Shares was HK$3,196,000.

3. Issue of shares under Specific Mandate

On 21 January 2015, the Company and Tanrich Securities Company Limited ("Tanrich") entered into the placing agreement, pursuant to which the Company conditionally agreed to issue and Tanrich conditionally agreed to place a maximum number of 540,000,000 new 2015 Consolidated Shares ("Placing Share"), on a best effort basis, to not less than six placees at the placing price of HK$0.30 per Placing Share under a specific mandate to be obtained at a special general meeting of the Company ("SM Placing").

The shareholders of the Company approved, among others, the SM Placing and the grant of the specific mandate at the special general meeting of the Company held on 5 March 2015. Completion of the SM Placing took place on 27 March 2015. The net proceeds from the SM Placing were approximately HK$159.76 million and was intended to be applied as to (i) approximately HK$30.00 million for repayment of bank loans and other loans; (ii) approximately HK$33.00 million for repayment of the Convertible Bonds and the payment of interest accrued thereon; (iii) approximately HK$30.00 million for financing the development of the money lending business; (iv) approximately HK$25.00 million for purchase of factory unit for warehouse storage purpose; (v) approximately HK$17.00 million for expansion of design and fitting out services of the Group; and (vi) the remaining balance of approximately HK$24.76 million for general working capital of the Group.

As at the date of the announcement, the net proceeds had been used as to (i) approximately HK$10.50 million for repayment of bank and other loans; (ii) approximately HK$31.78 million for repayment of the Convertible Bonds and the payment of interest accrued thereon; (iii) approximately HK$30.00 million for financing the money lending business; (iv) approximately HK$1.50 million for expansion of design and fitting out services of the Group; and (vi) approximately HK$24.76 million for general working capital of the Group. The remaining net proceeds of approximately HK$61.22 million, which have not yet utilised, remain in the bank for intended use.

Subsequent to the end of the reporting period, on 19 June 2015 and 22 June 2015, the Company (as issuer) and Shin Kong Capital Management Inc. ("Shin Kong") and Avant Capital Management (HK) Limited ("Avant Capital") (as subscribers) entered into the framework agreement and the supplemental framework agreement respectively, pursuant to which the Company conditionally agreed to allot and issue, and each of Shin Kong and Avant Capital conditionally agreed to subscribe for New Shares such that Shin Kong and Avant Capital would hold approximately 45% and 15% respectively of the issued share capital of the Company as enlarged by such issue ("Possible Subscription"). Such framework agreement (as supplemented) is legally binding in nature but is subject to the entering into of a formal subscription agreement. As at the date of this announcement, the parties are in the course of negotiating the terms of the formal subscription agreement in relation to the Possible Subscription.

MATERIAL ACQUISITION AND DISPOSAL

On 12 June 2014, Talent Gain International Limited (a wholly-owned subsidiary of the Company), as purchaser, and Lucky Famous Limited, as vendor, entered into a sale and purchase agreement pursuant to which Talent Gain International Limited agreed to acquire, and Lucky Famous Limited agreed to sell, 51 ordinary shares of the Dragon Oriental Investment Limited of US$1.00 each, representing 51% of its issued share capital free from all encumbrances, and together with all rights and benefits attaching thereto at the consideration of HK$21.7 million. Such sale and purchase was completed on 30 September 2014.

SIGNIFICANT INVESTMENT

On 19 November 2014, Estate Sun Global Limited ("Estate Sun"), a wholly-owned subsidiary of the Company, entered into a subscription agreement ("AP Subscription Agreement") with AP Assets and Financial Elite Limited ("FEL"), pursuant to which (i) Estate Sun agreed to subscribe for, and AP Assets agreed to allot and issue, 2,000 new ordinary shares of AP Assets ("Target Shares") at the aggregate subscription price of HK$16,000,000 ("AP Subscription"); and (ii) FEL agreed to grant to Estate Sun an option to purchase such number of Target Shares ("Call Option Shares") representing up to 7% of the 10,000 Target Shares (being the enlarged issued shares ("Enlarged Issued Shares") of AP Assets after the AP Subscription and another subscription between AP Assets and an independent third party which was completed simultaneously with the AP Subscription), in each case, subject to the terms and conditions of the AP Subscription Agreement. Completion of the AP Subscription took place immediately after execution of the AP Subscription Agreement. Such 2,000 Target Shares represented 20% of the Enlarged Issued Shares and the Call Option Shares will represent up to 7% of the Enlarged Issued Shares. AP Assets and its subsidiaries were principally engaged in the real estate agency business in particular the sales of properties in Australia, Malaysia and the United Kingdom.

DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except as disclosed in the paragraph headed "Business Outlook" above, the Directors do not have any future plans for material investments or capital assets as at the date of this announcement.

PLEDGE ON ASSETS

At the end of the reporting period, the Group has pledged the following assets against general banking facilities granted to the Group:

	2015	2014
	HK$'000	*HK$'000*
Investment properties	**40,200**	36,370
Leasehold land and buildings	**7,358**	7,588
Trade receivables	**17,134**	20,612
Retention monies receivables	**2,678**	2,178
Bank deposits	**–**	680

TREASURY POLICY

The Group consistently employed a prudent treasury policy during its development and generally financed its operations and business development with internally generated resources and equity and/or debt financing activities. The Group also adopted flexible and prudent fiscal policies to effectively manage the Group's assets and liabilities and strengthen the Group's financial position.

FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars. When appropriate and at times of interest rate or exchange rate uncertainties or volatility, hedging instruments including interest rate swaps and foreign currency forwards contract will be used by the Group in the management of exposure affecting interest rates and foreign exchange rate fluctuations as appropriate.

CONTINGENT LIABILITIES

At 30 April 2015, the Group did not have any material contingent liabilities or guarantees (30 April 2014: the Group provided counter indemnities amounting to HK$647,000 to banks for surety bonds issued by the banks in respect of construction contracts).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2015, the total number of full-time employees of the Group was 100 (2014: 125). The total remuneration paid to employees (including Directors' emoluments) amounted to HK$33,208,000 in the Year (2014: HK$35,771,000). Employees are remunerated according to their performance and working experience. In addition to basic salaries and participation in the mandatory provident fund scheme, staff benefits include performance bonus, medical scheme, share options and training.

REVIEW OF ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the Year have been agreed by the Group's auditor, Cheng & Cheng Limited, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by Cheng & Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Cheng & Cheng Limited on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the Year, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

CORPORATE GOVERNANCE

The corporate governance principles of the Company emphasise a quality Board, sound internal controls, transparency and accountability to all shareholders. By applying rigourous corporate governance practices, the Company believes that its accountability and transparency will be improved thereby instilling confidence to shareholders and the public. Throughout the Year, the Company has complied with the code provisions in the Corporate Governance Code ("CG Code") set out in Appendix 15 of the GEM Listing Rules except for the deviation as disclosed below:

Code Provision of A.2.7 of the CG Code requires the chairman of the Board to hold meetings at least annually with the non-executive Directors (including independent non-executive Directors) without the executive Directors present. As Dr. So Yu Shing, the chairman of the Board, is also an executive Director, the Company has deviated from this code provision as it is not applicable. The Board has continued to monitor and review the Company's progress in respect of corporate governance practices to ensure compliance. Meetings were held throughout the Year and where appropriate, circulars and other guidance notes were issued to Directors and senior management of the Company to ensure awareness to issues regarding corporate governance practices.

AUDIT COMMITTEE

The Company established an audit committee of the Board ("Audit Committee") with written terms of reference that clearly establish the Audit Committee's authority and duties. The Audit Committee currently comprises 3 independent non-executive Directors, namely Mr. Law Man Sang, Mr. Chan Ngai Sang, Kenny and Mr. Ong Chi King.

The primary duties of the Audit Committee are to review the Company's annual report and accounts, half-year report and quarterly reports and provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group.

Four Audit Committee meetings were held since 1 May 2014 up to the date of this announcement.

The Audit Committee of the Company has reviewed the consolidated financial statements of the Group for the Year.

AUDITORS

On 17 February 2015, Moore Stephens resigned as auditors of the Company and Cheng & Cheng Limited was appointed as auditors of the Company on the same date. Save as disclosed, there had been no change in auditors of the Company in the preceding three years of this announcement.

On behalf of the Board
WLS HOLDINGS LIMITED
So Yu Shing
Chairman

Hong Kong, 24 July 2015

As at the date of this announcement, the Board comprises Dr. So Yu Shing (Chairman and Executive Director), Mr. Kong Kam Wang (Executive Director and Chief Executive Officer), Ms. Lai Yuen Mei Rebecca (Executive Director), Mr. So Wang Chun, Edmond (Executive Director), Mr. Ng Tang (Executive Director), Mr. Yuen Chun Fai (Executive Director), Mr. Law Man Sang (Independent Non- executive Director), Mr. Chan Ngai Sang, Kenny (Independent Non-executive Director) and Mr. Ong Chi King (Independent Non-executive Director).

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at www.wls.com.hk.