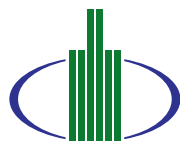


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**WLS Holdings Limited**

**滙隆控股有限公司\***

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

**(Stock Code: 8021)**

**FURTHER INFORMATION IN RELATION TO  
INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT  
FOR THE SIX MONTHS ENDED 31 OCTOBER 2016**

Reference is made to the interim results announcement (“**Interim Results Announcement**”) dated 14 December 2016 and the interim report of WLS Holdings Limited (“**Company**”) for the six months ended 31 October 2016. Unless the context otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Interim Results Announcement.

The Company would like to supplement some information relating to the securities investment business of the Group.

As at 31 October 2016, the Group recorded available-for-sale investments of approximately HK\$101 million and financial assets at fair value through profit or loss (“**FVTPL**”) of approximately HK\$58 million. Given that securities investment is one of the Group’s ordinary principal businesses, the Directors consider that a single investment with a carrying amount that account for more than 5% of the Group’s unaudited net assets as at 31 October 2016 as a significant investment.

\* *For identification purposes only*

Set out below is a breakdown of the Group's available-for-sale investments and financial assets at FVTPL as at 31 October 2016:

Description of investment	Notes	Carrying amount as at 31 October 2016 (approximate)	Percentage to the Group's unaudited net assets as at 31 October 2016	Percentage to the Group's unaudited total assets as at 31 October 2016	Percentage to the Group's total securities investments as at 31 October 2016
<b>Available-for-sale investments</b>					
Convertible bonds ("CB") of RCG Holdings Limited ("RCG") (stock code: 802)	(a)	47,581,000	5.69%	4.85%	29.84%
Equity securities listed in Hong Kong	(b)	43,138,000	5.16%	4.40%	27.05%
Unlisted investment funds, at cost		8,321,000	1.00%	0.85%	5.22%
Unlisted investment, at cost		2,000,000	0.24%	0.20%	1.25%
		<u>101,040,000</u>	<u>12.09%</u>	<u>10.30%</u>	<u>63.36%</u>
<b>Financial assets at FVTPL</b>					
Equity securities listed in Hong Kong	(c)	58,432,000	7.00%	5.95%	36.64%
Total securities investments of the Group		<u>159,472,000</u>	<u>19.08%</u>	<u>16.25%</u>	<u>100.00%</u>

Notes:

- (a) This investment represented the subscription of CB of RCG in total amount of HK\$15,000,000 with interest rate of 2.5% per annum on the principal amounts and the conversion price is HK\$0.25 per conversion share. The maturity date of the CB is the date falling 36 months from the issuing date. As at 31 October 2016, the fair value of the CB subscribed by the Group was approximately HK\$47,581,000 which was based on the valuation report prepared by a professional valuer.

RCG and its subsidiaries (collectively referred to as the "RCG Group") were principally engaged in the provision of biometric and radio frequency identification products and solution services.

As disclosed in the circular of RCG dated 22 August 2016, RCG intended to apply net proceeds from its placing of CB for facilitating the business opportunities contemplated under its cooperation agreement dated 1 March 2016 ("Cooperation Agreement") entered into between a well-known payment platform company, China UnionPay Co., Ltd. (中國銀聯股份有限公司) ("China UnionPay"), and RCG Group. Pursuant to the Cooperation Agreement, RCG Group shall promote merchants to use the value-added payment platform, "銀聯錢包", provided by China UnionPay to settle purchase payments. In return, RCG Group would share a transaction fee from China UnionPay.

- (b) Equity securities listed in Hong Kong under the category of available-for-sale investments represented the Group's investments in 2 companies whose shares are listed on the Main Board or the Growth Enterprise Market ("GEM") of the Stock Exchange. Each of such investments has a carrying amount that account for less than 5% of the Group's unaudited net assets as at 31 October 2016.
- (c) Equity securities listed in Hong Kong under the category of financial assets at FVTPL represented the Group's investments in 4 companies whose shares are listed on the Main Board or the GEM of the Stock Exchange. Each of such investments has a carrying amount that account for less than 5% of the Group's unaudited net assets as at 31 October 2016.

The Directors expect that the stock market in Hong Kong remains to be volatile in 2017 which may affect the performance of the Group's securities investments. Looking forward, the Board believes that the performance of the securities investments of the Group will be dependent on the financial and operating performance of investee companies and market sentiment which are affected by factors such as interest rate movements and performance of the macro economy. In order to mitigate the associated risk, the Group will continuously remain cautious in the allocation of resources and the identification and capture of appropriate securities investment opportunities and will review its investment strategy regularly and take appropriate actions whenever necessary in response to changes in the market.

On behalf of the Board  
**WLS Holdings Limited**  
**So Yu Shing**  
*Chairman*

23 December 2016

*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 "Latest Company Announcements" page of the GEM website and on the website of the Company at <http://www.wls.com.hk> at least 7 days from the date of its posting.*