WLS Holdings Limited
滙隆控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8021)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2013

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

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This announcement, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 (the "Board") of WLS Holdings Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 30 April 2013 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 APRIL 2013

	NOTES	**2013** **HK$'000**	2012 *HK$'000* (Restated)
Turnover	*2*	**125,949**	115,124
Cost of sales		**(106,741)**	(94,358)
Gross profit		**19,208**	20,766
Other income	*4*	**1,570**	1,462
Operating expenses		**(32,771)**	(34,128)
Increase in fair value of investment properties		**6,410**	6,850
Gain on disposal of property, plant and equipment		**6**	13,345
Finance costs	*5*	**(1,612)**	(1,863)
Impairment of amount due from jointly controlled entities and associates		**(6,779)**	–
(Loss)/profit before taxation		**(13,968)**	6,432
Taxation	*6*	**(661)**	(2,243)
(Loss)/profit for the year	*7*	**(14,629)**	4,189
Other comprehensive income		**–**	–
Total comprehensive (loss)/income for the year		**(14,629)**	4,189
(Loss)/profit attributable to:			
Equity holders of the Company		**(14,219)**	7,146
Non-controlling interests		**(410)**	(2,957)
		(14,629)	4,189
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(14,219)**	7,146
Non-controlling interests		**(410)**	(2,957)
		(14,629)	4,189
Dividend	*8*	**–**	–
(Loss)/earnings per share – basic	*9*	**(HK1.27 cents)**	HK0.64 cent

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 APRIL 2013

	NOTES	30 April 2013 HK$'000	30 April 2012 HK$'000 (Restated)	1 May 2011 HK$'000 (Restated)
Non-current assets				
Investment properties		**35,750**	29,340	22,490
Property, plant and equipment		**30,641**	25,285	29,731
Goodwill		**3,138**	3,138	3,138
Interests in associates		**–**	–	–
Interests in jointly controlled entities		**–**	–	–
		69,529	57,763	55,359
Current assets				
Amount due from an associate		**–**	1,196	1,185
Amounts due from jointly controlled entities		**–**	5,481	5,220
Amounts due from customers for contract work		**64,297**	58,120	49,212
Inventories		**876**	686	1,488
Prepayments, deposits and other current assets		**2,438**	2,224	2,449
Trade and other receivables	*10*	**57,072**	63,824	68,292
Retention monies receivable		**6,717**	7,864	5,597
Current tax recoverable		**62**	13	94
Pledged bank deposit		**680**	680	680
Bank balances and cash		**7,221**	7,199	1,419
		139,363	147,287	135,636
Current liabilities				
Amount due to an associate		**–**	46	48
Other loans – unsecured		**5,341**	5,461	5,904
Amounts due to customers for contract work		**3,289**	1,889	71
Trade and other payables	*11*	**14,957**	12,900	14,733
Retention monies payable		**3,251**	3,645	3,453
Obligations under finance leases – current portion		**610**	281	296
Current tax payable		**1,133**	822	–
Bank loans		**35,237**	28,311	39,447
Bank overdrafts		**13,968**	7,500	11,338
		77,786	60,855	75,290
Net current assets		**61,577**	86,432	60,346
Total assets less current liabilities		**131,106**	144,195	115,705

	NOTES	**30 April 2013** **HK$'000**	30 April 2012 HK$'000 (Restated)	1 May 2011 HK$'000 (Restated)
Non-current liabilities				
Obligations under finance leases – non-current portion		**1,021**	635	569
Deferred tax liabilities		**2,111**	1,783	395
		3,132	2,418	964
Net assets		**127,974**	141,777	114,741
Capital and reserves				
Share capital		**11,198**	11,198	9,989
Reserves		**123,036**	136,579	107,795
Equity attributable to equity holders of the Company		**134,234**	147,777	117,784
Non-controlling interests		**(6,260)**	(6,000)	(3,043)
		127,974	141,777	114,741

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								
	Share capital	Share premium	Merger reserve	Share option reserve	Warrant reserve	Retained profits/ (Accumulated losses)	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2011 (As previously reported)	9,989	98,008	2,222	8,834	120	(2,642)	116,531	(3,043)	113,488
Change in accounting policy – Adoption of HKAS 12 amendment (See Note 1(d))	–	–	–	–	–	1,253	1,253	–	1,253
At 1 May 2011 (Restated)	9,989	98,008	2,222	8,834	120	(1,389)	117,784	(3,043)	114,741
Total comprehensive income for the year	–	–	–	–	–	7,146	7,146	(2,957)	4,189
Placing of shares	1,184	21,071	–	–	–	–	22,255	–	22,255
Exercise of share options	25	295	–	–	–	–	320	–	320
Grant of share options	–	–	–	272	–	–	272	–	272
Share options lapsed during the year	–	–	–	(1,439)	–	1,439	–	–	–
Transfer from warrant reserve to retained profits	–	–	–	–	(120)	120	–	–	–
At 30 April 2012 and 1 May 2012 (Restated)	11,198	119,374	2,222	7,667	–	7,316	147,777	(6,000)	141,777
Total comprehensive loss for the year	–	–	–	–	–	(14,219)	(14,219)	(410)	(14,629)
Issue of warrants	–	–	–	–	200	–	200	–	200
Grant of share options	–	–	–	476	–	–	476	–	476
Share options lapsed during the year	–	–	–	(969)	–	969	–	–	–
Capital contribution by non-controlling interests	–	–	–	–	–	–	–	150	150
At 30 April 2013	**11,198**	**119,374**	**2,222**	**7,174**	**200**	**(5,934)**	**134,234**	**(6,260)**	**127,974**

Notes:

(1) At 30 April 2013, the retained profits of the Group included accumulated losses of HK$143,000 (2012: accumulated losses of HK$143,000) attributable to associates of the Group.

(2) At 30 April 2013, the retained profits of the Group included accumulated losses of HK$2,404,000 (2012: accumulated losses of HK$2,404,000) attributable to jointly controlled entities of the Group.

(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 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 2013 but are extracted therefrom.

The Group's 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 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.

(b) Basis of preparation of financial statements

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

The principal accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2013 are consistent with those adopted in the preparation of the financial statements for the year ended 30 April 2012, except for the adoption of the new and revised HKFRSs as explained in (c) and (d) below.

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

(c) Adoption of new and revised Hong Kong Financial Reporting Standards

In the current year, the Group has adopted the following new and revised HKFRSs, which are relevant to the preparation of the Group's financial statements for annual reporting periods beginning on or after 1 May 2012:

HKAS 12 Amendment	Deferred Tax: Recovery of Underlying Assets
HKFRS 1 Amendment	Servere hyperinflation and removal of fixed dates for first-time adopters
HKFRS 7 Amendment	Disclosures: Transfers of Financial Assets

Except for the impacts of the new and revised HKFRSs described below, the application of the other new and revised HKFRSs had no effect on the financial information for the current or prior accounting periods.

(d) Change in accounting policy

During the current year, the Group has applied the amendment to HKAS 12 entitled "Deferred Tax: Recovery of Underlying Assets". Under the amendment, investment properties that are measured using the fair value model in accordance with HKAS 40 "Investment Property" are presumed to be recovered through sale for the purpose of measuring deferred taxes unless the presumption is rebutted.

In December 2010, the HKICPA amended HKAS 12, "Income Taxes", to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale.

The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted.

The Group has adopted this amendment retrospectively for the financial year ended 30 April 2013 and the effects of adoption are disclosed as follows:

The Group has investment properties measured at their fair values totalling HK$29,340,000 as of 1 May 2012. As required by the amendment, the Group has re-measured the deferred tax relating to certain investment properties according to the tax consequence on the presumption that they are recovered entirely by sale retrospectively. The comparative figures have been restated to reflect the change in accounting policy, as summarised below:

Impact on results for the year

	2013 ***HK$'000***	2012 *HK$'000*
Decrease in income tax expense	**1,243**	1,949
Decrease in (loss)/increase in profit and total comprehensive (loss)/income for the year	**1,243**	1,949
Decrease in (loss)/increase in profit for the year attributable to:		
Equity holders of the Company	**1,243**	1,949
Non-controlling interests	**–**	–
	1,243	1,949
Decrease in (loss)/increase in profit and total comprehensive (loss)/income attributable to:		
Equity holders of the Company	**1,243**	1,949
Non-controlling interests	**–**	–
	1,243	1,949

Impact on basic (loss)/earnings per share

	2013	2012
Increase in basic earnings per share	**HK0.11 cent**	HK0.17 cent

Impact on net assets and equity as at 1 May 2011

	As previously reported *HK$'000*	Change in accounting policy *HK$'000*	**As restated** ***HK$'000***
Deferred tax liabilities and impact on net assets	1,648	(1,253)	**395**
Accumulated losses and impact on equity	(2,642)	1,253	**(1,389)**

Impact on net assets and equity as at 30 April 2012

	As previously reported *HK$'000*	Change in accounting policy *HK$'000*	**As restated** ***HK$'000***
Deferred tax liabilities and impact on net assets	4,985	(3,202)	**1,783**
Retained profits and impact on equity	4,113	3,202	**7,315**

Impact on net assets and equity as at 30 April 2013

	Change in accounting policy ***HK$'000***
Decrease in deferred tax liabilities and increase in net assets	4,445
Decrease in accumulated losses and increase in equity	4,445

The Group has not early adopted the following new standards, amendments to standards or interpretations that have been issued but are not yet effective, as the Group is still not in the position to estimate the impact that may arise from the application of these new standards and interpretations.

HKAS 1 Amendment	Presentation of Items of Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HKAS 32 Amendment	Presentation-Offsetting Financial Assets and Financial Liabilities
HKAS 36 Amendment	Recoverable Amount Disclosures for Non-Financial Assets
HKFRS 1 Amendment	Government Loans
HKFRS 7 Amendment	Disclosures-Offsetting Financial Assets and Financial Liabilities
HKFRS 7 Amendment	Mandatory Effective Date and Transition Disclosures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle
HKFRS 9	Financial Instruments
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
HK(IFRIC)-Int 21	Levies

2. TURNOVER

	2013 *HK$'000*	2012 *HK$'000*
Contract revenue in respect of construction and building works for the provision of		
– scaffolding services	**117,371**	105,278
– fitting out services	**2,341**	2,199
Management contracting services	**55**	80
Gondolas, parapet railings and access equipment installation and maintenance services	**6,182**	7,567
	125,949	115,124

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 2013, the Group has three reportable segments – (i) scaffolding and fitting out services for construction and building work (ii) management contracting services for construction and building work, and (iii) 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 2013 and 2012 is presented below:

	Scaffolding and fitting out services for construction and building work *HK$'000*	**Management contracting services for construction and building work** *HK$'000*	**Gondolas, parapet railings and access equipment installation and maintenance services** *HK$'000*	**Consolidated** *HK$'000*
For the year ended 30 April 2013				
REVENUE				
Total external sales	**119,712**	**55**	**6,182**	**125,949**
SEGMENT RESULTS				
Gross profit/(loss)	**17,420**	**(71)**	**1,859**	**19,208**
Operating expenses	**(35,566)**	**(178)**	**(4,747)**	**(40,491)**
	(18,146)	**(249)**	**(2,888)**	**(21,283)**
Other income				**1,570**
Increase in fair value of investment properties				**6,410**
Gain on disposal of property, plant and equipment				**6**
Unallocated operating expenses				**(671)**
Loss before taxation				**(13,968)**
Taxation				**(661)**
Loss for the year				**(14,629)**

Statement of financial position – as at 30 April 2013

	Scaffolding and fitting out services for construction and building work	Management contracting services for construction and building work	Gondolas, parapet railings and access equipment installation and maintenance services	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
ASSETS				
Segment assets	**132,342**	**14,400**	**9,713**	**156,455**
Interests in associates				**–**
Interests in jointly controlled entities				**–**
Amounts due from associates				**–**
Amounts due from jointly controlled entities				**–**
Other unallocated assets				**52,437**
Consolidated total assets				**208,892**
LIABILITIES				
Segment liabilities	**18,369**	**140**	**2,116**	**20,625**
Other unallocated liabilities				**60,293**
Consolidated total liabilities				**80,918**

Other Information

	Scaffolding and fitting out services for construction and building work	Management contracting services for construction and building work	Gondolas, parapet railings and access equipment installation and maintenance services	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Capital expenditure	**8,534**	**–**	**1,009**	**7**	**9,550**
Depreciation and amortisation	**3,552**	**–**	**328**	**314**	**4,194**
Bad and doubtful debts	**10,350**	**–**	**3,102**	**–**	**13,452**
Impairment of amounts due from jointly controlled entities and associates	**2,385**	**117**	**–**	**4,277**	**6,779**
Increase in fair value of investment properties	**–**	**–**	**–**	**6,410**	**6,410**
Gain on disposal of property, plant and equipment	**6**	**–**	**–**	**–**	**6**

Information about major customers

Revenue from two customers of scaffolding and fitting out services for construction and building work together with gondolas, parapet railings and access equipment installation and maintenance services represent approximately 60% of the Group's total revenue.

	Scaffolding and fitting out services for construction and building work *HK$'000*	Management contracting services for construction and building work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Consolidated *HK$'000* (Restated)
For the year ended 30 April 2012				
REVENUE				
Total external sales	107,477	80	7,567	115,124
SEGMENT RESULTS				
Gross profit/(loss)	21,943	(603)	(574)	20,766
Operating expenses	(16,800)	(1,302)	(10,749)	(28,851)
	5,143	(1,905)	(11,323)	(8,085)
Other income				1,462
Increase in fair value of investment properties				6,850
Gain on disposal of property, plant and equipment				13,345
Unallocated operating expenses				(7,140)
Profit before taxation				6,432
Taxation				(2,243)
Profit for the year				4,189

Statement of financial position – as at 30 April 2012

	Scaffolding and fitting out services for construction and building work *HK$'000*	Management contracting services for construction and building work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Consolidated *HK$'000* (Restated)
ASSETS				
Segment assets	126,879	14,405	10,905	152,189
Interests in associates				–
Interests in jointly controlled entities				–
Amounts due from associates				1,196
Amounts due from jointly controlled entities				5,481
Other unallocated assets				46,184
Consolidated total assets				205,050
LIABILITIES				
Segment liabilities	15,512	172	1,646	17,330
Other unallocated liabilities				45,943
Consolidated total liabilities				63,273

Other Information

	Scaffolding and fitting out services for construction and building work *HK$'000*	Management contracting services for construction and building work *HK$'000*	Gondolas, parapet railings and access equipment installation and maintenance services *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000* (Restated)
Capital expenditure	5,975	–	797	493	7,265
Depreciation and amortisation	3,257	3	313	468	4,041
Bad and doubtful debts	2,067	6,210	10,040	–	18,317
Increase in fair value of investment properties	–	–	–	6,850	6,850
Gain on disposal of property, plant and equipment	9	–	–	13,336	13,345

Information about major customers

Revenue from two customers of scaffolding and fitting out services for construction and building work together with gondolas, parapet railings and access equipment installation and maintenance services represent approximately 64% of the Group's total revenue.

Geographical Segments

	Revenue		Carrying amount of segment assets		Capital expenditure incurred during the year	
	2013	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000* (Restated)	***HK$'000***	*HK$'000*
Hong Kong	**126,249**	112,704	**140,832**	124,678	**9,550**	7,265
Macau	**(300)**	2,420	**15,623**	27,511	**–**	–
	125,949	115,124	**156,455**	152,189	**9,550**	7,265

4. OTHER INCOME

	2013	2012
	HK$'000	*HK$'000*
Gain on foreign exchange, net	**17**	339
Interest income	**10**	30
Rental income, net of outgoings of nil	**899**	834
Sundry income	**364**	259
Reversal of bad debts	**22**	–
Write back of other payable	**200**	–
Write back of amount due to a related company	**58**	–
	1,570	1,462

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on bank loans		
– wholly repayable within five years	**953**	1,810
– wholly repayable beyond five years	**169**	182
Interest on other loans	**393**	324
Interest on obligations under finance leases	**107**	62
	1,622	2,378
Less: Amount capitalised to construction contracts	**(10)**	(515)
	1,612	1,863

6. TAXATION

	2013	2012
	HK$'000	*HK$'000*
		(Restated)
Hong Kong Profits Tax		
Current year	**28**	532
Underprovision in prior years	**305**	323
	333	855
Deferred tax		
Current year	**328**	1,388
	661	2,243

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year. (2012: 16.5%).

7. (LOSS)/PROFIT FOR THE YEAR

	2013	2012
	HK$'000	*HK$'000*
		(Restated)
The (loss)/profit for the year has been arrived at after charging/(crediting):		
Allowance for bad and doubtful debts	**10,350**	8,317
Bad and doubtful debts written off	**91**	–
Write off of amount due from customers for contract work	**3,011**	10,000
Auditors' remuneration	**931**	619
Cost of inventories recognised as expenses	**1,441**	2,121
Depreciation and amortisation		
Owned assets	**4,102**	3,798
Assets held under finance leases	**92**	243
	4,194	4,041
Less: Amount capitalised to construction contracts	**(3,140)**	(2,769)
	1,054	1,272
Gain on disposal of property, plant and equipment	**(6)**	(13,345)
Minimum lease payments for operating leases in respect of land and buildings	**1,154**	1,208
Less: Amount capitalised to construction contracts	**(1,036)**	(1,036)
	118	172
Staff costs including directors' emoluments		
– Equity-settled share option expenses	**476**	272
– Settled by other means	**38,999**	29,671
	39,475	29,943
Less: Amount capitalised to construction contracts	**(21,928)**	(19,324)
	17,547	10,619

8. DIVIDEND

No dividend has been proposed by the directors for the year ended 30 April 2013 (2012: None).

9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the loss attributable to the equity holders of the Company totalling approximately HK$14,219,000 (2012: profit of HK$7,146,000) for the year and on the weighted average number of 1,119,762,693 (2012: 1,113,589,961) ordinary shares in issue during the year.

No diluted earnings per share has been disclosed as no diluting effects existed during the year.

10. TRADE AND OTHER RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivables	**57,072**	55,581
Other receivables	**20,700**	20,700
	77,772	76,281
Less: Allowance for bad and doubtful debts	**(20,700)**	(12,457)
	57,072	63,824

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

	2013	2012
	HK$'000	*HK$'000*
1 May	**12,457**	11,916
Allowance for bad and doubtful debts	**10,350**	8,317
Amounts written off as uncollectible	**(2,107)**	(7,776)
30 April	**20,700**	12,457

Included in the above allowances for impairment of trade receivables of the Group are allowances for individually impaired trade receivables of HK$20,700,000 (2012: HK$12,457,000). 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 and other receivables is as follows:

	2013	2012
	HK$'000	*HK$'000*
0 to 90 days	**28,177**	24,847
91 to 180 days	**3,382**	1,962
181 to 365 days	**4,657**	5,696
Above 1 year	**41,556**	43,776
	77,772	76,281

11. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK$10,216,000 (2012: HK$8,628,000) with an aged analysis as follows:

	2013	2012
	HK$'000	*HK$'000*
0 to 90 days	**6,793**	6,594
91 to 180 days	**1,088**	1,060
181 to 365 days	**2,264**	890
Above 1 year	**71**	84
	10,216	8,628

The directors consider the fair values of trade and other payables at 30 April 2013 approximate the carrying amounts.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 30 April 2013, the turnover of the Group amounted to approximately HK$125,949,000, representing an increase of about 9% as compared with a turnover of approximately HK$115,124,000 of the preceding year. Net loss attributable to equity holders of the Company for the year ended 30 April 2013 was approximately HK$14,219,000, as compared to the net profit attributable to equity holders of the Company of approximately HK$7,146,000 of the preceding year.

During the year ended 30 April 2013, the business operations of the scaffolding division continued to experience severe competition from competitors. Nevertheless, the scaffolding division received an increased number of invitations to tender its services for real estate development projects as well as large-scale infra-structure projects such as the Mass Transit Railway Island South Line Stations and the West Kowloon Terminus (North & South) of the Express Rail Link. During the year ended 30 April 2013, the scaffolding division was awarded 19 new works contracts for the provision of scaffolding services. Amongst these new contracts, the most notable ones are the provision of scaffolding services to Science Park (Phase 3) and to the Mass Transit Railway Ocean Park Station and Wong Chuk Hang Station together with the provision of metal-bamboo system scaffolding to the residential development site in Yoho Town (Phase 3) and in Century Gateway. All the scaffolding projects proceeded according to plan.

In respect of the operating results of the fitting out business division, five new fitting out contracts were secured during the year ended 30 April 2013. Amongst the new contracts, the most notable one is the provision of fitting out services to the International Commerce Centre (ICC). Concurrently, the other on-going projects for the supply and installation of aluminium ceiling and cladding to a residential development in Ha Yau Tin in Yuen Long and the provision of fitting out services to Century Gateway in Tuen Mun proceeded according to plan during the year ended 30 April 2013.

In regard to the access equipment division, the Group's fleet of temporary gondolas attained a high rate of utilization during the year ended 30 April 2013. The management of the Group predicted the continued boom in the rental market for temporary gondolas would further boost the operating results of the access equipment division. During the year under review, a new contract for the supply of a building maintenance system to a residential development project in 11-39 Blue Pool Road, Happy Valley and another new contract for the supply of aerial work platforms to the construction site in Riva, Ha Ko Po Tsuen were secured. In addition, the contract for the design, supply and installation of building maintenance units to Parcels 5 and 6 of the Venetian in Macau was completed during the year ended 30

April 2013. Furthermore, the provision of maintenance services to the access equipment of Stonecutters Bridge was on-going thus providing a constant revenue inflow to the business division.

In regard to the research and development results of the Group, a special “Pik-Lik” (formerly called “Thunderbolt”) brand of system scaffolding was invented by the Group and widely promoted to specific usage in the lift shaft areas and external facades of construction sites. This unique scaffolding system when applied to such areas can enhance the efficiency and reduce manpower on an enormous scale, much to the acclaim of the entire construction industry. The management of the Group is extremely optimistic that such invention can contribute substantially to the profitability of the Group in the foreseeable future.

During the financial year under review, a short-term patent was granted by the Patents Registry of The Intellectual Property Department of Hong Kong for the “Pik-Lik” scaffolding. Furthermore, an application had been made and submitted to obtain international patents in Europe as well as in U.S.A. for the “Pik-Lik” brand of system scaffold which reinforces the status of the Group as a market leader in the scaffolding industry in terms of its possession and constant development of advanced technology in cost-efficient scaffolding systems.

BUSINESS OUTLOOK

The current climate of the Hong Kong economy on a macro-economic level is rather encouraging. As China GNP growth rate continued to outpace the other parts of the world amid the turmoil of Europe’s debt crisis and the slowly recovering U.S. economy, it is the views of most economic analysts that we could safely assume the current local real estate market boom would continue, resulting in increased construction activities both in the public and private sectors. This ‘ripple effect’ is predicted to ultimately benefit the Group’s business operations and profitability.

During the financial year ended 30 April 2013, the management of the Group was committed to vigilant cost control in all operating units. By undertaking stringent budget control and in view of the current bullish property market and increased number of infra-structure and real estate development projects in Hong Kong, the management of the Group is of the opinion that our business is on the right track and would improve steadily in the ensuing reporting periods.

Project Portfolio (As at 30 April 2013)

Hong Kong

- Century Gateway
- Riva
- Yoho Town, Phase 3
- i-UniQ Grand
- Chatham Gate
- The Wings
- One Regent Place
- Imperial Cullinan
- AnaCapri (Park Island – Phase 6)
- Avignon
- West Kowloon Terminus Station (South), Express Rail Link
- West Kowloon Terminus Station (North), Express Rail Link
- Midfield Concourse of Hong Kong International Airport
- Ocean Park Station and Wong Chuk Hang Station of MTRC
- Science Park (Phase 3)
- Chinese People’s Liberation Army Force Hong Kong Building
- Redevelopment of Victoria Park Swimming Pool Complex

- St. Paul's Hospital Redevelopment
- Commercial Building Development at 3 Connaught Road Central
- Commercial Building Development at 16 Hart Avenue, Tsimshatsui
- Commercial Building Development at 31-37 Des Voeux Road Central
- Kowloon Commercial Centre (Phase 2), Kwai Chung
- Commercial Building Development at 181 Hoi Bun Road, Kwun Tong
- Joint-user Complex at Bailey Street, To Kwa Wan Reclamation
- Hong Kong Polytechnic University Phase 8 Development
- Baptist University Road Campus Development
- Residential Development at 1 Sai Wan Terrace
- Residential Development at 1 Broadcast Drive, Kowloon Tong
- Residential Development at TMTL No. 422, Siu Lam
- Residential Development at 3-5 Ede Road, Kowloon Tong
- Residential Development at Casam Beach
- Residential Development at 56-66 Nga Tsin Long Road, Kowloon City
- Residential Development at 8 Mount Nicholson Road
- Composite Development at Junction of Plover Cove Road & Po Wu Lane, Tai Po
- Composite Development at K.I.L 11200, Fuk Tsun Street, Tai Kok Tsui
- Public Housing Development at Ex-Cheung Sha Wan Police Quarters
- Public Housing Development at Anderson Road, Site D
- Development at F.S.S.T.L. 177, Sha Tau Kok Road, Fanling
- Development at 1-23 Tang Lung Street, Causeway Bay
- Development at 32-50 Haven Street, Causeway Bay
- Public Rental Housing Development at Ex-Shatin Married Quarters
- Public Rental Housing Development at Kwai Shing Circuit
- Composite Building at N.K.I.L. 6494, Lai Chi Kok Road, Shamshuipo
- Lamma Power Station Extension Maintenance Building
- Refurbishment of Royal Plaza Hotel
- Refurbishment of 127 Repulse Bay Road

FINANCIAL REVIEW AND ANALYSIS

During the year under review, the Group recorded a turnover of approximately HK$125,949,000, representing an increase of approximately 9% as compared with that of the preceding year. The award of new works contracts in the scaffolding and fitting out division accounted for an increase of turnover in Hong Kong. The Company recorded a net loss attributable to its equity holders of approximately HK$14,219,000 during the year ended 30 April 2013. This net loss was mainly due to allowances made for impairment of trade and receivables, bad and doubtful debt written off, write off of amount due from customers for contract work and impairment of amounts due from jointly controlled entities and associates of the Group totalling HK$20,231,000 during the year.

Gross profit of the Group decreased by approximately 8% as compared with last year whilst gross profit margin decreased to approximately 15% during the year. Gross profit margin of the Hong Kong scaffolding division was maintained despite the current keen competition.

During the year under view, operating expenses (excluding bad and doubtful debts of: approximately HK$13,452,000 (2012: approximately HK$18,317,000)) decreased by approximately 26% as compared to the preceding year. The 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, CAPITAL STRUCTURE AND GEARING RATIO

During the year under review, the Group financed its operations by banking facilities and finance leases provided by banks and finance companies. As at 30 April 2013, the Group's consolidated shareholders' funds, current assets, net current assets and total assets were approximately HK$134,234,000 (2012: approximately HK$147,777,000), approximately HK$139,363,000 (2012: approximately HK$147,287,000), approximately HK$61,577,000 (2012: approximately HK$86,432,000) and approximately HK$208,892,000 (2012: approximately HK$205,050,000) respectively.

As at 30 April 2013, the Group's consolidated bank overdrafts and bank loans were approximately HK$13,968,000 (2012: approximately HK$7,500,000) and approximately HK$35,237,000 (2012: approximately HK$28,311,000) respectively. As at 30 April 2013, obligations under finance leases amounted to approximately HK$1,631,000 (2012: approximately HK$916,000), of which HK$610,000 is due for repayment next year and approximately HK$1,021,000 is due for repayment after next year.

As at 30 April 2013, the Group's bank and cash balances amounted to approximately HK$7,221,000 (2012: approximately HK$7,119,000). As at 30 April 2013, the Group's gearing ratio (total bank borrowings and obligations under finance leases divided by shareholders' fund) was approximately 38% (2012: approximately 25%).

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 3 years. All such leases have interest rates fixed at the contract date and fixed repayment bases.

The Directors believe that the Group is in a healthy financial position and has sufficient resources to discharge its debts and to satisfy its commitments and working capital requirements.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 30 April 2013 (year ended 30 April 2012: None).

SEGMENT INFORMATION

Operating segments

The Group is currently organised into 3 operating segments – (i) scaffolding and fitting out services for construction and building work, (ii) management contracting services for construction and building work and (iii) gondolas, parapet railings and access equipment installation and maintenance services. Details of results by business segments are shown in note 3 above.

Geographical segments

The customers of the three divisions of the Group are situated in Hong Kong and Macau. Note 3 above provides analysis of the turnover, carrying amounts of segment assets and capital expenditure by geographical markets.

DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Directors do not have any future plans for material investments or capital assets.

PLEDGE ON ASSETS

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

	2013	2012
	HK$'000	*HK$'000*
Investment properties	**35,750**	29,340
Leasehold land and buildings	**7,817**	8,046
Bank deposit	**680**	680

OUTSTANDING LITIGATION

The outstanding litigation between one of the Group's subsidiaries, Wui Loong Scaffolding Works Company Limited and Able Contractors Limited brought forward from the previous financial year was settled during the year ended 30 April 2013.

FOREIGN EXCHANGE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars. Wui Loong Scaffolding Works Company Limited, one of the Group's subsidiaries, entered into a foreign currency forward contract with DBS Bank (Hong Kong) Limited on 27 March 2013. This foreign currency forward contract is a derivative and classified as a financial asset at fair value through profit or loss. The Directors consider that there is potential foreign exchange exposure of the Group in regard of this foreign currency forward contract.

CONTINGENT LIABILITIES

At 30 April 2013, the Group provided counter indemnities amounting to HK$646,600 (2012: HK$646,600) to banks for surety bonds issued by the banks in respect of construction contracts.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2013, the total number of full-time employees of the Group was 137 (2012: 131). The total remuneration paid to employees (including directors' emoluments) amounted to HK$39,475,000 in 2013 (2012: HK$29,943,000). 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 CONSOLIDATED FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the consolidated financial statements of the Group for the year ended 30 April 2013.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 30 April 2013 have been agreed by the Group's auditors, Moore Stephens, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Moore Stephens 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 Moore Stephens on the preliminary announcement.

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

For the year ended 30 April 2013, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

CORPORATE GOVERNANCE

The Code on Corporate Governance Practice set out in Appendix 15 to the GEM Listing Rules ("Code on Corporate Governance Practices") which is effective for the accounting periods commencing on or after 1 January 2005 has replaced the minimum standard of good practices for issuers and their directors stated in Rules 5.35 to 5.45 of the GEM Listing Rules. In the opinion of the Board, the Company has complied with the Code on Corporate Governance Practices. A Corporate Governance Report will be despatched with the annual report of the Company.

AUDIT COMMITTEE

The Company established an audit committee on 9 November 2001 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 of the Company, Mr. Lam Kwok Wing, Mr. Yeung Po Chin and Dr. Fung Ka Shuen.

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 will also be responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group.

Five audit committee meetings were held since 1 May 2012 up to the date of this announcement.

By order of the Board
WLS HOLDINGS LIMITED
So Yu Shing
Chairman

Hong Kong, 24 July 2013

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. Woo Siu Lun (Executive Director), Mr. So Wang Bon, Edward, (Executive Director), Mr. Yu Yeung Hoi, Stephen, (Executive Director), Mr. Lam Kwok Wing (Independent Non-executive Director), Mr. Yeung Po Chin (Independent Non-executive Director) and Dr. Fung Ka Shuen (Independent Non-executive Director).

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcement" page for at least 7 days from the date of its posting and on the website of the Company at www.wls.com.hk.