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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)

**(I) PROPOSED PLACING OF NEW SHARES
UNDER SPECIFIC MANDATES;
AND
(II) RESUMPTION OF TRADING**

Placing Agent



BLACK MARBLE SECURITIES LTD

貝格隆證券有限公司

Reference is made to the announcement of the Company dated 13 August 2015 in relation to, among other things, the proposed issue of the AC Subscription Shares under specific mandate.

* For identification purpose only

THE UNDERWRITTEN PLACING

After trading hours on 17 August 2015, the Company and the Placing Agent entered into the Underwritten Placing Agreement pursuant to which the Company has conditionally appointed the Placing Agent to procure, as placing agent of the Company, not less than six Placees to subscribe, failing which, the Placing Agent itself will subscribe, for 360,000,000 Underwritten Placing Shares at a price of HK\$0.06875 per Underwritten Placing Share. The Placees and (where appropriate) their respective ultimate beneficial owner(s) shall be (i) Independent Third Parties and (ii) independent from and not acting in concert with Avant Capital. The Underwritten Placing Shares will be allotted and issued pursuant to the UP Specific Mandate to be obtained at the SGM.

The 360,000,000 Underwritten Placing Shares represent (i) approximately 7.08% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 6.61% of the existing issued share capital of the Company as enlarged by the Underwritten Placing (assuming there will not be any change in the issued share capital of the Company from the date of this announcement to the date of completion of the Underwritten Placing); and (iii) approximately 3.32% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed). The aggregate nominal value of the Underwritten Placing Shares under the Underwritten Placing will be HK\$3,600,000.

The gross proceeds from the Underwritten Placing will be HK\$24.75 million and the net proceeds will be approximately HK\$23.96 million (after deduction of commission and other expenses of the Underwritten Placing). On such basis, the net issue price will be approximately HK\$0.0666 per Underwritten Placing Share.

THE BEST EFFORT PLACING

After trading hours on 17 August 2015, the Company and the Placing Agent also entered into the Best Effort Placing Agreement pursuant to which the Company has conditionally appointed the Placing Agent to procure, on a best effort basis, as placing agent of the Company, not less than six Placees to subscribe for a maximum of 5,400,000,000 Best Effort Placing Shares at a price of HK\$0.06875 per Best Effort Placing Share. The Placees and (where appropriate) their respective ultimate beneficial owner(s) shall be (i) Independent Third Parties and (ii) independent from and not acting in concert with Avant Capital. The Best Effort Placing Shares will be allotted and issued pursuant to the BEP Specific Mandate to be obtained at the SGM.

The maximum number of 5,400,000,000 Best Effort Placing Shares represent (i) approximately 106.15% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 51.49% of the existing issued share capital of the Company as enlarged by the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed); and (iii) approximately 49.78% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed). The aggregate nominal value of the Best Effort Placing Shares under the Best Effort Placing will be HK\$54,000,000.

Assuming the maximum number of the Best Effort Placing Shares have been placed, the gross proceeds from the Best Effort Placing will be HK\$371.25 million and the net proceeds will be approximately HK\$365.26 million (after deduction of commission and other expenses of the Best Effort Placing). On such basis, the net issue price will be approximately HK\$0.0676 per Best Effort Placing Share.

GENERAL

The aggregate maximum number of 5,760,000,000 Placing Shares to be placed under the Underwritten Placing and the Best Effort Placing represent (i) approximately 113.23% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 53.10% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming all the Placing Shares are placed and there is no other change in the shareholding structure of the Company before the issue of the Placing Shares under both the Underwritten Placing and the Best Effort Placing).

The Underwritten Placing and the Best Effort Placing are not inter-conditional.

The Underwritten Placing Shares and the Best Effort Placing Shares will be issued under the Specific Mandates to be obtained from the Shareholders and therefore each of the Underwritten Placing and the Best Effort Placing will be subject to Shareholders' approval. The SGM will be convened and held for the purposes of considering and, if thought fit, approving each of the Underwritten Placing and the Best Effort Placing and granting the Specific Mandates to allot and issue the Underwritten Placing Shares and the Best Effort Placing Shares.

Completion of the New AC Subscription is conditional upon, among other things, the issue of not less than 360,000,000 new Shares as contemplated under the Underwritten Placing. To the best knowledge and belief of the Directors, Avant Fund, a fund managed by Avant Capital, is holding 252,000,000 Shares as at the date of this announcement. Accordingly, Avant Fund shall abstain from voting at the resolution(s) to be proposed at the SGM in relation to the Underwritten Placing Agreement and the transactions contemplated thereunder. To the best knowledge and belief of the Directors, as at the date of this announcement, save as disclosed above, no other Shareholders have a material interest in the Underwritten Placing Agreement, the Best Effort Placing Agreement and the transactions contemplated thereunder and are required to abstain from voting at the SGM in respect of the resolutions relating to the Underwritten Placing and the Best Effort Placing.

Applications will be made to the Stock Exchange for the listing of, and permission to deal in, the Underwritten Placing Shares and the Best Effort Placing Shares respectively.

A circular containing, among other things, (i) further details of the Underwritten Placing and the Best Effort Placing; and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

Since completion of each of the Underwritten Placing and the Best Effort Placing is subject to the fulfilment of the conditions as set out in the Underwritten Placing Agreement and the Best Effort Placing Agreement respectively, the Underwritten Placing and/or the Best Effort Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange had been halted with effect from 9:00 a.m. on 18 August 2015 pending the release of this announcement.

The Company has made an application to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 19 August 2015.

Reference is made to the announcement of the Company dated 13 August 2015 in relation to, among other things, the proposed issue of the AC Subscription Shares under specific mandate.

THE PLACING AGREEMENTS

(A) UNDERWRITTEN PLACING AGREEMENT

Date:

17 August 2015 (after trading hours)

Issuer:

The Company

Placing Agent:

Black Marble Securities Limited

The Placing Agent has conditionally agreed to procure, as placing agent of the Company, the Placees to subscribe, failing which, the Placing Agent itself will subscribe, for 360,000,000 Underwritten Placing Shares. The Placing Agent will receive a placing commission of 1.5% of the aggregate Placing Price for the Underwritten Placing Shares. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market condition.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees:

The Underwritten Placing Shares are to be placed to not less than six Placees, who and whose ultimate beneficial owners (where appropriate), shall be (i) Independent Third Parties and (ii) independent from and not acting in concert with Avant Capital. The Placing Agent has undertaken that none of the Placees would, immediately upon completion of the Underwritten Placing, together with parties acting in concert with it, will be holding 20% or more of the issued share capital of the Company as at completion of the Underwritten Placing.

Placing Price:

The Placing Price of HK\$0.06875 per Underwritten Placing Share represents:

- (i) a discount of approximately 82.14% to the closing price of HK\$0.3850 per Share as quoted on the Stock Exchange on 17 August 2015, being the date of the Underwritten Placing Agreement or the Best Effort Placing Agreement (as the case may be);
- (ii) a discount of approximately 84.86% to the average closing price of approximately HK\$0.454 per Share as quoted on the Stock Exchange for the last five consecutive trading days of the Shares immediately prior to the date of the Underwritten Placing Agreement or the Best Effort Placing Agreement (as the case may be); and
- (iii) a discount of approximately 85.37% to the average closing price of approximately HK\$0.470 per Share as quoted on the Stock Exchange for the last ten consecutive trading days of the Shares immediately prior to the date of the Underwritten Placing Agreement or the Best Effort Placing Agreement (as the case may be).

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to, among other matters, the subscription price of the New AC Subscription and the capital requirement for the future development of the Group.

The Directors consider that the terms of the Underwritten Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Underwritten Placing will be HK\$24.75 million and the net proceeds will be approximately HK\$23.96 million (after deduction of commission and other expenses of the Underwritten Placing). On such basis, the net issue price will be approximately HK\$0.0666 per Underwritten Placing Share.

Underwritten Placing Shares:

The 360,000,000 Underwritten Placing Shares represent (i) approximately 7.08% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 6.61% of the existing issued share capital of the Company as enlarged by the Underwritten Placing (assuming there will not be any change in the issued share capital of the Company from the date of this announcement to the date of completion of

the Underwritten Placing); and (iii) approximately 3.32% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed). The aggregate nominal value of the Underwritten Placing Shares under the Underwritten Placing will be HK\$3,600,000.

Ranking of the Underwritten Placing Shares:

The Underwritten Placing Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Underwritten Placing Shares.

Conditions of the Underwritten Placing:

Completion of the Underwritten Placing is conditional upon:

- (i) the Stock Exchange granting the listing of, and permission to deal in, all of the Underwritten Placing Shares; and
- (ii) the UP Specific Mandate being obtained at the SGM.

Each of the Company and the Placing Agent shall use their respective best efforts to procure the satisfaction of the above conditions prior to 4:00 p.m. on the day falling 30 days after the date of the SGM (“**Long Stop Date**”). If the above conditions are not satisfied by the Long Stop Date, all obligations of the Placing Agent and of the Company under the Underwritten Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the Underwritten Placing Agreement (save in respect of any antecedent breach of any obligation thereunder).

Completion:

Completion of the Underwritten Placing shall take place within five Business Days after the fulfillment of all the above conditions or on such other date as the Company and the Placing Agent may agree in writing.

Mandate to issue the Underwritten Placing Shares:

The Underwritten Placing Shares proposed to be issued under the Underwritten Placing Agreement will be issued pursuant to the UP Specific Mandate to be obtained at the SGM.

Force majeure:

The Placing Agent reserves its right to terminate the Underwritten Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the date of completion of the Underwritten Placing if, in the reasonable opinion of the Placing Agent, after consultation with the Company:

- (i) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Underwritten Placing; or
- (ii) there is any breach of the warranties, representations and undertakings given by the Company in the Underwritten Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Underwritten Placing; or
- (iii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Underwritten Placing or makes it inadvisable or inexpedient for the Underwritten Placing to proceed; or
- (iv) any statement contained in all announcements, circulars, interim and annual reports issued by the Company to the Stock Exchange and/or the Shareholders since the publication of the announcement of the Company relating to the annual results of the Company for the year ended 30 April 2015 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Underwritten Placing.

To the best knowledge of the Directors, the Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Non-disposal undertaking:

The Underwritten Placing Shares will be offered to the Placees subject to the terms of the deed of non-disposal undertaking to be executed by each Placee upon completion of the Underwritten Placing, pursuant to which each Placee shall undertake in favour of the Company that it shall not, during the period commencing on the date of allotment and issue of the Underwritten Placing Shares and ending on the last day of the six-month period therefrom, offer, pledge, charge, sell, contract to sell, create any

encumbrances over, or otherwise transfer or dispose of (nor enter into any agreement (whether oral or in writing)) to, either directly or indirectly, conditionally or unconditionally, the Underwritten Placing Shares it subscribed pursuant to the Underwritten Placing without the prior written consent of the Company.

(B) BEST EFFORT PLACING AGREEMENT

Date:

17 August 2015 (after trading hours)

Issuer:

The Company

Placing Agent:

Black Marble Securities Limited

The Placing Agent has conditionally agreed to procure, on a best effort basis, as placing agent of the Company, the Placees to subscribe for a maximum of 5,400,000,000 Best Effort Placing Shares. The Placing Agent will receive a placing commission of 1.5% of the aggregate Placing Price for the Best Effort Placing Shares successfully placed by the Placing Agent. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market condition.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees:

The Best Effort Placing Shares are to be placed to not less than six Placees, who and whose ultimate beneficial owners (where appropriate), shall be (i) Independent Third Parties and (ii) independent from and not acting in concert with Avant Capital. The Placing Agent has undertaken that none of the Placees would, immediately upon completion of the Best Effort Placing, together with parties acting in concert with it, will be holding 20% or more of the issued share capital of the Company as at completion of the Best Effort Placing.

Placing Price:

The Placing Price per Best Effort Placing Share is the same as the Placing Price per Underwritten Placing Share. Please refer to the paragraph headed “(A) Underwritten Placing Agreement – Placing Price” above for an analysis of the Placing Price.

The Directors consider that the terms of the Best Effort Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming the maximum number of the Best Effort Placing Shares have been placed, the gross proceeds from the Best Effort Placing will be HK\$371.25 million and the net proceeds will be approximately HK\$365.26 million (after deduction of commission and other expenses of the Best Effort Placing). On such basis, the net issue price will be approximately HK\$0.0676 per Best Effort Placing Share.

Best Effort Placing Shares:

The maximum number of 5,400,000,000 Best Effort Placing Shares represent (i) approximately 106.15% of the existing issued share capital of the Company as at the date of this announcement; (ii) approximately 51.49% of the existing issued share capital of the Company as enlarged by the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed); and (iii) approximately 49.78% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming the maximum number of the Best Effort Placing Shares are placed). The aggregate nominal value of the Best Effort Placing Shares under the Best Effort Placing will be HK\$54,000,000.

Ranking of the Best Effort Placing Shares:

The Best Effort Placing Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Best Effort Placing Shares.

Conditions of the Best Effort Placing:

Completion of the Best Effort Placing is conditional upon:

- (i) the Stock Exchange granting the listing of, and permission to deal in, all of the Best Effort Placing Shares; and
- (ii) the BEP Specific Mandate being obtained at the SGM.

Each of the Company and the Placing Agent shall use their respective best efforts to procure the satisfaction of the above conditions prior to the Long Stop Date. If the above conditions are not satisfied by the Long Stop Date, all obligations of the Placing Agent and of the Company under the Best Effort Placing Agreement shall cease and determine and neither the Placing Agent nor the Company shall have any claim against the other in relation to the Best Effort Placing Agreement (save in respect of any antecedent breach of any obligation thereunder).

Completion:

Completion of the Best Effort Placing shall take place within five Business Days after the fulfillment of all the above conditions or on such other date as the Company and the Placing Agent may agree in writing.

Mandate to issue the Best Effort Placing Shares:

The Best Effort Placing Shares proposed to be issued under the Best Effort Placing Agreement will be issued pursuant to the BEP Specific Mandate to be obtained at the SGM.

Force majeure:

The Placing Agent reserves its right to terminate the Best Effort Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the date of completion of the Best Effort Placing if, in the reasonable opinion of the Placing Agent, after consultation with the Company:

- (i) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Best Effort Placing; or
- (ii) there is any breach of the warranties, representations and undertakings given by the Company in the Best Effort Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Best Effort Placing; or
- (iii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Best Effort Placing or makes it inadvisable or inexpedient for the Best Effort Placing to proceed; or

- (iv) any statement contained in all announcements, circulars, interim and annual reports issued by the Company to the Stock Exchange and/or the Shareholders since the publication of the announcement of the Company relating to the annual results of the Company for the year ended 30 April 2015 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Best Effort Placing.

To the best knowledge of the Directors, the Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Non-disposal undertaking:

The Best Effort Placing Shares will be offered to the Placees subject to the terms of the deed of non-disposal undertaking to be executed by each Placee upon completion of the Best Effort Placing, pursuant to which each Placee shall undertake in favour of the Company that it shall not, during the period commencing on the date of allotment and issue of the Best Effort Placing Shares and ending on the last day of the six-month period therefrom, offer, pledge, charge, sell, contract to sell, create any encumbrances over, or otherwise transfer or dispose of (nor enter into any agreement (whether oral or in writing)) to, either directly or indirectly, conditionally or unconditionally, the Best Effort Placing Shares it subscribed pursuant to the Best Effort Placing without the prior written consent of the Company.

Since completion of each of the Underwritten Placing and the Best Effort Placing is subject to the fulfilment of the conditions as set out in the Underwritten Placing Agreement and the Best Effort Placing Agreement respectively, the Underwritten Placing and/or the Best Effort Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

REASONS FOR THE UNDERWRITTEN PLACING, THE BEST EFFORT PLACING AND USE OF PROCEEDS

The Group is principally engaged in the provision of scaffolding and fitting out services, management contracting services, and other services for construction and buildings work and money lending business.

The Directors are of the view that the Underwritten Placing and the Best Effort Placing can strengthen the financial position of the Group and provide working capital to the Group to meet any future development and obligations. The Underwritten Placing and the Best Effort

Placing also represent good opportunities to broaden the shareholders' base and the capital base of the Company. The Directors consider that each of the Underwritten Placing and the Best Effort Placing is in the interest of the Company and the Shareholders as a whole.

As disclosed above, the net proceeds from the Underwritten Placing are estimated to be approximately HK\$23.96 million and the maximum net proceeds from the Best Effort Placing are estimated to be approximately HK\$365.26 million.

Assuming completion of both the Underwritten Placing and the Best Effort Placing shall take place, the maximum aggregate net proceeds is estimated to be approximately HK\$389.22 million and is expected to be applied in the following manners:

- (i) approximately HK\$180.00 million for the development and expansion of its money-lending business;
- (ii) approximately HK\$180.00 million for the future possible acquisitions and strategic investment of the Group in businesses, including but not limited to, financial and securities markets, construction and ancillary services sectors; and
- (iii) the remaining balance of approximately HK\$29.22 million for the general working capital of the Group,

further details of the estimated use of net proceeds in relation to intended uses (i) and (ii) above are set out below.

(i) Approximately HK\$180.00 million for the development and expansion of its money lending business

Money lending business has been one of the recent business focuses of the Group. Since the commencement of money lending business in May 2015 up to the date of this announcement, the loan interest income and net profit generated by this segment amounted to approximately HK\$0.80 million and approximately HK\$0.78 million respectively. The allocated funds of approximately HK\$30.00 million raised from a placing of 540,000,000 new shares of the Company pursuant to a specific mandate granted to the Directors by the Shareholders at the special general meeting of the Company held on 5 March 2015 has already been utilised in full. As disclosed in the annual reports of the Company for the three consecutive years ended 30 April 2015, the Group recorded a net loss in the past three financial years. Comparing to the overall financial performance of the Group in the past, the management of the Group believes that the money lending business has shown satisfactory turnover and profit to the Group despite it is still at an infant stage of development. Accordingly, the Company considers it is in the interests of the Company and Shareholders to expand its money lending business. In view of the recent implementation of certain restrictive measures by the Hong Kong Monetary Authority in relation to the provision of lending by banks, the Board believes this presents positive business opportunities to the Group and considers that the Group should capture such opportunities by capital funding by means of issue of new Shares.

(ii) Approximately HK\$180.00 million for the investment of the Group in businesses, including but not limited to, financial and securities markets, construction and ancillary services sectors

As discussed above, the Group has recorded a net loss in the past three consecutive financial years by engaging in its then existing businesses. In order to seek the best return for the Shareholders, the Board intends to diversify the business of the Group with an objective to broadening the source of income of the Group and thus achieving better financial performance. To this end, the Directors intend to apply the net proceeds for further potential acquisitions and/or investments which are related to business sectors, including but not limited to, the financial and securities markets, and construction and ancillary services. As at the date of this announcement, no specific acquisition or investment target in relation to the above has been identified.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The following table summarises the fund raising activities completed by the Company in the 12 months immediately preceding the date of this announcement:

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of the net proceeds as at the date of this announcement
21 January 2015 and 27 March 2015	Placing of 540,000,000 new shares pursuant to the specific mandate granted to the Directors by the Shareholders at the special general meeting of the Company held on 5 March 2015	<p>The aggregate net proceeds of approximately HK\$159.76 million was intended to be used as follows:</p> <p>(i) Approximately HK\$30.00 million for repayment of bank loans and other loans;</p> <p>(ii) Approximately HK\$33.00 million for repayment of the convertible bonds and the payment of interest accrued thereon;</p>	<p>The aggregate net proceeds of HK\$103.76 million have been used as follows:</p> <p>(i) approximately HK\$14.00 million has been utilised for repayment of bank loans and other loans;</p> <p>(ii) approximately HK\$31.78 million has been utilised for repayment of the convertible bonds and the payment of interest accrued thereon, and remaining balance of approximately HK\$1.22 million has been reallocated as general working capital of the Group;</p>

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of the net proceeds as at the date of this announcement
		(iii) Approximately HK\$30.00 million for financing the development of the money lending business;	(iii) approximately HK\$30.00 million has been utilised for financing the money lending business;
		(iv) Approximately HK\$25.00 million for purchase of factory unit for warehouse storage purpose;	(iv) approximately HK\$2.00 million has been utilised for expansion of design and fitting out services of the Group; and
		(v) Approximately HK\$17.00 million for expansion of design and fitting out services of the Group; and	(v) approximately HK\$25.98 million has been applied as general working capital of the Group.
		(vi) the remaining balance of approximately HK\$24.76 million for general working capital of the Group.	The remaining balance of approximately HK\$56.00 million has not been utilised and remains in the bank for intended use.

Date of announcement	Fund raising activity	Intended use of net proceeds	Actual use of the net proceeds as at the date of this announcement
21 October 2014 and 31 October 2014	Issue of 79,900,000 new shares under a general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 28 August 2014	The aggregate net proceeds of approximately HK\$13.99 million were intended to be used to finance the subscription of shares of AP Assets Limited.	All of the net proceeds have been used as intended.
27 June 2014, 28 July 2014, 20 August 2014 and 28 August 2014	Placing of convertible bonds in the aggregate principal amount of HK\$30,000,000 pursuant to the specific mandate granted to the Directors by the Shareholders at the extraordinary general meeting of the Company held on 20 August 2014	The aggregate net proceeds 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).	All of the net proceeds have been used as follows: (i) approximately HK\$17.36 million has been used as intended; (ii) approximately HK\$4.02 million has been applied for repayment of bank loans and bank overdraft of the Group; and (iii) approximately HK\$7.23 million has been applied as general working capital of the Group.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company:

- (i) upon completion of the Underwritten Placing (assuming there is no other change in the shareholding structure of the Company before the issue of the Underwritten Placing Shares);
- (ii) upon completion of the Best Effort Placing (assuming all the Best Effort Placing Shares are placed and there is no other change in the shareholding structure of the Company before the issue of the Best Effort Placing Shares); and
- (iii) upon completion of the Underwritten Placing and the Best Effort Placing (assuming all the Best Effort Placing Shares are placed and there is no other change in the shareholding structure of the Company before the issue of the Underwritten Placing Shares and the Best Effort Placing Shares) are set out as below:

Shareholders	As at the date of this announcement		(i) Upon completion of the Underwritten Placing		(ii) Upon completion of the Best Effort Placing		(iii) Upon completion of the Underwritten Placing and the Best Effort Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors:								
Dr. So Yu Shing	3,320,000	0.07	3,320,000	0.06	3,320,000	0.03	3,320,000	0.03
Mr. Kong Kam Wang	1,778,000	0.03	1,778,000	0.03	1,778,000	0.02	1,778,000	0.02
Ms. Lai Yuen Mei, Rebecca	3,320,000	0.07	3,320,000	0.06	3,320,000	0.03	3,320,000	0.03
Mr. So Wang Chun, Edmond	800,000	0.02	800,000	0.01	800,000	0.01	800,000	0.01
Mr. Ng Tang	5,536,000	0.11	5,536,000	0.10	5,536,000	0.05	5,536,000	0.05
Placces of Underwritten Placing	-	-	360,000,000	6.61	-	-	360,000,000	3.32
Placces of Best Effort Placing	-	-	-	-	5,400,000,000	51.49	5,400,000,000	49.78
Other public Shareholders	<u>5,072,347,072</u>	<u>99.71</u>	<u>5,072,347,072</u>	<u>93.12</u>	<u>5,072,347,072</u>	<u>48.37</u>	<u>5,072,347,072</u>	<u>46.76</u>
Total	<u>5,087,101,072</u>	<u>100.00</u>	<u>5,447,101,072</u>	<u>100.00</u>	<u>10,487,101,072</u>	<u>100.00</u>	<u>10,847,101,072</u>	<u>100.00</u>

Note: Percentage figures may not add up to 100 per cent due to roundings.

The aggregate maximum number of 5,760,000,000 Placing Shares to be placed under the Underwritten Placing and the Best Effort Placing represent (i) approximately 113.23% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 53.10% of the existing issued share capital of the Company as enlarged by the Underwritten Placing and the Best Effort Placing (assuming all the Best Effort Placing Shares are placed and there is no other change in the shareholding structure of the Company before the issue of the Underwritten Placing Shares and the Best Effort Placing Shares).

GENERAL

The Underwritten Placing and the Best Effort Placing are not inter-conditional.

The Underwritten Placing Shares and the Best Effort Placing Shares will be issued under the Specific Mandates to be obtained from the Shareholders and therefore each of the Underwritten Placing and the Best Effort Placing will be subject to Shareholders' approval. The SGM will be convened and held for the purposes of considering and, if thought fit, approving each of the Underwritten Placing and the Best Effort Placing and granting the Specific Mandates to allot and issue the Underwritten Placing Shares and the Best Effort Placing Shares proposed to be placed under the Underwritten Placing and the Best Effort Placing respectively.

Completion of the New AC Subscription is conditional upon, among other things, the issue of not less than 360,000,000 new Shares as contemplated under the Underwritten Placing. To the best knowledge and belief of the Directors, Avant Fund, a fund managed by Avant Capital, is holding 252,000,000 Shares as at the date of this announcement. Accordingly, Avant Fund shall abstain from voting at the resolution(s) to be proposed at the SGM in relation to the Underwritten Placing Agreement and the transactions contemplated thereunder. To the best knowledge and belief of the Directors, as at the date of this announcement, save as disclosed above, no other Shareholders have a material interest in the Underwritten Placing Agreement, the Best Effort Placing Agreement and the transactions contemplated thereunder and are required to abstain from voting at the SGM in respect of the resolutions relating to the Underwritten Placing and the Best Effort Placing.

Applications will be made to the Stock Exchange for the listing of, and permission to deal in, the Underwritten Placing Shares and the Best Effort Placing Shares respectively.

A circular containing, among other things, (i) further details of the Underwritten Placing and the Best Effort Placing; and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as practicable in accordance with the GEM Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange had been halted with effect from 9:00 a.m. on 18 August 2015 pending the release of this announcement.

The Company has made an application to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 19 August 2015.

DEFINITIONS

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

“AC Subscription Shares”	1,920,000,000 new Shares
“acting in concert”	has the meaning as ascribed to it in the Code on Takeovers and Mergers of Hong Kong
“associate”	has the meaning as ascribed to it under the GEM Listing Rules
“Avant Capital”	Avant Capital Management (HK) Limited, a corporation licensed under the SFO (Chapter 571 of the Laws of Hong Kong) to carry out type 4 (advising on securities) and type 9 (asset management) regulated activities, being the subscriber under the New AC Subscription Agreement
“Avant Fund”	a fund managed by Avant Capital, is holding 252,000,000 Shares as at the date of this announcement
“Best Effort Placing”	the proposed offer by way of private placing of the Best Effort Placing Shares by or on behalf of the Placing Agent, on a best effort basis, for subscription by the Placees on the terms and subject to the conditions set out in the Best Effort Placing Agreement
“Best Effort Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 17 August 2015 in relation to the Best Effort Placing

“Best Effort Placing Shares”	a maximum of 5,400,000,000 new Shares to be placed pursuant to the Best Effort Placing Agreement and each a “Best Effort Placing Share”
“BEP Specific Mandate”	the specific mandate for the allotment and issue of the Best Effort Placing Shares to be granted to the Directors at the SGM
“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, Sunday or public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	WLS Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued Shares of which are listed on GEM
“connected person”	has the meaning ascribed thereto in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	third party(ies) independent of, and not connected with, the Company, its connected persons and their respective associates

“New AC Subscription”	the subscription of the AC Subscription Shares by Avant Capital pursuant to the terms of the New AC Subscription Agreement
“New AC Subscription Agreement”	the subscription agreement entered into between the Company (as issuer) and Avant Capital (as subscriber) dated 12 August 2015 in relation to the New AC Subscription
“Placees”	any individuals, corporate, institutional investors or other investors to be procured by or on behalf of the Placing Agent under the Underwritten Placing or (as the case may be) the Best Effort Placing
“Placing Agent”	Black Marble Securities Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) under the SFO
“Placing Agreements”	collectively, Best Effort Placing Agreement and Underwritten Placing Agreement
“Placing Price”	HK\$0.06875 per Best Effort Placing Share or Underwritten Placing Share (as the case may be)
“Placing Shares”	collectively, the Underwritten Placing Shares and the Best Effort Placing Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“SGM”	a special general meeting of the Company proposed to be convened to consider and, if thought fit, approve, among other matters, the terms of the Underwritten Placing Agreement and the Best Effort Placing Agreement and the allotment and issue of the Underwritten Placing Shares and the Best Effort Placing Shares by the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Specific Mandates”	collectively, the UP Specific Mandate and the BEP Specific Mandate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underwritten Placing”	the offer by way of private placing of the Underwritten Placing Shares by or on behalf of the Placing Agent for subscription by the Placee(s), failing which, by the Placing Agent itself, on the terms and subject to the conditions set out in the Underwritten Placing Agreement
“Underwritten Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 17 August 2015 in relation to the Underwritten Placing
“Underwritten Placing Shares”	360,000,000 new Shares to be placed pursuant to the Underwritten Placing Agreement and each an “Underwritten Placing Share”
“UP Specific Mandate”	the specific mandate for the allotment and issue of the Underwritten Placing Shares to be granted to the Directors at the SGM
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 18 August 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's website at www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the day of its posting and on the website of the Company at www.wls.com.hk.