WLS Holdings Limited
滙隆控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8021)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (“Directors”) of WLS Holdings Limited (“Company” or “WLS”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or this announcement misleading.

* *For identification purpose only*

ANNUAL RESULTS

The board of Directors ("Board") of the Company announces the consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 30 April 2025, together with comparative audited figures for the preceding financial year, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 30 April 2025

	Notes	**2025** *HK$'000*	2024 *HK$'000*
Revenue	*4*	**79,128**	82,405
Cost of sales		**(26,969)**	(31,665)
Gross profit		**52,159**	50,740
Other income	*6*	**707**	326
Other gains/(losses), net	*7*	**10,394**	(5,227)
Impairment losses recognised under expected credit loss ("ECL") model	*8*	**(39,914)**	(24,409)
Operating and administrative expenses		**(17,530)**	(18,271)
Gain on disposal of property, plant and equipment		**110**	188
Finance costs	*9*	**(9,000)**	(8,588)
Loss before tax		**(3,074)**	(5,241)
Income tax expense	*10*	**(3,772)**	(5,906)
Loss for the year attributable to owners of the Company	*11*	**(6,846)**	(11,147)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 April 2025

	Notes	**2025**	2024
		HK$'000	*HK$'000*
Loss for the year		**(6,846)**	(11,147)
Other comprehensive income/(expense):			
Item that will not be reclassified to profit or loss:			
Fair value gain/(loss) on equity instruments at fair value through other comprehensive income ("FVTOCI")		**466**	(1,083)
Other comprehensive income/(expense) for the year, net of tax		**466**	(1,083)
Total comprehensive expense for the year attributable to owners of the Company		**(6,380)**	(12,230)
		HK cents	*HK cents*
Loss per share			
Basic and diluted	*13*	**(0.048)**	(0.078)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 April 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Property, plant and equipment		**2,341**	3,620
Right-of-use assets		**293**	291
Equity instruments at FVTOCI		**2,372**	1,142
Loan and interest receivables	*14*	**16,199**	241,905
Prepayments, deposits and other receivables		**–**	1,144
		21,205	248,102
Current assets			
Loan and interest receivables	*14*	**445,483**	214,257
Prepayments, deposits and other receivables		**12,697**	10,935
Trade receivables	*15*	**27,599**	34,601
Contract assets		**8,885**	7,663
Inventories		**465**	343
Financial assets at fair value through profit or loss ("FVTPL")		**53,224**	47,661
Bank balances and cash		**15,545**	18,480
		563,898	333,940
Current liabilities			
Trade and other payables	*16*	**45,044**	40,913
Contract liabilities		**155**	2,847
Lease liabilities	*17*	**300**	663
Retention monies payables		**4,665**	3,822
Provision for onerous contracts		**–**	100
Other borrowings	*18*	**152,582**	148,348
Tax payable		**4,860**	669
		207,606	197,362
Net current assets		**356,292**	136,578
Total assets less current liabilities		**377,497**	384,680

CONSOLIDATED STATEMENT OF FINANCIAL POSITION ***(Continued)***
At 30 April 2025

	Notes	**2025** ***HK$'000***	2024 *HK$'000*
Non-current liabilities			
Lease liabilities	*17*	**–**	244
Other borrowings	*18*	**–**	100
Deferred tax liabilities		**–**	459
		–	803
Net assets		**377,497**	383,877
Capital and reserves			
Share capital		**143,670**	143,670
Reserves		**233,827**	240,207
Total equity		**377,497**	383,877

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company is incorporated in the Cayman Islands as an exempted company and continued in Bermuda with limited liability and its shares are listed on GEM of the Stock Exchange. The registered office of the Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 11, Bermuda. The head office and the principal place of business of the Company in Hong Kong is located at Rooms 1001-1006, 10th Floor, Tower A, Southmark, No. 11 Yip Hing Street, Wong Chuk Hang, Aberdeen, Hong Kong.

The principal activities of the Group are the provision of scaffolding, fitting out and other auxiliary services for construction and buildings work, money lending business and securities investment business.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountant (the "HKICPA") for the first time, which are mandatorily effective for the annual period beginning on or after 1 May 2024, for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendment to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangement

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contract Referencing Nature – dependent Electricity[2]
Amendments to HKAS 28 and HKFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 21	Lack of Exchangeability[1]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[2]

[1] effective for annual periods beginning on or after 1 January 2025.
[2] effective for annual periods beginning on or after 1 January 2026.
[3] effective for annual periods beginning on or after 1 January 2027.
[4] no mandatory effective date yet determined but available for adoption.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards are not expected to have any significant impact on the Group's consolidated financial statements.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs will be effective for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's consolidated financial statements.

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("GEM Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Going concern

In preparing the consolidated financial statements, the directors of the Company (the "Directors") have given careful consideration to the future liquidity of the Group in light of the fact that the Group recorded a consolidated loss after tax of approximately HK$6,846,000 for the year ended 30 April 2025, and it has been noted that other borrowing amounting to approximately HK$152,582,000 were past due as of 30 April 2025, and approximately HK$77,860,000 will become due within three months if requested by the bondholders. However, the Group's current cash and bank balances of approximately HK$15,545,000 are insufficient to settle all the current liabilities due within the next twelve months from the date of approval of the consolidated financial statements. These conditions indicate that a material uncertainty still exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

3. BASIS OF PREPARATION (Continued)

Going concern (Continued)

The Directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next twelve months from the date of approval of the consolidated financial statements. In order to ensure the Group's ability to operate as a going concern, the directors of the Company have implemented measures to deal with the conditions referred to above, as follows:

(a) the Group will continue to negotiate with bondholders for renewing bond agreements. Based on the latest communications with the bondholders, the directors of the Company are not aware of any intention of the bondholders to require repayment of the loans within the next 12 months from the date of the consolidated financial statements, and the directors believe that the existing bond agreements will be renewed;

(b) the management will consider other financing arrangements and fund-raising alternatives with a view to increasing the Group's capitalisation/equity and to support the continuing growth of the Company;

(c) the Group will continue to improve the operating efficiency by implementing measures to tighten cost controls over various operating expenses in order to enhance its profitability and to improve the cash flow from its operation in future; and

(d) Collect those past due loan receivable and those current loan receivables would be due within the next twelve months.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities that may arise and to re-classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

4. REVENUE

For the year ended 30 April 2025

(a) Disaggregation of revenue from contracts with customers

	2025 ***HK$'000***	2024 *HK$'000*
Revenue from contracts with customers recognised over time		
Contract revenue in respect of scaffolding, fitting out and other auxiliary services for construction and buildings work	**27,796**	36,812
Revenue from other sources:		
Loan interest income	**51,332**	45,593
	79,128	82,405

4. **REVENUE (Continued)**

For the year ended 30 April 2025 (Continued)

(b) Performance obligations for contracts with customers

Scaffolding, fitting out and other auxiliary services for construction and buildings work

The Group provides scaffolding, fitting out and other auxiliary services for construction and buildings work. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these construction services based on the stage of completion of the contract using input method.

(c) Transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) for contracts with customers that remain outstanding as at reporting date and the expected timing at recognising revenue is set out below:

	2025	2024
	HK$'000	*HK$'000*
Scaffolding, fitting out and other auxiliary services for construction and buildings work		
Within one year	**18,927**	12,346
More than one year but not more than two years	**–**	5,000
	18,927	17,346

5. **SEGMENT INFORMATION**

The Group determines its operating and reportable segments based on the reports, reviewed by the chief operating decision-maker ("CODM"), that are used for resources allocation and assessment of performance focusing specifically on the revenue analysis by principal categories of the Group's business and the loss of the Group as a whole. For the years ended 30 April 2025 and 2024, the Group has three operating and reportable segments – (i) scaffolding, fitting out and other auxiliary services for construction and buildings work, (ii) money lending business, and (iii) securities investment business. These segments are managed separately as they belong to different industries and require different operating systems and strategies.

Segment revenues and results and segment assets and liabilities

The following is an analysis of the Group's revenue and results and assets and liabilities by operating and reportable segment.

5. **SEGMENT INFORMATION (Continued)**

Segment revenues and results and segment assets and liabilities (Continued)

For the year ended 30 April 2025

	Scaffolding, fitting out and other auxiliary services for construction and buildings work *HK$'000*	Money lending business *HK$'000*	Securities investment business *HK$'000*	Total *HK$'000*
REVENUE				
External revenue	27,796	51,332	–	79,128
Other income, net	454	100	4	558
Net impairment losses reversed/(recognised) arising from ECL	1,284	(36,425)	(569)	(35,710)
Other gains, net	100	5,475	4,819	10,394
Total	29,634	20,482	4,254	54,370
Segment result before elimination	(5,918)	(19,765)	30,446	4,763
Elimination on inter-segment transaction *(note)*	–	26,278	(26,278)	–
Segment result from external	(5,918)	6,513	4,168	4,763
Gain on disposal of property, plant and equipment				110
Unallocated net impairment losses recognised arising from ECL				(4,204)
Unallocated finance costs				(3,510)
Unallocated corporate income				149
Unallocated corporate expenses				(382)
Loss before tax				(3,074)
At 30 April 2025				
ASSETS				
Segment assets	46,563	486,109	47,918	580,590
Unallocated corporate assets				4,513
Consolidated assets				585,103
LIABILITIES				
Segment liabilities	(48,314)	(108,186)	(180)	(156,680)
Unallocated corporate liabilities				(50,926)
Consolidated liabilities				(207,606)

Note: The management fee was charged to the money lending business from the securities investment business which was under negotiated terms.

5. SEGMENT INFORMATION (Continued)

Segment revenues and results and segment assets and liabilities (Continued)

For the year ended 30 April 2024

	Scaffolding, fitting out and other auxiliary services for construction and buildings work *HK$'000*	Money lending business *HK$'000*	Securities investment business *HK$'000*	Total *HK$'000*
REVENUE				
External revenue	36,812	45,593	–	82,405
Other losses, net	40	(787)	(4,470)	(5,217)
Net impairment losses reversed/(recognised) arising from ECL	628	(24,038)	(999)	(24,409)
Other income	167	–	3	170
Total	37,647	20,768	(5,466)	52,949
Segment result before elimination	(256)	(9,734)	20,729	10,739
Elimination on inter-segment transaction *(note)*	–	26,350	(26,350)	–
Segment result from external	(256)	16,616	(5,621)	10,739
Unallocated gain on disposal of property, plant and equipment				188
Unallocated other losses, net				(10)
Unallocated finance costs				(8,588)
Unallocated corporate income				156
Unallocated corporate expenses				(7,726)
Loss before tax				(5,241)
At 30 April 2024				
ASSETS				
Segment assets	48,351	479,713	43,852	571,916
Unallocated corporate assets				10,126
Consolidated assets				582,042
LIABILITIES				
Segment liabilities	(46,771)	(103,201)	(129)	(150,101)
Unallocated corporate liabilities				(48,064)
Consolidated liabilities				(198,165)

5. SEGMENT INFORMATION (Continued)

Segment revenues and results and segment assets and liabilities (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the years ended 30 April 2025 and 2024.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profits earned by/loss from each segment without allocation of gain on disposal of property, plant and equipment, unallocated net impairment losses recognised arising from ECL, unallocated other losses, finance costs, net unallocated corporate income and unallocated corporate expenses. This is the measure reported to the CODM for the purpose of resources allocation and performance assessment.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable and operating segments other than, certain right-of-use assets, certain property, plant and equipment, certain prepayments and deposits and other receivables and certain bank balances and cash;
- all liabilities are allocated to reportable and operating segments other than certain other payables, certain lease liabilities, certain tax payables, and certain other borrowings.

Other Segment Information

	Scaffolding, fitting out and other auxiliary services for construction and buildings work *HK$'000*	**Money lending business** *HK$'000*	**Securities investment business** *HK$'000*	**Unallocated** *HK$'000*	**Total** *HK$'000*
Major amounts included in the measure of segment results and segment assets:					
For the year ended 30 April 2025					
Capital expenditure	**–**	**5**	**–**	**–**	**5**
Depreciation of property, plant and equipment	**–**	**1,280**	**–**	**5**	**1,285**
Depreciation of right-of-use assets	**–**	**–**	**–**	**350**	**350**
Gain on disposal of property, plant and equipment	**110**	**–**	**–**	**–**	**110**
Fair value gain on financial assets at FVTPL, net	**–**	**(5,475)**	**(4,819)**	**–**	**(10,294)**

	Scaffolding, fitting out and other auxiliary services for construction and buildings work *HK$'000*	Money lending business *HK$'000*	Securities investment business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Major amounts included in the measure of segment results and segment assets:					
For the year ended 30 April 2024					
Capital expenditure	–	–	–	21	21
Depreciation of property, plant and equipment	–	1,280	–	1	1,281
Depreciation of right-of-use assets	–	–	–	81	81
Gain on disposal of property, plant and equipment	188	–	–	–	188
Fair value loss on financial assets at FVTPL, net	–	1,856	4,471	–	6,327

5. SEGMENT INFORMATION (Continued)

Geographical segments

The Group's operations are located in Hong Kong and all of the Group's revenue were derived from Hong Kong. The Group's non-current assets are located in Hong Kong.

Information on major customers

During the year ended 30 April 2025, the Group had transactions with one (2024: one) customer who contributed over 10% of the Group's total revenue for the year. A summary of revenue earned from these major customers is set out below:

	2025	2024
	HK$'000	*HK$'000*
Revenue earned from scaffolding, fitting out and other auxiliary services for construction and buildings work:		
– Customer A	**18,535**	21,952

6. OTHER INCOME

	2025	2024
	HK$'000	*HK$'000*
Interest income	**2**	78
Management fee income	**350**	–
Rental income	**90**	–
Sundry income	**265**	248
	707	326

7. OTHER GAINS/(LOSSES), NET

	2025	2024
	HK$'000	*HK$'000*
Fair value gain/(loss) on financial assets at FVTPL, net	**10,294**	(6,327)
Gain on debt modification	**–**	1,070
Reversal of onerous contracts	**100**	40
Others	**–**	(10)
	10,394	(5,227)

8. IMPAIRMENT LOSSES RECOGNISED UNDER ECL MODEL

	2025	2024
	HK$'000	*HK$'000*
Net impairment losses recognised/(reversed) arising from ECL on:		
– Loan and interest receivables	**36,425**	24,038
– Trade receivables	**(991)**	(282)
– Contract assets	**339**	(102)
– Other receivables	**4,773**	999
Bad debt recovery on trade receivables	**(632)**	(244)
	39,914	24,409

9. FINANCE COSTS

	2025	2024
	HK$'000	*HK$'000*
Interest on other borrowings	**8,989**	8,535
Interest on lease liabilities	**11**	53
	9,000	8,588

10. INCOME TAX EXPENSE

	2025	2024
	HK$'000	*HK$'000*
Tax comprises:		
Hong Kong Profits Tax		
– Current year charged	**–**	(607)
– Under-provision in prior years	**(4,231)**	–
Deferred tax		
– Current year credited/(charged)	**459**	(5,299)
	(3,772)	(5,906)

No provision for Hong Kong Profits Tax has been made as the Group incurred tax loss during the year ended 30 April 2025.

Hong Kong Profits Tax has been provided in the financial statements at the rate of 8.25% on assessable profits up to HK$2 million; and 16.5% on any part of assessable profits over HK$2 million on the estimated assessable profits for the year ended 30 April 2024.

11. LOSS FOR THE YEAR

	2025	2024
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging:		
Auditor's remuneration		
– audit service	**550**	550
Cost of inventories recognised as an expense	**3,299**	1,715
Sub-contracting expense	**14,617**	15,552
Depreciation of property, plant and equipment	**1,285**	1,281
Depreciation of right-of-use assets	**350**	81
Staff costs including directors' emoluments *(note)*		
– Basic salaries, bonus, other benefits and retirement benefit scheme contributions	**14,753**	17,142

Note: The staff costs of approximately HK$8,740,000 (2024: HK$7,306,000) were included in the cost of sales.

12. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company for the year ended 30 April 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

13. LOSS PER SHARE

Basic and diluted loss per share

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	2025	2024
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company, for the purpose of basic and diluted loss per share	**6,846**	11,147

	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic loss per share	**14,367,101,072**	14,367,101,072

Diluted loss per share is the same as the basic loss per share because the Group has no potential ordinary shares outstanding during the years ended 30 April 2025 and 2024.

14. LOAN AND INTEREST RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Loan and interest receivables	**762,196**	720,251
Less: Allowance for credit losses	**(300,514)**	(264,089)
	461,682	456,162

The exposure of the Group's fixed rate loan receivables to interest rate risks and their contractual maturity dates are as follows:

	2025	2024
	HK$'000	*HK$'000*
Amounts fall due within one year	**445,483**	214,257
Amounts fall due within one to second year	**9,327**	241,905
Amounts fall due between second to fifth year	**6,872**	–
	461,682	456,162

At the reporting date, loan and interest receivables consisted of:

	2025	2024
	HK$'000	*HK$'000*
Amounts secured with securities *(note)*	**144,291**	86,883
Amounts unsecured	**317,391**	369,279
	461,682	456,162

Note: The securities are ordinary shares of companies listed on the Stock Exchange. The fair value of these securities were approximately HK$219,584,000 (2024: HK$111,612,000).

As at 30 April 2025, included in the Group's loan and interest receivables balance are debtors with aggregate gross carrying amount of approximately HK$201,092,000 (2024: HK$421,072,000) which are not past due as at the reporting date, of which approximately HK$20,303,000 (2024: HK$5,969,000) has been past due less than 30 days, approximately HK$13,065,000 (2024: HK$4,929,000) has been past due more than 30 days but less than 90 days, approximately HK$79,601,000 (2024: HK$821,000) has been past due more than 90 days but less than 180 days, approximately HK$33,836,000 (2024: HK$19,539,000) has been past due more than 180 days but less than 1 year, and approximately HK$113,785,000 (2024: HK$3,832,000) has been past due more than 1 year. The Directors consider credit risks of loan and interest receivables that are past due more than 30 days have increased significantly and those past due more than 90 days are considered as credit-impaired.

Included in the carrying amount of loan and interest receivables as at 30 April 2025 is accumulated allowance for credit losses of approximately HK$300,514,000 (2024: HK$264,089,000).

During the year ended 30 April 2025, loan and interest receivables were charged on fixed interest rate mutually agreed between the contracting parties, ranging from 7% to 22% (2024: 7% to 22%) per annum.

15. TRADE RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Trade receivables from		
– Scaffolding, fitting out and other auxiliary services for construction and buildings work *(note)*	**28,150**	36,054
Less: Allowance for credit losses	**(551)**	(1,453)
	27,599	34,601

Note: The credit terms given to each individual customer of scaffolding, fitting out and other auxiliary services for construction and buildings work were in accordance with the payment terms stipulated in the relevant tenders or contracts. The ageing analysis of trade receivables as at the end of the reporting period, based on the invoice date and net of allowance for credit losses is as follows:

	2025	2024
	HK$'000	*HK$'000*
Within 90 days	**22,814**	18,415
91 to 180 days	**1,420**	2,907
181 to 365 days	**2,989**	10,471
Above 1 year	**376**	2,808
	27,599	34,601

As at 30 April 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK$4,785,000 (2024: HK$16,186,000), which are past due as at the reporting date. Out of the past due balances, approximately HK$376,000 (2024: HK$2,808,000) has been past due more than 1 year. The Group does not hold any collateral over these balances.

16. TRADE AND OTHER PAYABLES

	2025	2024
	HK$'000	*HK$'000*
Trade payables *(note)*	**8,573**	8,933
Other payables	**30,930**	28,085
Accruals	**5,355**	3,709
Provision for long service payment	**186**	186
	45,044	40,913

16. TRADE AND OTHER PAYABLES (Continued)

Note:

The following is an ageing analysis of trade payables to trade creditors based on the invoice date:

	2025	2024
	HK$'000	*HK$'000*
Within 90 days	**1,642**	1,342
91 to 180 days	**12**	39
181 to 365 days	**144**	2,383
Above 1 year	**6,775**	5,169
	8,573	8,933

The average credit period ranged from 30 days to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

17. LEASE LIABILITIES

	2025	2024
	HK$'000	*HK$'000*
Lease liabilities payable:		
Within one year	**300**	663
Within a period of more than one year but not more than two years	**–**	244
	300	907
Less: Amounts due for settlement within one year shown under current liabilities	**(300)**	(663)
Amounts due for settlement after one year shown under non-current liabilities	**–**	244

18. OTHER BORROWINGS

	2025	2024
	HK$'000	*HK$'000*
Bonds	**151,623**	148,066
Other borrowings	**959**	382
	152,822	148,448
Less: classified to current liabilities	**(152,582)**	(148,348)
Non-current liabilities	**–**	100

As at 30 April 2025, WLS Holdings Limited issued 6 (2024: 5) coupon bonds as follows:

(a) A 2-year 6.5% coupon unlisted straight bond at a nominal value of HK$20,000,000 was issued by the Company on 3 June 2021. The effective interest rate is 9.73% per annum. The Company and the bondholder may request early redemption of the bond after three months of the issuance date of the bond and before the maturity date. As at 30 April 2025 and 2024, the bond payables were matured and remain unsettled.

(b) A 2-year 11% coupon unlisted straight bond at a nominal value of HK$5,000,000 was issued by the Company on 18 August 2021. The effective interest rate is 9.33% per annum. The Company and the bondholder may request early redemption of the bond after one month of the issuance date of the bond and before the maturity date. As at 30 April 2025 and 2024, the bond payables were matured and remain unsettled.

(c) A 2-year 6.5% coupon unlisted straight bond at a nominal value of HK$5,000,000 was issued by the Company on 18 August 2021. The effective interest rate is 9.33% per annum. The Company and the bondholder may request early redemption of the bond after one month of the issuance date of the bond and before the maturity date. As at 30 April 2025 and 2024, the bond payables were matured and remain unsettled.

(d) A 2-year 6.5% coupon unlisted straight bond at a nominal value of HK$3,000,000 was issued by the Company on 23 March 2022. The effective interest rate is 7.67% per annum. No early redemption option for both the Company and the bondholder of the bond. As at 30 April 2025 and 2024, the bond payables were matured and remain unsettled.

(e) A 5-year 6.5% coupon unlisted straight bond at a nominal value of HK$5,800,000 was issued by the Company on 27 April 2022. The effective interest rate is 8.32% per annum. The Company and the bondholder may request early redemption of the bond after one month of the issuance date of the bond and before the maturity date.

(f) A 3 years 10.0% coupon unlisted straight bonds at a nominal value of HK$4,000,000 was issued by the Company on 3 February 2025. The effective interest rate is 10% per annum. No early redemption unless otherwise agreed. As at 30 April 2025, the carrying amount of the bond is approximately HK$4,000,000.

18. OTHER BORROWINGS (Continued)

As at 30 April 2025, Gold Medal Hong Kong Limited ("Gold Medal"), an indirect wholly-owned subsidiary of the Company issued 4 (2024: 4) coupon bonds as follows:

(i) Gold Medal issued a 5-year 8% coupon bond in the principal amount of HK$42,000,000 on 31 October 2020 which were secured by the Company's corporate guarantee. The whole principal amount is repayable at the date of its maturity. The Company and the bondholder may request early redemption of the bond after 3 months of the issuance date of the bond. The interest rate has been changed to 6.5% since 1 February 2022.

(ii) A 3-year 8.5% coupon unlisted straight bond at a nominal value of HK$20,000,000 was issued by Gold Medal on 28 October 2019 which were secured by the Company's corporate guarantee. The Company and the bondholder may request early redemption of the bond after 3 months of the issuance date of the bond. The interest rate has been changed to 6.5% since 1 February 2022. There is amendment of 4-year coupon unlisted straight bonds has been further extended to 27 October 2027 with the effective dated on 29 August 2023. The bond is extended to 27 October 2027 with no change in terms.

(iii) A surety bond of HK$18,000,000 issued by Gold Medal was issued on 16 September 2020 with no interest bearing which was due on 15 September 2023. As at 30 April 2025 and 2024, the bond payables were matured and remain unsettled.

(iv) A 2-year 8% coupon unlisted straight bond at a nominal value of HK$18,000,000 was issued by Gold Medal on 10 July 2023 which were secured by the Company's corporate guarantee. The principal amount is repayable at the date of its maturity. The Company and the bondholder may request early redemption of the bond after 3-month of the issuance date of the bond.

All bonds were unsecured.

To the best knowledge, information and belief of the directors of the Company having made all reasonable enquiries, all bondholders are an independent third parties not connected with the Company and its connected person.

EXTRACT OF THE INDEPENDENT AUDITORS' REPORT

The section below set out an extract of the independent auditors' report regarding the consolidation financial statements of the Group for the year ended 30 April 2025.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 April 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the section headed "Going Concern" of note 2 to the consolidated financial statements, that the Group incurred a net loss amounted to approximately HK$6,846,000 for the year ended 30 April 2025, and it has been noted that other borrowing amounting to HK$152,582,000 were past due as of 30 April 2025, and approximately HK$77,860,000 will become due within three months if requested by the bondholders. However, the Group's current cash balances of approximately HK$15,545,000 are insufficient to settle all the current liabilities due within the next twelve months from the date of approval of the consolidated financial statements. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

During the year ended 30 April 2025 ("Year"), the Group recorded a decrease in the Group's total revenue for the Year of approximately HK$79.1 million, representing a decrease of approximately 4.0% as compared with the year ended 30 April 2024 ("Last Year"). Net loss attributable to the owners of the Company for the Year was approximately HK$6.8 million, representing a decrease of approximately HK$4.3 million as compared with Last Year.

The operations and reportable segments for the Year were presented as (i) scaffolding, fitting out and other auxiliary services for construction and buildings work, (ii) money lending business and (iii) securities investment business.

The detailed business and financial review of each business segment is stated below.

BUSINESS REVIEW

Scaffolding, Fitting out and Other Auxiliary Services for Construction and Buildings Work

The scaffolding, fitting out and other auxiliary services for construction and buildings work was the largest business segment for the Year. This segment includes scaffolding services, fitting out services and other auxiliary services for construction and buildings work. For the Year, revenue from this segment was approximately HK$27.8 million, representing a decrease of approximately HK$9.0 million as compared with Last Year (Last Year: approximately HK$36.8 million), since the Group had certain construction contracts that are completed. During the year, the Group had been awarded a total of 4 new construction contracts during the Year (Last Year: 4 new construction contracts).

Scaffolding Services

In recent years, a number of large-scale infrastructure projects have been carried out by the Government of HKSAR to boost the construction industry and well-being of the society. For this purpose, a multi-pronged strategy has been adopted by the government to maintain a steady and sustainable land supply with the aim to meet the continuing housing needs in Hong Kong.

On the other hand, in the past few years, the entire scaffolding industry encountered the major difficulty of shortage in supply of skilled workers and experienced personnel. Such shortage of workers resulted in the rising labour costs and diminishing profit margins throughout the industry, which further intensified competition within the scaffolding sector. However, it is worth mentioning that the Group's patented scaffolding system, which is known as "Pik-Lik", has played a crucial role in saving manpower and enhancing efficiency in the industry.

Leveraging the widespread recognition of the impeccable quality of services and the strong relationships nurtured with clientele, the Group receives positive feedback and prominent business support and takes pride in being one of the leading scaffolding service providers in Hong Kong. During the Year, the Group provided scaffolding services to 14 ongoing projects, and 6 of which were completed on schedule and 4 new contracts were awarded.

Project portfolio of scaffolding services (as of 30 April 2025)

- Residential Development at No 3 off Anderson Road, Kwun Tong
- Redevelopment of Khalsa Diwan Hong Kong (Sikh Temple)
- Comprehensive Development of LRT Tin Wing Stop Tin Shui Wai
- Residential Development of Subsidised Sale Flats Development at Ko Shan Road
- Residential Development of proposed dedicated Rehousing Estate at Hung Shui Kiu Phase 1A, Yuen Long
- Residential Development at Anderson Road Quarry Site R2-5
- Residential Development at Tung Chung Area 99
- Residential Development at Kwu Tung North Area 19 Phase 1A and 1B

- Superstructure & Associated Works for the expansion of United Christian Hospital (Phrase II)
- Residential Development at Shek Pai Wan Road
- Comprehensive Development at Drainage Services Tower, Cheung Sha Wan
- Residential Development of Ping Che MIC units for Western Police Married Quarters
- Residential Development at Long Bin Phase 1
- Residential Development at Fanling North Area 15 Phase 1

Fitting out Services

For the fitting out services, the Group mainly provided fitting out services to commercial institutions and luxury residence end-users during the Year. The competition of fitting out services is keen. The Group will continue to proactively acquire new contracts.

Other Auxiliary Services for Construction and Buildings Work

For other auxiliary services for construction and buildings work, the Group mainly provided gondolas, parapet railings and access equipment installation and maintenance services. The Group has been actively cultivating its gondolas rental business over the past several years and has gained positive ‘worth-of-mouth’ in the market. This has enabled the Group to secure a stable number of new contracts despite the competitive local market.

Money Lending Business

The Group’s money lending business is operated by an indirect wholly-owned subsidiary of the Company, Gold Medal Hong Kong Limited (“Gold Medal”) which is a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group earns interest income through providing loans to customers, including individuals, private and listed companies. Customers are usually from referrals from the business network and connections of the management. The day-to-day operation of the money lending business is mainly handled by the directors of Gold Medal, while all loan applications are subject to final review and approval by the Board.

Gold Medal does not place advertisement to procure new customers from the general public. Instead, Gold Medal acquires its new customers through referrals by the business acquaintances of the management or existing and/or previous customers. When a potential customer is referred to the Group, each loan application will be considered and approved by the Board on a case-by-case basis.

The Group finances the money lending business principally by the cash inflow mainly from the repayment of the existing loan portfolio and the proceeds from the issuance of bonds by Gold Medal and the Company.

As at 30 April 2025, Gold Medal had 112 customers.

Approval of loan application

All loans and loan agreements under the Group's money lending business have been granted and approved in accordance with the Guidelines and the Procedure Manual of Gold Medal. The Guidelines provide the policies to be observed by Gold Medal for its money lending business, and set out the objective for the money lending business is to earn interest income to generate profits for Gold Medal whilst avoiding incurrence of bad debts. At present, the Guidelines provide that the usual tenure of the loan is between 3 months to 5 years, and for loan less than HK$5,000,000, the usual interest rate is between 7%-15%, for loan in the amount between HK$5,000,000 to HK$20,000,000, the usual interest rate is between 7%-13% and for loan in the amount between HK$20,000,000 to HK$40,000,000, the usual interest rate is 7%-10%.

Each loan application is considered on a case-by-case basis. In general, if the intending borrower will not provide any collateral for the borrowing, the Group will assess the overall creditworthiness of the intending borrower. To balance the risk and return, a higher interest rate (when compared with usual secured bank borrowing) will be charged by the Group and such interest rate may be higher than any of the interest rates as specified in the Guidelines.

When evaluating the overall creditworthiness of the intending borrower, Gold Medal has adopted the following practices:

(i) With regard to private and listed companies, Gold Medal does not approve loan application of intending borrower which conducts business in industries engaging in sensitive or high risk activities for money laundering and terrorist financing, such as the entertainment and the gambling industries.

(ii) With regard to individual customers, in accordance with the Licensing Condition 15 of the licensing conditions as imposed by the Licensing Court, in respect of unsecured personal loans only, Gold Medal is required to carry out a reasonable assessment of the intending borrower's ability to make repayments in an affordable manner. Therefore, Gold Medal has obtained income proof and asset proof from the intending borrower and also took into account payments needed to meet existing debts (if any) and essential living expenses of the intending borrower when reviewing the loan application.

Existing loans

The net amount of overdue loans and interest receivables as at 30 April 2025 was approximately HK$260.6 million. In relation to the overdue loans, Gold Medal has sent loan repayment request letter to the relevant borrowers and/or has been conducting negotiation with the relevant borrowers and may consider taking legal action.

The Company has complied with the requirements set out in Chapter 19 and/or Chapter 20 of the GEM Listing Rules when Gold Medal granted the loan to each of the borrowers, whose loan was still outstanding as at 30 April 2025.

The Company does not have any agreement, arrangement, understanding, or undertaking (whether formal or informal and whether express or implied) with a connected person (as defined in the GEM Listing Rules) with respect to the grant of any loan by Gold Medal to the borrower whose loan was still outstanding as at 30 April 2025.

Gold Medal has reviewed and flexibly adjusted the business strategies, which is to enhance the requirements of the loan granted to the borrowers. For example, the borrowers have to provide the asset proof or income proof to prove they have the ability to repay the loan. As the requirements of the loan granted to the borrowers are higher and the risk for the loan borrowings are lower, the related interest rate will become lower. Thus, the business segment recorded an increase of revenue during the Year and recorded a turnover of approximately HK$51.3 million for the Year (Last Year: approximately HK$45.6 million). For the loan portfolio as at 30 April 2025, the principal amount of the loans ranged from approximately HK$0.1 million to HK$25.0 million with interest rates ranging from 7.0% to 22% per annum. As at 30 April 2025, approximately 68% of the Group's net loan and interest receivables were unsecured. The remaining loan were secured by listed companies shares or guaranteed by guarantors. As at 30 April 2025, the net amount of loan and interest receivables due from the largest borrower was approximately HK$28.0 million, being approximately 6% to the net loan and interest receivables of the Group. The net amount of loan and interest receivables due from the five largest borrowers (in aggregation with loans granted to persons connected with each other) was 21% of the net loan and interest receivables of the Group. The five largest borrowers were individuals, all of which were third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules). Further details of the loan and interest receivables are set out in note 14 in this announcement.

All loans and loan agreements under the Group's money lending business have been granted and approved in accordance with the Money Lending Guidelines ("Guidelines") and the Money Lending Procedure Manual ("Procedure Manual") of Gold Medal. The Guidelines provide the policies to be observed by Gold Medal for its money lending business, and set out the objective for the money lending business is to earn interest income to generate profits for Gold Medal whilst avoiding incurrence of bad debts. The Guidelines also provide references or specific requirements for setting of interest rates of the loan, the tenure of the loan and the credit assessment and approval process of each loan. Each loan application will be considered and approved by the Board on a case by case basis. The Board will usually take into account of the applicant's creditability, reputation, financial status, the value of the security (if any), the applicant's past repayment record with Gold Medal, and the proposed tenure, principal amount and interest rate of the loan to consider whether a loan application will be approved and whether a security/guarantee is needed or adequate for a loan.

The Procedure Manual provides the procedures to be observed by Gold Medal for granting and thereafter monitoring the repayment of the loans. In brief, the intending borrower first fills in an application form or the intending borrower communicates in person with the officer of Gold Medal. The officer will then collect relevant documents from the intending borrower for client identification and verification, and has to confirm/enquire if the borrower is a connected person of the Group (as defined in the GEM Listing Rules). The application form will then be reviewed and/or approved by any one director of Gold Medal. The senior management will draft the loan documents in accordance with the terms specified in the approved application form. The responsible officer of the loan application will prepare the Memorandum for Credit Analysis ("Memorandum") which contains the proposed terms of the loan application, the background information of the borrower and the analysis of the credit risks and security. The draft loan documents together with the Memorandum will be passed to the Board for final approval. Based on the information in the Memorandum, the Board makes a conclusion on the credit risk assessment of the customer. Once the loan is approved and granted, the responsible officer has to report the status of the loan repayment monthly and immediately report to the Directors if any default repayment is noted. Generally, if the debt is overdue, Gold Medal will issue reminder letter to the customer and if the debt is overdue for 6 months, Gold Medal will consider to take legal action.

Securities Investment Business

The Group recorded a net profit of approximately HK$4.2 million (Last Year: net loss of approximately HK$5.5 million) for its investment portfolio for the Year, which was mainly due to the volatility of the stock market in Hong Kong. The investment committee will continue to monitor the Group's investment portfolio closely in order to maximum shareholders' returns.

Money Lending:

Gold Medal has reviewed and flexibly adjusted the business strategies, which is to enhance the requirements of the loan granted to the borrowers. For example, the borrowers have to provide the asset proof or income proof to prove they have the ability to repay the loan. As the requirements of the loan granted to the borrowers are higher and the risk for the loan borrowings are lower, the related interest rate will become lower. Hence, our money lending business recorded a decrease in revenue during the Year. Due to difficulties in repayment by customers caused by the economic impacts, there was a recognition of net impairment losses arising from expected credit losses of approximately HK$36.4 million (Last Year: approximately HK$24.0 million) for the Year. Despite such difficulties, the Group will continue putting efforts in the collection procedure of loan receivables. For details of our money lending business, please refer to the section headed "Management Discussion and Analysis – Business Review – Money Lending Business" in this announcement.

BUSINESS OUTLOOK

Looking ahead, the difficult economic environment will continue to put pressure on Hong Kong in 2025. The business environment in Hong Kong for 2025 presented a moderate growth outlook with headwinds primarily from economic and interest rate pressures. With the ongoing support from government infrastructure programs and emerging sustainability-focused investments, the Company will continue to emphasise operational efficiency, risk management and strategic adaptation to evolving market conditions to maintain performance and capitalize on select opportunities. The Company remains cautiously optimistic about its growth prospects across its diversified business segments amid a complex but opportunity-rich market environment. The Group will continue to focus on scaffolding, fitting out and other auxiliary services for construction and buildings work, money lending and securities investment business.

In the segment of scaffolding, fitting out, and other auxiliary services for construction and building works, Hong Kong's construction industry is experiencing a slowdown compared to previous years which was influenced by prevailing headwinds such as elevated interest rates and global economic uncertainties. Despite this moderation, stable hiring and ongoing capital works expenditures indicate continued activity in construction projects, supported by government infrastructural investments and steady demand in both public and private sectors.

Over the past decade, the scaffolding industry has grown increasingly competitive, accompanied by rising costs driven by higher labour expenses. At the same time, productivity has faced a decline. Compounding the challenges with an ageing workforce as well as younger generations are reluctant to enter the industry due to the physically demanding nature of the work and the growing technological skill requirements. Shortage of talent coupled with stricter government regulations poses significant challenges to the industry's capacity and sustainability. Collectively, these factors diminished confidence in the future outlook of the scaffolding sector. In response to continuous development of the market demands, many contractors have increasingly transitioned from bamboo scaffolds to iron scaffolds. Going forward, the scaffolding business is expected to be shaped primarily by the use of iron scaffolds and hybrid systems combining both iron and bamboo components.

Besides, after a series of efforts to develop its money lending business, the money lending business has generated stable income for the Year. Despite difficulties in repayment by customers during the Year, the Group will continue to put efforts in the collection procedure of loans receivable. The Group will continue to comply with the Guidelines and Procedure Manual for the money lending business were issued with an aim to comply with the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and other relevant laws and the licensing conditions and guidelines and other publications as issued by the Companies Registry from time to time. The Group will continue to update the Guidelines and Procedure Manual when necessary in order to ensure stricter compliance with the aforementioned. The Company will cautiously navigate and explore the opportunity of the prevailing higher interest rate environment, balancing prudent risk management with opportunities arising from sustained financing demands. The moderately challenging credit environment calls for disciplined lending policies, tailored client engagement, and close monitoring of macroeconomic indicators to mitigate credit risks while sustaining steady loan portfolio growth.

Looking ahead to 2026, Hong Kong's business environment will position for moderate but sustained growth which led by governmental infrastructure investment and innovation in construction practices, balanced against ongoing cost pressures and economic uncertainties. The Company is expected to focus on adapting to these conditions while leveraging new opportunities from major public projects and the evolving real estate market. The Group will remain dedicated to prudent financial management, operational agility, and strategic adaptation to evolving market conditions across its sectors. The management of the Company is confident in managing through near-term headwinds while positioning the Group for sustainable, long-term growth in a robust and dynamic market environment.

FINANCIAL REVIEW AND ANALYSIS

During the Year, the Group recorded a turnover of approximately HK$79.1 million (Last Year: approximately HK$82.4 million), representing slightly decrease of approximately 4.0% as compared with Last Year. The Company recorded a net loss attributable to its owners of approximately HK$6.8 million for the Year (Last Year: approximately HK$11.1 million). The decrease in net loss was mainly due to fair value gain on financial assets at FVTPL of approximately HK$10.3 million (Last Year: fair loss of approximately HK$6.3 million) and offset with the increased in net impairment losses recognised under ECL model.

The decrease in turnover was mainly due to the revenue decreased in generated from the segments of scaffolding, fitting out and other auxiliary services for construction and buildings work during the Year.

For the Year, gross profit of the Group slightly increased by approximately 2.8% to approximately HK$52.2 million as compared with Last Year (Last Year: approximately HK$50.7 million) and gross profit margin increased to approximately 65.9% (Last Year: approximately 61.6%). Gross profit margin of the Group increased due to increase in interest income and offset with the decrease in profit margin of scaffolding, fitting out and other auxiliary services for construction and buildings work.

During the Year, the operating and administrative expenses decreased from approximately HK$18.3 million in the Last Year to approximately HK$17.5 million mainly due to the decrease in staff costs during the Year. Finance costs increase to approximately HK$9.0 million compared with Last Year (Last Year: approximately HK$8.6 million) which was mainly due to the increase in other borrowings during the Year. The Group continued to adopt its policy of vigilant cost control for the ensuing periods. Funds generated from financing activities strengthened the working capital of the Group in anticipation of further investment and diversification opportunities in the future.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

During the Year, the Group financed its operations by proceeds from issue of coupon bonds.

As at 30 April 2025, the Group's equity attributable to the owners of the Company, current assets, net current assets and total assets were approximately HK$377.5 million (2024: HK$383.9 million), approximately HK$563.9 million (2024: HK$333.9 million), approximately HK$356.3 million (2024: HK$136.6 million) and HK$585.1 million (2024: HK$582.0 million) respectively.

As at 30 April 2025, the Group's other borrowings was HK$152.6 million (2024: HK$148.4 million) and the lease liabilities was approximately HK$0.3 million (2024: HK$0.9 million). As at 30 April 2025, other borrowings included (i) 2-year 6.5% coupon bond of HK$20 million issued by the Company, on 3 June 2021; (ii) 2-year 11% coupon bond of HK$5 million issued by the Company, on 18 August 2021; (iii) 2-year 6.5% coupon bond of HK$5 million issued by the Company, on 18 August 2021; (iv) 2-year 6.5% coupon bond of HK$3 million issued by the Company, on 23 March 2022; (v) 5-year 6.5% coupon bond of HK$5.8 million issued by the Company, on 27 April 2022; (vi) 3-year 10% coupon bond of HK$4 million was issued by the Company on 3 February 2025; (vii) 5-year 8% coupon bond of HK$42 million issued by

Gold Medal, on 31 October 2020 and renewed on 1 February 2022 with 6.5% coupon rate; (viii) 3-year 8.5% coupon unlisted straight bond of HK$20 million issued by Gold Medal, on 28 October 2019 and renewed on 1 February 2022 with 6.5% coupon rate and the bonds is extended to 27 October 2027 with no change in terms; (ix) the surety bond of HK$18 million was issued by Gold Medal on 16 September 2020 was with no interest bearing; and (x) 2-year 8% coupon unlisted straight bond of HK$18 million issued by Gold Medal, on 10 July 2023.

As at 30 April 2025, the Group's bank balances and cash amounted to approximately HK$15.6 million (2024: HK$18.5 million). As at 30 April 2025, the Group's gearing ratio (total debts divided by equity attributable to the owners of the Company then multiplied by 100%) was approximately 40.4% (2024: 38.8%). For calculating the gearing ratios, total debts of the Group included other borrowings and lease liabilities.

As at 30 April 2025, most of the Group's bank balances and cash, and other borrowings were denominated in Hong Kong dollars. The other borrowings were repayable on demand or within one year. The lease liabilities had an average lease term ranging from one to three years (30 April 2024: one to three years) and all such leases had interest rates fixed at the contract date and fixed repayment bases.

IMPAIRMENT ASSESSMENT OF LOAN AND INTEREST RECEIVABLES

The Directors assessed the provision for impairment of loan and interest receivables based on the estimation of expected credit loss ("ECL") under a "three-stage" model. In developing the loss allowance of loan and interest receivables, the Directors use judgement in making the assumptions about the probability of default and loss given default with reference to the historical delinquency ratio of loans portfolio, repayment record, collateral values and current and forward-looking information on macroeconomic factors. The impairment assessment was also supported by the assessment made by the external professional valuer.

As at 30 April 2025, the Group's net loan and interest receivables amounted to approximately HK$461.7 million (2024: HK$456.2 million). Allowance for credit losses of loan and interest receivables under the ECL model amounted to approximately HK$300.5 million (2024: HK$264.1 million) and net impairment loss arising from ECL amounted to approximately HK$36.4 million (2024: HK$24.0 million).

Estimation of recoverability of loan and interest receivables

The Group assesses provision for impairment of loan and interest receivables based on an estimate of the recoverability of these receivables. Provisions are applied to loan and interest receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of impairment of loan and interest receivables under HKFRS 9 requires the use of estimates and judgement. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables and provision for impairment losses in the period in which such estimate has been changed. The Group uses judgement in making assumptions and selecting the inputs to its ECL calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Credit risk and impairment assessment

The impairment losses recognised for the year ended 30 April 2025 is the sum of the impairment loss from impairment assessment on principal and interest calculated respectively as follows:

Impairment assessment on principal:

Outstanding amount of principal as at 30 April 2025	x	probability of default	x	loss given default	x	forward looking factor

Impairment assessment on interest:

Outstanding amount of interest as at 30 April 2025	x	probability of default	x	loss given default	x	forward looking factor

(1) The probability of default of each loan is determined based on the internal scoring system from the management, to assess credit risk of borrowers. To adopt a scoring system in the valuation of loan and interest receivables, 5 areas of borrowers' characteristics are used to assess the creditworthiness, namely overdue amount, length of interest and/or principal overdue, length of principal borrowed, change in interest rate and number of extensions.

(2) The loss given default of each loan represents the percentage of the loan expected to be defaulted in the future, taking into account of the market value of any security/guarantee provided for the relevant loan.

(3) The forward looking factor for borrowers from Hong Kong and the Mainland China is adjusted by the parameters on macro-economic factors adopted in the valuation with reference to the calculation by an independent valuer for the impairment assessment under ECL model of loans receivable for the year ended 30 April 2025.

SHARE CAPITAL

The Company did not issue any shares or debentures during the Year.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (Last Year: nil).

SEGMENT INFORMATION

Operating segments

The Group is organised into three operating segments – (i) scaffolding, fitting out and other auxiliary services for construction and buildings work; (ii) money lending business and (iii) securities investment business.

Geographical segments

Customers of all segments of the Group are situated in Hong Kong.

MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any significant acquisition and disposal during the Year.

PLEDGE OF ASSETS

The Group did not have any pledge on its assets as at 30 April 2025 and 2024.

TREASURY POLICY

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

FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

Most of the assets and liabilities of the Group are denominated in Hong Kong dollars. The Group did not use any financial instrument for hedging purpose during the Year, and did not have any outstanding hedging instrument as at 30 April 2025. When appropriate, for example at times when interest rate or exchange rate are uncertain or volatile, the Group will consider the use of hedging instruments including interest rate swap and foreign currency forward contract to manage the Group's exposures to interest rate and foreign exchange rate fluctuations.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks, including risks which are specific to the Group or the industries in which the Group operates. The Directors have established a policy to ensure that significant risks which may adversely affect the Group are identified, reported, monitored, and managed on a continuous basis. The Group has identified the following risks that are considered to be significant to the Group and which may adversely and/or materially affect the Group's businesses, financial conditions, results of operations and growth prospects as at the date of this announcement:

(a) Labour shortage

The Group's scaffolding business and fitting out services business are labour-intensive. In the event that there is a significant increase in the costs and demand of labour and the Group has to retain its labour by increasing their wages, the Group's staff costs and/or subcontracting costs will increase thereby lower the profitability. Further, if the Group or the Group's subcontractors fail to retain the Group's existing labour and/or recruit sufficient labour on a timely manner to cope with the need of the Group's existing or future projects, the Group may not be able to complete the projects on schedule and within budget. The Group's operations and profitability may be adversely affected.

In order to alleviate such risk, the Group is committed to providing our employees with a safe, pleasant and healthy working environment and competitive remuneration package with a view to retaining our labour.

(b) Failure to bid new contract

The Group's scaffolding business relies on successful tenders of contracts for scaffolding works and/or associated works. Given the non-recurring nature of these contract awards and that the Group does not have long-term commitment with its customers, the number of contracts awarded to the Group may vary from year to year. Upon completion of the contracts on hand, the Group's financial performance may be adversely affected if the Group is unable to secure new tenders or obtain new contract awards with comparable contract sums or at all. In order to alleviate such risk, the Group believes that it can leverage on the existing relationship with the major customers to further develop new business opportunities in the future.

(c) Competition

The industries in which the Group operates are highly competitive, for example, the scaffolding industry and the money-lending industry. Areas of competition include contract price, production costs, marketing campaign, customer services and interest rates for money lending. If the Group does not respond timely to cope with the market conditions, it may adversely affect the consumer demand for the Group's services and products, the reputation of the Group and the Group's financial performance.

(d) Financial

The Group is exposed to financial risks, including credit, interest rate, currency, liquidity and other price risks. In addition, the Group's equity instruments at FVTOCI and financial assets at FVTPL are measured at fair value at the end of each reporting period. Therefore, the Group is exposed to equity security price risk due to the fluctuation of fair value of equity instruments at FVTOCI and financial assets at FVTPL.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between shareholder return and a sound capital position. Adjustments are made, when necessary, to maintain an optimal capital structure in light of changes in economic conditions.

(e) Technology

The Group relies on information technology systems and networks, including internet and third-party hosted services for the Group's operation, inventory management and financial reporting. Any material disruption or slowdown of information technology systems, such as a disruption or slowdown caused by failure to successfully upgrade the Group's systems, system failures, viruses or cyber attacks could cause a loss of data or operation interruption. Therefore, the Group will continuously monitor and update, if necessary, relevant information technology systems and networks so as to reduce failure and keep up with the development of technology.

(f) Employees

The Group's success and ability to grow depends largely on its ability to attract, train, retain, and motivate highly skilled and qualified managerial, workers, marketing, administrative, operating, and technical personnel. The loss of key personnel could materially and adversely affect the Group's prospects and operations.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 April 2025 and 2024.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2025, the total number of full-time employees of the Group was 40 (2024: 43). Total staff costs (including Directors' emoluments) amounted to approximately HK$14.8 million for the Year (Last Year: approximately HK$17.1 million). Employees were remunerated according to their performance and working experience during the Year. In addition to basic salaries and contribution to the mandatory provident fund scheme, staff benefits include performance bonus, medical scheme, share options and training.

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

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

EVENT AFTER REPORTING PERIOD

There is no important event affecting the Group which have occurred since 30 April 2025 and up to the date of this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted a corporate governance code prepared based on the code provisions (the "Code Provisions") of the latest code on corporate governance (the "CG Code") contained in Appendix C1 to the GEM Listing Rules. During the year ended 30 April 2025, the Company has complied with the Code Provisions and mandatory disclosure requirements as set out in the CG Code except the following deviation.

Pursuant to the code provision C.2.1, the roles of Chairman (the "Chairman") and chief executive officer (the "CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

The Group currently has no Chairman and CEO. The daily operation and management of the Group is monitored by executive Directors. The Board is of the view that although there is no chairman and chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Group. This arrangement can still enable the Group to make and implement decisions promptly, and thus achieve the Group's objectives efficiently and effectively in response to the changing environment.

The Group will, the appropriate time, arrange for the election of the new chairman and CEO of the Board.

AUDIT COMMITTEE

The Company established an audit committee of the Board ("Audit Committee") with written terms of reference that clearly establish the Audit Committee's authority and duties. The Audit Committee comprised three independent non-executive Directors as at the date of this announcement, namely Mr. Lo Ka Ki, Ms. Gong Qiuyun and Mr. Yang Hui.

The primary duties of the Audit Committee are to review the Company's annual reports and accounts, interim reports and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and risk management and internal control systems of the Group.

Two Audit Committee meetings were held during the Year.

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

ANNUAL RESULTS ANNOUNCEMENT

Infinity CPA Limited has reported on the consolidated financial statements of the Company for the year ended 30 April 2025.

The figures set out in this preliminary announcement of the Group's results for the year ended 30 April 2025 have been agreed by the Company's auditors, Infinity CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year ended 30 April 2025. The work performed by Infinity CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Infinity CPA Limited on this preliminary announcement.

On behalf of the Board
WLS Holdings Limited
Mr. Li Zhenxing
Executive Director

Hong Kong, 31 July 2025

As at the date of this announcement, the Board comprises Mr. Li Zhenxing (Executive Director), Mr. Lo Ka Ki (Independent Non-executive Director), Ms. Gong Qiuyun (Independent Non-executive Director) and Mr. Yang Hui (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 at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.wls.com.hk.