

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

**If you are in doubt** as to any aspect of this circular or as to the action you should take, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in WLS Holdings Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**WLS Holdings Limited**

**滙隆控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8021)**

### **PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES**

**Independent Financial Adviser to the Independent Board Committee and  
the Independent Shareholders of the Company**



**粵海證券有限公司**

**GUANGDONG SECURITIES LIMITED**

---

A letter from the Independent Board Committee containing its advice and recommendation to the Independent Shareholders is set out on page 9 of this circular. A letter from Guangdong Securities Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, is set out on pages 10 to 16 of this circular.

A notice convening an extraordinary general meeting of the Company to be held at Rooms 1001-1006, 10th Floor, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Aberdeen, Hong Kong on 13 April 2011 at 2:30 p.m. is set out on pages 17 to 19 of this circular. Whether or not you intend to attend the extraordinary general meeting, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event, not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at [www.wls.com.hk](http://www.wls.com.hk).

\* For identification purposes only

28 March 2011

---

## CHARACTERISTICS OF GEM

---

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

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

---

## CONTENTS

---

|                                                              | <i>Page</i> |
|--------------------------------------------------------------|-------------|
| <b>Definitions . . . . .</b>                                 | <b>1</b>    |
| <b>Letter from the Board . . . . .</b>                       | <b>3</b>    |
| <b>Letter from the Independent Board Committee . . . . .</b> | <b>9</b>    |
| <b>Letter from Guangdong Securities . . . . .</b>            | <b>10</b>   |
| <b>Notice of Extraordinary General Meeting . . . . .</b>     | <b>17</b>   |

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

|                              |                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “AGM”                        | the annual general meeting of the Company held on 30 August 2010 in which the Shareholders had approved, among other matters, the General Mandate                                                                                                                                                                                                                               |
| “associate(s)”               | has the meaning ascribed to it under the GEM Listing Rules                                                                                                                                                                                                                                                                                                                      |
| “Board”                      | the board of Directors of the Company                                                                                                                                                                                                                                                                                                                                           |
| “Company”                    | WLS Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the GEM board of the Stock Exchange                                                                                                                                                                                                                 |
| “controlling shareholder(s)” | has the meaning ascribed to it under the GEM Listing Rules                                                                                                                                                                                                                                                                                                                      |
| “Director(s)”                | the director(s) of the Company                                                                                                                                                                                                                                                                                                                                                  |
| “EGM”                        | the extraordinary general meeting of the Company proposed to be held and convened at Rooms 1001-1006, 10th Floor, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Aberdeen, Hong Kong on 13 April 2011 at 2:30 p.m. by the Company to consider and, if thought fit, to approve the proposed New General Mandate, a notice of which is set out on pages 17 to 19 of this circular |
| “GEM”                        | the Growth Enterprise Market of the Stock Exchange                                                                                                                                                                                                                                                                                                                              |
| “GEM Listing Rules”          | the Rules Governing the Listing of Securities on GEM                                                                                                                                                                                                                                                                                                                            |
| “General Mandate”            | the general mandate granted to the Directors, to allot, issue and deal with Shares up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the AGM                                                                                                                                                                             |
| “Group”                      | the Company and its subsidiaries from time to time                                                                                                                                                                                                                                                                                                                              |

---

## DEFINITIONS

---

|                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Guangdong Securities” or “Independent Financial Adviser” | Guangdong Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO, the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders regarding the proposed New General Mandate |
| “HK\$”                                                    | Hong Kong dollars, the lawful currency of Hong Kong                                                                                                                                                                                                                                                                                                                                                                                                                 |
| “Hong Kong”                                               | The Hong Kong Special Administrative Region of the People’s Republic of China                                                                                                                                                                                                                                                                                                                                                                                       |
| “Independent Board Committee”                             | the independent committee of the Board, comprising all the independent non-executive Directors, set up to advise the Independent Shareholders as to the fairness and reasonableness of the proposed New General Mandate                                                                                                                                                                                                                                             |
| “Independent Shareholders”                                | Shareholders other than Dr. So Yu Shing and Ms. Lai Yuen Mei, Rebecca and their associates                                                                                                                                                                                                                                                                                                                                                                          |
| “Latest Practicable Date”                                 | 22 March 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein                                                                                                                                                                                                                                                                                                                       |
| “New General Mandate”                                     | the new general mandate proposed to be granted to the Directors at the EGM to allot, issue and deal with new Shares up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of the relevant resolution by the Independent Shareholders                                                                                                                                                                 |
| “PRC”                                                     | the People’s Republic of China                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| “SFO”                                                     | the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)                                                                                                                                                                                                                                                                                                                                                                                            |
| “Share(s)”                                                | ordinary share(s) of HK\$0.01 each in the share capital of the Company                                                                                                                                                                                                                                                                                                                                                                                              |
| “Shareholder(s)”                                          | shareholder(s) of the Company                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| “Stock Exchange”                                          | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                                                                                                                                                                                                                             |
| “%”                                                       | per cent.                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

---

## LETTER FROM THE BOARD

---



### WLS Holdings Limited

滙隆控股有限公司\*

(incorporated in the Cayman Islands with limited liability)  
(Stock Code: 8021)

*Executive Directors:*

Dr. So Yu Shing (Chairman)  
Mr. Kong Kam Wang (Chief Executive Officer)  
Ms. Lai Yuen Mei, Rebecca  
Mr. Woo Siu Lun

*Registered office:*

P.O. Box 39  
Ugland House  
Grand Cayman  
KY1-1104  
Cayman Islands

*Independent Non-Executive Directors:*

Mr. Lam Kwok Wing  
Mr. Yeung Po Chin  
Dr. Fung Ka Shuen

*Head office and Principal place  
of business in Hong Kong:*  
Rooms 601-3 and 605 Southmark  
No. 11 Yip Hing Street  
Wong Chuk Hang  
Aberdeen  
Hong Kong

*Non-Executive Director:*

Mr. Hui Tung Wah

28 March 2011

*To the Shareholders*

Dear Sir/Madam,

### PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

#### INTRODUCTION

The purpose of this circular is to provide you with information in relation to (i) the proposed New General Mandate; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders on the proposed New General Mandate; (iii) the recommendation from Guangdong Securities to the Independent Board Committee and the Independent Shareholders on the proposed New General Mandate; and (iv) the notice of EGM at which relevant resolution will be proposed to the Independent Shareholders to consider and, if thought fit, to approve the proposed New General Mandate.

\* For identification purposes only

---

## LETTER FROM THE BOARD

---

### PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

At the AGM, the General Mandate was granted to the Directors to exercise the powers of the Company to issue, allot and deal with up to 163,828,538 new Shares, being 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the AGM. During the period between the date on which the General Mandate was granted to the Latest Practicable Date, 160,000,000 new Shares had been issued under the General Mandate, representing approximately 97.66% of the aggregate number of Shares which may be issued, allotted and dealt with under the General Mandate.

As the General Mandate is substantially utilised and such mandate has not been refreshed since it was granted at the AGM, the Directors propose to seek approval from the Independent Shareholders at the EGM to refresh the General Mandate and grant to the Directors the proposed New General Mandate to authorise the Directors to further issue, allot and deal with new Shares not exceeding 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the EGM.

Based on the 979,142,693 Shares in issue as at the Latest Practicable Date and on the basis that no further Shares will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, if the proposed New General Mandate is approved at the EGM, the total number of new Shares that may be issued under the proposed New General Mandate will be 195,828,538 Shares, representing 20% of the 979,142,693 Shares in issue as at the date of the EGM. If the proposed New General Mandate is approved by the Independent Shareholders at the EGM, it will be and will continue to be in force from the date of the EGM until the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Company's articles of association or any applicable laws of the Cayman Islands to be held; or (iii) the passing of an ordinary resolution by the Shareholders in a general meeting revoking or varying such mandate.

### REASONS FOR THE REFRESHMENT OF GENERAL MANDATE

The Group is principally engaged in provision of scaffolding and fitting out services for the construction and building works; management contracting services, gondolas, parapet railings and access equipment installation and maintenance services.

As discussed above, the Company had issued 160,000,000 new Shares under the General Mandate, representing approximately 97.66% of the aggregate number of Shares which may be issued, allotted and dealt with under the General Mandate. The Directors considered that the proposed New General Mandate will enhance and maintain the Company's financial flexibility for any future fund raising exercises of the Group to satisfy any future funding needs to develop the businesses of the Group or for possible future investments, or to provide general working capital to the Group. As at the Latest Practicable Date, the Company has no other current plans or negotiation of any fund raising activity.

---

## LETTER FROM THE BOARD

---

As at the Latest Practicable Date, the cash and bank balances of the Group are approximately HK\$1,002,000. Therefore, the Directors consider that it is prudent for the Company to retain the flexibility to raise further funds for the Group's general working capital and future investment should the market condition for fund raising be favourable.

Other than raising funds by way of issuing securities under the general mandate, the Directors also considered other financing methods such as bank borrowing, debt financing and pre-emptive issue of securities (e.g. rights issue and open offer). The Company considers equity financing to be the method that serves the best interests of the Group, as it broadens the Shareholder base and enhances the liquidity of the Shares without imposing interest bearing obligation, as compared with bank financing and debt financing, and it is more efficient and less costly as compared with rights issue and open offer.

As at the Latest Practicable Date, the Company did not have any concrete future business plan. However, the Group would grasp any good opportunities for the development of the Group should such opportunities arise. Furthermore, the Company does not have any specific plan which may utilise any part of the New General Mandate. If the Company proposes to issue any new Shares for business acquisitions or equity fund raising using the New General Mandate, it will make further announcement(s) as and when required.

In light of the above, the Directors consider that the grant of the New General Mandate is fair and reasonable and is in the interests and for the benefit of the Company and the Shareholders as a whole.

### FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not conducted any fund raising activities in the past twelve months before the date of this circular.

| Date of announcement | Event                                       | Net proceeds (approximately) | Intended use of proceeds as announced                                                                        | Actual use of proceeds as at the Latest Practicable Date                                                                                              |
|----------------------|---------------------------------------------|------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16 April 2010        | Issue of Warrants under the General Mandate | HK\$16,310,000               | Intended to be used as general working capital of the Group and as funds for future development of the Group | The warrants have not been exercised. The subscription amount of the warrants (HK\$0.1 million) has been used as general working capital of the Group |



---

## LETTER FROM THE BOARD

---

| Date of announcement | Event                               | Net proceeds (approximately) | Intended use of proceeds as announced                       | Actual use of proceeds as at the Latest Practicable Date                                                                                                                                                                                                                                                                                                                                       |
|----------------------|-------------------------------------|------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21 September 2010    | Top-up placing of 90,000,000 Shares | HK\$9,790,000                | Intended to be used as general working capital of the Group | Funds of around HK\$1.27 million and HK\$2.53 million out of the net proceeds from the top-up placing of 90,000,000 Shares and placing of 70,000,000 Shares were used as salary payments and to discharge trade payables, respectively. Funds of around HK\$1.24 million and HK\$12.90 million were used as general administration expenses and for the repayment of bank debts, respectively. |
| 4 March 2011         | Placing of 70,000,000 Shares        | HK\$8,150,000                | Intended to be used as general working capital of the Group | Same as above                                                                                                                                                                                                                                                                                                                                                                                  |

### REQUIREMENTS UNDER THE GEM LISTING RULES

The EGM will be convened and held at Rooms 1001-1006, 10th Floor, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Aberdeen, Hong Kong on 13 April 2011 at 2:30 p.m. to consider and, if thought fit, to approve the proposed New General Mandate. Pursuant to Chapter 17 of the GEM Listing Rules, the resolution to be proposed at the EGM to approve the proposed New General Mandate is subject to independent shareholders' approval by way of poll and any controlling shareholders and their associates, or where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the company and their respective associates shall abstain from voting in favour of the resolution.

As at the Latest Practicable Date, Dr. So Yu Shing and Ms. Lai Yuen Mei. Rebecca, being the Company's controlling Shareholders and their associates, in aggregate, were interested in 410,580,000 Shares, representing 41.93% of the issued share capital of the Company, and will abstain from voting in favour of and have no intention to vote against the relevant resolution to approve the proposed New General Mandate at the EGM.

The Independent Board Committee comprising the three independent non-executive Directors namely, Mr. Lam Kwok Wing, Mr. Yeung Po Chin and Dr. Fung Ka Shuen, has been set up to advise the Independent Shareholders as to whether or not the terms of the proposed New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Guangdong Securities has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed New General Mandate.

---

## LETTER FROM THE BOARD

---

A notice convening the EGM is set out on pages 17 to 19 of this circular. Whether or not you intend to attend the extraordinary general meeting, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event, not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

### PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Article 80 of the Company's articles of association sets out the procedures by which Shareholders may demand a poll. A poll can be demanded:

1. by the Chairman of such meeting; or
2. by at least five members present in person or by proxy and entitled to vote at the meeting or who represent in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
3. by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

### RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee as set out on page 9 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the proposed New General Mandate; and (ii) the letter from Guangdong Securities to the Independent Board Committee and the Independent Shareholders as set out on pages 10 to 16 of this circular containing its advice to the Independent Board Committee and the Independent Shareholders in this regard.

The Independent Board Committee, having taking into account the advice from Guangdong Securities in relation to the proposed New General Mandate, considers that the terms of the proposed New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the proposed New General Mandate.

---

## LETTER FROM THE BOARD

---

### RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

Yours faithfully,  
By Order of the Board  
**WLS Holdings Limited**  
**Dr. So Yu Shing**  
*Chairman*

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---



**WLS Holdings Limited**

**滙隆控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8021)**

Rooms 601-3 and 605 Southmark  
No. 11 Yip Hing Street  
Wong Chuk Hang  
Aberdeen, Hong Kong

28 March 2011

*To the Independent Shareholders*

Dear Sir/Madam,

### **REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES**

We have been appointed as members of the Independent Board Committee to advise you in respect of the proposed New General Mandate, details of which are set out in the “Letter from the Board” in the circular of the Company dated 28 March 2011, of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the said circular unless the context otherwise requires.

We wish to draw your attention to the letter of advice from Guangdong Securities as set out on pages 10 to 16 of this circular, which contains its advice and recommendation to us as to whether or not the terms of the proposed New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole, as well as the principal factors and reasons for its advice and recommendation.

Having considered, amongst other matters, the factors and reasons considered by, and the opinion of, Guangdong Securities as stated in its aforementioned letter of advice, we are of the opinion that the terms of the proposed New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. We therefore recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the proposed New General Mandate.

Yours faithfully,

**For and on behalf of the Independent Board Committee**

**Mr. Lam Kwok Wing**

**Mr. Yeung Po Chin**

**Dr. Fung Ka Shuen**

*Independent Non-executive Directors*

\* For identification purposes only

---

## LETTER FROM GUANGDONG SECURITIES

---

*Set out below is the text of a letter received from Guangdong Securities, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the proposed New General Mandate for the purpose of inclusion in this circular.*



**粵海證券有限公司**  
**GUANGDONG SECURITIES LIMITED**

Units 2505-06, 25/F.  
Low Block of Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

28 March 2011

*To: The independent board committee and the independent shareholders  
of WLS Holdings Limited*

Dear Sirs,

### REFRESHMENT OF GENERAL MANDATE TO ISSUE SHARES

#### INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the proposed New General Mandate, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 28 March 2011 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

As at the Latest Practicable Date, only further 3,828,538 Shares could be issued under the General Mandate which was granted to the Directors at the AGM of the Company held on 30 August 2010. Therefore, the Board proposes to seek approval of the Independent Shareholders for the proposed New General Mandate such that the Directors will be granted the authority to issue, allot and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution(s) at the EGM. Pursuant to Rule 17.42A(1) of the GEM Listing Rules, the grant of the New General Mandate requires the approval of the Independent Shareholders at the EGM at which any of the controlling shareholders (as defined in the GEM Listing Rules) and their associates or, where there is no controlling shareholder, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolution(s) proposed for the approval of such grant, and under Rule 17.47(4) of the GEM Listing Rules, any vote of the shareholders at a general meeting must be taken by way of poll. As at the Latest Practicable Date, Dr. So Yu Shing and Ms. Lai Yuen Mei, Rebecca, being the executive Directors and the controlling shareholders of the Company, had interest in 410,580,000 Shares, representing approximately 41.93% of the issued share capital of the Company. As such, Dr. So Yu Shing and Ms. Lai Yuen Mei, Rebecca and their respective associates shall abstain from voting in favour of the ordinary resolution(s) in respect of the proposed New General Mandate at the EGM.

---

## LETTER FROM GUANGDONG SECURITIES

---

An Independent Board Committee comprising Mr. Lam Kwok Wing, Mr. Yeung Po Chin and Dr. Fung Ka Shuen (all being independent non-executive Directors) has been established to advise the Independent Shareholders on the proposed New General Mandate. We, Guangdong Securities Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

### **BASIS OF OUR OPINION**

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors. We have assumed that all information and representations that have been provided by the Directors, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors, which have been provided to us. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 17.92 of the GEM Listing Rules.

The Directors have collectively and individually accepted full responsibility for the accuracy of the information contained in the Circular and have confirmed, having made all reasonable enquiries, which to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company or its subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the proposed New General Mandate. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. Nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, the sole responsibility of Guangdong Securities is to ensure that such information has been correctly extracted from the relevant sources.

---

## LETTER FROM GUANGDONG SECURITIES

---

### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the proposed New General Mandate, we have taken into consideration the following principal factors and reasons:

#### (1) Background of the proposed New General Mandate

The Group is principally engaged in the provision of scaffolding and fitting out services for the construction and building works; management contracting services, gondolas, parapet railings and access equipment installation and maintenance services.

The Directors were authorised to issue and allot up to 163,828,538 new Shares under the General Mandate which was granted to the Directors at the AGM.

According to the announcements of the Company dated 21 September 2010 and 4 March 2011 regarding (i) the top-up placing of 90,000,000 new Shares; and (ii) the placing of 70,000,000 new Shares respectively (the “**Placements**”), since all of such Shares were issued under the authority of the General Mandate, the General Mandate has been utilised as to 160,000,000 Shares, representing approximately 97.66% of the General Mandate.

If the General Mandate is not granted, only 3,828,538 new Shares, representing approximately 2.34% of the General Mandate as at the Latest Practicable Date, can be further issued and allotted by the Directors under the General Mandate. Given that the General Mandate has almost been fully utilised as a result of the Placements, the Board proposes to seek approval of the Independent Shareholders for the proposed New General Mandate such that the Directors will be granted the authority to issue, allot and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing the relevant resolution(s) at the EGM.

As at the Latest Practicable Date, the issued share capital of Company consisted of 979,142,693 Shares. On the basis that no further Shares would be issued and/or repurchased by the Company from the Latest Practicable Date up to the date of the EGM, the grant of the New General Mandate would allow the Directors to issue, allot and deal with up to 195,828,538 new Shares, representing 20% of the total issued share capital of the Company as at the Latest Practicable Date.

#### (2) Reasons for the proposed New General Mandate

As advised by the Directors, the Directors believe that the proposed New General Mandate is in the interests of the Company and the Shareholders as a whole by maintaining the financial flexibility necessary for the Group to raise funds in a timely manner in order to seize investment opportunities that may arise. In this regard, the Directors also consider equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group.

As advised by the Directors, the Company considers that the Hong Kong economy has recently been experiencing a considerable rebound and the enormous business potential of the PRC market especially in the land development, natural resources, environmental

---

## LETTER FROM GUANGDONG SECURITIES

---

friendly energy sources and products can present ample opportunities for the Group to benefit in penetrating into the PRC market. The management of the Group is committed to vigilant cost control and resource optimisation in all business and operating units. By implementing stringent budgetary control and prudent business strategy with insight, the management of the Group is of the opinion that its business is on the right track amidst the current global economic environment and stands to benefit from a sustained rebound of the world business cycle. We were also advised that the cash and bank balances of the Group were approximately HK\$1,002,000 as at the Latest Practicable Date. The Directors consider that it is prudent for the Company to retain the flexibility to raise further funds for the Group's general working capital and future investment should the market condition for fund raising be favourable. Such possible equity fund raising activities under the proposed New General Mandate can also strengthen the capital base of the Company.

Accordingly, the Directors are of the view that the proposed New General Mandate would provide the Company with the flexibility as allowed under the GEM Listing Rules to issue and allot new Shares for equity fund raising activities, such as placing of new Shares, or as consideration for potential investment in the future as and when such opportunities arise, so as to maintain sufficient cash flow for the Group at the same time. As at the Latest Practicable Date, the Company did not have any concrete future business plan. However, the Group would grasp any good opportunities for the development of the Group should such opportunities arise.

Given the foregoing, we are of the opinion that the proposed New General Mandate would provide the Company with the necessary flexibility to fulfill any possible funding needs for future business development and/or investment decisions. Accordingly, we are of the view that the proposed New General Mandate is in the interests of the Company and the Shareholders as a whole.

### (3) Equity fund raising activities in the past twelve months

Set out below are the equity fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date:

| Date of announcement | Event                                       | Net proceeds (approximately) | Intended use of proceeds as announced                                                                        | Actual use of proceeds as at the Latest Practicable Date                                                                                              |
|----------------------|---------------------------------------------|------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16 April 2010        | Issue of warrants under the General Mandate | HK\$16,310,000               | Intended to be used as general working capital of the Group and as funds for future development of the Group | The warrants have not been exercised. The subscription amount of the warrants (HK\$0.1 million) has been used as general working capital of the Group |



---

## LETTER FROM GUANGDONG SECURITIES

---

| Date of announcement | Event                               | Net proceeds (approximately) | Intended use of proceeds as announced                       | Actual use of proceeds as at the Latest Practicable Date                                                                                                                                                                                                                                                                                                                                       |
|----------------------|-------------------------------------|------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 21 September 2010    | Top-up placing of 90,000,000 Shares | HK\$9,790,000                | Intended to be used as general working capital of the Group | Funds of around HK\$1.27 million and HK\$2.53 million out of the net proceeds from the top-up placing of 90,000,000 Shares and placing of 70,000,000 Shares were used as salary payments and to discharge trade payables, respectively. Funds of around HK\$1.24 million and HK\$12.90 million were used as general administration expenses and for the repayment of bank debts, respectively. |
| 4 March 2011         | Placing of 70,000,000 Shares        | HK\$8,150,000                | Intended to be used as general working capital of the Group | Same as above                                                                                                                                                                                                                                                                                                                                                                                  |

Save as and except for the above, the Company had not conducted any equity fund raising activities in the past twelve months immediately prior to the Latest Practicable Date.

#### (4) Flexibility in financing

As advised by the Directors, the Group does not obviate the possibilities of further issuing capital if there is investor indicating interest in the business of the Company. The Directors believe that the proposed New General Mandate will provide the Group with flexibility for possible future equity fund raising. The Directors are therefore of the view that the proposed New General Mandate is in the interests of the Company and the Shareholders as a whole.

As discussed in the foregoing, we consider that the proposed New General Mandate would provide the Company with the necessary flexibility to fulfil any possible funding needs for future business development and/or investment decisions. The proposed New General Mandate would provide the Company with the flexibility as allowed under the GEM Listing Rules to issue and allot new Shares for equity fund raising activities, such as placing of new Shares, or as consideration for potential investment in the future as and when such opportunities arise. Furthermore, the additional amount of equity which may be raised under the proposed New General Mandate would provide the Group with more financing options when assessing and negotiating potential investments in a timely manner. Although the Group may raise fund through open offer or rights issue which allow the Shareholders to maintain their respective pro-rata shareholdings in the Company, relatively longer time frame is required and such fund raising methods do not provide the Company with the flexibility to issue and allot new Shares as consideration for potential investment in the future as and when such opportunities arise. We also noted that the recent market price of the Shares is higher than the exercise price of the unlisted warrants of the Company. However, the Directors advised us that there was uncertainty as to the possibility and timing of the unlisted warrants being exercised as this relies entirely on the discretion of the warrant

## LETTER FROM GUANGDONG SECURITIES

holders and thus they would like to preserve the flexibility to raise funds through equity financing. Having balanced the cash and bank balances of the Group as at the Latest Practicable Date together with the Company's intention to preserve the flexibility to raise funds through equity financing, and given the financial flexibility available to the Company as discussed above, we are of the opinion that the proposed New General Mandate is in the interests of the Company and the Shareholders as a whole.

### (5) Potential dilution to shareholdings of the existing public Shareholders

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon full utilisation of the New General Mandate (assuming no other Shares are issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the EGM):

|                                                                        | Shareholding in the<br>Company as at the Latest<br>Practicable Date |            | Shareholding in the<br>Company upon full<br>utilisation of the New<br>General Mandate<br>(assuming no other<br>Shares are issued or<br>repurchased by the<br>Company) |            |
|------------------------------------------------------------------------|---------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
|                                                                        | No. of Shares                                                       | %          | No. of Shares                                                                                                                                                         | %          |
| Dr. So Yu Shing and Ms. Lai Yuen Mei, Rebecca ( <i>Notes 1 and 2</i> ) | 410,580,000                                                         | 41.93      | 410,580,000                                                                                                                                                           | 34.94      |
| Mr. Woo Siu Lun ( <i>Note 2</i> )                                      | 18,400,000                                                          | 1.88       | 18,400,000                                                                                                                                                            | 1.57       |
| Mr. Kong Kam Wang ( <i>Note 2</i> )                                    | 5,255,000                                                           | 0.54       | 5,255,000                                                                                                                                                             | 0.45       |
| Public Shareholders                                                    | 544,907,693                                                         | 55.65      | 544,907,693                                                                                                                                                           | 46.37      |
| Shares to be issued under the<br>New General Mandate                   | —                                                                   | —          | 195,828,538                                                                                                                                                           | 16.67      |
| Total                                                                  | <u>979,142,693</u>                                                  | <u>100</u> | <u>1,174,971,231</u>                                                                                                                                                  | <u>100</u> |

*Notes:*

- As at the Latest Practicable Date, Dr. So Yu Shing held 301,150,000 Shares and Ms. Lai Yuen Mei, Rebecca, the spouse of Dr. So Yu Shing, held 109,430,000 Shares. By virtue of the SFO, they are deemed to be interested in 410,580,000 Shares..
- Dr. So Yu Shing, Ms. Lai Yuen Mei, Rebecca, Mr. Woo Siu Lun and Mr. Kong Kam Wang are the executive Directors.
- As at the Latest Practicable Date, the Company had outstanding 120,000,000 unlisted warrants which entitle the holder(s) to subscribe for HK\$120,000,000 Shares at the subscription price of HK\$0.135.
- As at the Latest Practicable Date, the Company had outstanding share options which entitle the holders to subscribe for a total of 97,820,000 Shares upon exercise in full of the rights attaching to the share options. Each of Dr. So Yu Shing and Ms. Lai Yuen Mei, Rebecca was interested in 9,090,000 share options respectively, and each of Mr. Woo Siu Lun and Mr. Kong Kam Wang was interested in 9,090,000 share options respectively.

---

## LETTER FROM GUANGDONG SECURITIES

---

The table above illustrates that the shareholdings of the existing public Shareholders would decrease from approximately 55.65% as at the Latest Practicable Date to approximately 46.37% upon full utilisation of the New General Mandate (assuming no other Shares are issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the EGM). Such potential dilution to the shareholdings of the existing public Shareholders represents a dilution of approximately 9.28 percent point.

Taking into account that the proposed New General Mandate (i) would provide an alternative to increase the amount of capital which may be raised under the New General Mandate; (ii) would provide more options of financing to the Group for further development of its business as well as in other potential future investment as and when such opportunities arise; and (iii) the shareholding interests of all the Shareholders in the Company will be diluted in proportion to their respective shareholdings upon any utilisation of the New General Mandate, we are of the opinion that the potential dilution to the shareholdings of the existing public Shareholders as just mentioned is acceptable.

### RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that the proposed New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the proposed New General Mandate and we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) in this regard.

Yours faithfully,  
For and on behalf of  
**Guangdong Securities Limited**  
**Graham Lam**  
*Managing Director*

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---



**WLS Holdings Limited**

**滙隆控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8021)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “EGM”) of WLS Holdings Limited (the “Company”) will be held at Rooms 1001-1006, 10th Floor, Southmark, 11 Yip Hing Street, Wong Chuk Hang, Aberdeen, Hong Kong on 13 April 2011 at 2:30 p.m. for the purpose of considering and if thought fit, passing, with or without modifications, the following resolutions which will be proposed as ordinary resolution:

#### ORDINARY RESOLUTION

**“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the directors (the “Directors”) of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant, whether conditionally or unconditionally, offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into the shares in the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any securities which carry rights to subscribe for or are convertible into the shares in the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
  - (i) a Rights Issue (as hereinafter defined); or

\* For identification purposes only

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

- (ii) the grant or exercise of any option under any share option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to employee, director, advisor or business consultant of the Company and/or any of its subsidiaries of shares in the Company or rights to acquire for shares in the Company; or
- (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the Articles of Association of the Company in force from time to time; or
- (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants or convertible bonds issued by the Company or any securities which carry rights to subscribe for or are convertible into shares in the Company,

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purpose of this resolution,

“Relevant Period” means the period from the date of the passing this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution; and

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of

---

## NOTICE OF EXTRAORDINARY GENERAL MEETING

---

any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

By Order of the Board  
**WLS Holdings Limited**  
**Dr. So Yu Shing**  
Chairman

Hong Kong, 28 March 2011

*As at the date of this notice, the Board comprises Dr. So Yu Shing (Chairman and Executive Director), Mr. Kong Kam Wang (Executive Director and Chief Executive Officer), Ms. Lai Yuen Mei Rebecca (Executive Director), Mr. Woo Siu Lun (Executive Director), Mr. Lam Kwok Wing (independent Non-executive Director), Mr. Yeung Po Chin (Independent Non-executive Director), Dr. Fung Ka Shuen (Independent Non-executive Director) and Mr. Hui Tung Wah (Non-executive Director).*

*Notes:*

- (i) A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not be a member of the Company.
- (ii) Where there are joint holders of any share of the Company, any one of such joint holders may vote at the meeting, either personally or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not less than 48 hours before the time appointed for holding the meeting.
- (iv) Completion and return of the form of proxy will not preclude a member from attending the meeting and voting in person at the meeting or any adjournment thereof if he/she so desires. If a member attends the meeting after having deposited the form of proxy, his form of proxy will be deemed to have been revoked.