
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this prospectus or as to the action to be taken, you should consult your stockbroker, a licensed dealer in securities or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, together with the other document(s) specified in the paragraph headed “15. Documents delivered to the Registrar of Companies” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other document(s) referred to above.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed “Warning of the Risks of Dealing in the Shares and nil-paid Rights Shares” in the “Letter from the Board” on pages 21 to 22 of this prospectus.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and HKSCC take no responsibility for the contents of this prospectus, 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 prospectus.

GREATWALLE INC.

長城匯理公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08315)

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) SHARES HELD ON THE RECORD DATE

Underwriter to the Rights Issue



Capitalised terms used on this cover shall have the same meanings as those defined in this prospectus.

The Rights Issue is conditional upon the fulfilment of the conditions set out under the paragraph headed “Conditions precedent of the Rights Issue” under the section headed “Terms of the Rights Issue” of the Letter from the Board on pages 24 to 25 of this prospectus. The Underwriting Agreement contains provisions granting the Underwriter, by notice in writing, any time prior to the Latest Time for Termination, the right to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the section headed “Termination of the Underwriting Agreement” in this prospectus. The Rights Issue is therefore subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.

The Shares have been dealt with on an ex-rights basis from Tuesday, 11 August 2020. Dealings in the Rights Shares in the nil-paid form are expected to take place from 9:00 a.m. on Friday, 21 August 2020 to 4:00 p.m. on Friday, 28 August 2020 (both days inclusive).

If the conditions of the Rights Issue are not fulfilled in full or, where applicable, waived, or the Underwriting Agreement is terminated by the Underwriter on or before 4:00 p.m. on Friday, 4 September 2020 or such later time and/or date as may be agreed between the Company and the Underwriter, the Rights Issue will not proceed.

Any Shareholders or other persons dealing or contemplating dealing in the Shares up to the date on which all the conditions of the Rights Issue are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases), and/or dealing in the nil-paid Rights Shares between Friday, 21 August 2020 to Friday, 28 August 2020 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons dealing or contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

The latest time for acceptance of and payment for Rights Shares is 4:00 p.m. on Wednesday, 2 September 2020.

The procedure for acceptance of and payment for or transfer of the Rights Shares are set out on pages 16 to 17 of this prospectus.

19 August 2020

CHARACTERISTICS OF GEM

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 of Hong Kong Limited. 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.

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DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms shall have the following meanings:

“associates”	has the meaning ascribed to it under the GEM Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks are open for general banking business in Hong Kong;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Committed Shares”	the 230,581,307 Rights Shares agreed to be taken up by Greatwalle pursuant to the Irrevocable Undertaking;
“Company”	Greatwalle Inc. (長城匯理公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM;
“Companies Law”	the Companies Law of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended from time to time;
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for Rights Shares in excess for their entitlements under the Rights Issue;
“Excluded Shareholder(s)”	Overseas Shareholder(s) whom the Directors, after making enquiries regarding the legal restrictions under the laws of the relevant places or the requirements of the relevant overseas regulatory bodies or stock exchanges, consider it necessary or expedient to exclude them from the Rights Issue;
“Final Acceptance Date”	Wednesday, 2 September 2020, being the last day for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares or such other time as the Company and the Underwriter may agree in writing;
“GEM”	GEM of the Stock Exchange;

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Greatwalle”	Greatwalle Holding Limited (長城匯理控股有限公司), a company incorporated in Hong Kong with limited liability;
“Great Walle Investment”	深圳長城匯理投資股份有限公司 (Shenzhen Great Walle Investment Corp., Ltd.*), a company established in the PRC with limited liability;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meaning of the GEM Listing Rules;
“Intermediary”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner’s broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner’s shares with a CCASS participant;
“Irrevocable Undertaking”	a deed of irrevocable undertaking entered into on 5 August 2020 by Greatwalle in favour of the Company;
“Last Trading Day”	Wednesday, 5 August 2020, being the last full trading day before the release of the announcement of the Company dated 5 August 2020 on the Rights Issue;
“Latest Practicable Date”	13 August 2020, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained in this prospectus;
“Latest Time for Acceptance”	4:00 p.m. on Wednesday, 2 September 2020 or such later time and date as may be agreed between the Company and the Underwriter in writing, being the latest time for acceptance of, and payment for, the Rights Shares and application for and payment for Excess Rights Shares as described in this prospectus;

* For identification purpose only

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Friday, 4 September 2020 being the second Business Day after the Latest Time for Acceptance (or such later time and date as may be agreed between the Company and the Underwriter in writing), which shall be the latest time for termination of the Underwriting Agreement;
“Listing Division”	the listing division of the Stock Exchange (with responsibility for GEM);
“Net Proceeds”	the net proceeds from the Rights Issue;
“Overseas Shareholder(s)”	the Shareholder(s) (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong;
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue;
“Posting Date”	Wednesday, 19 August 2020 or such other date as may be agreed between the Underwriter and the Company, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders;
“PRC”	the People’s Republic of China, which for the purpose of this prospectus, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;
“Prospectus Documents”	this prospectus, the PAL and the EAF;
“Qualifying Shareholders”	Shareholders, other than the Excluded Shareholder(s), whose names appear on the register of members of the Company at the close of business on the Record Date;
“Record Date”	Tuesday, 18 August 2020 or on such other date as the Company may determine, being the date by reference to which the Shareholders’ entitlements to the Rights Issue are to be determined;
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company;
“Rights Issue”	the issue by way of rights of one (1) Rights Share for every three (3) Shares in issue on the Record Date at the Subscription Price;
“Rights Share(s)”	not less than 415,439,174 new Shares proposed to be allotted and issued under the Rights Issue;
“SFC”	the Securities and Futures Commission of Hong Kong;

DEFINITIONS

“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	the ordinary shares in the issued share capital of the Company;
“Share Options”	135,658,584 outstanding options to subscribe for 135,658,584 Shares granted under the Share Option Scheme;
“Share Option Scheme”	the share option scheme adopted by the Company on 31 July 2014;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the subscription price of HK\$0.05 per Rights Share under the Rights Issue;
“substantial shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“Underwriter”	First Capital Securities Limited, a company incorporated in Hong Kong with limited liability and a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO;
“Underwriting Agreement”	the underwriting agreement dated 5 August 2020 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue, and as revised, supplemented and/or amended from time to time;
“Underwritten Shares”	Up to 230,077,395 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement;
“Untaken Shares”	those (if any) of the Rights Shares in respect of which valid applications under the PALs and EAFs have not been lodged for acceptance, or received, as the case may be, on or before the Latest Time for Acceptance; and
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable for the Rights Issue. Dates or deadlines specified below and in other parts of this prospectus are indicative only and may be varied by the Company. In the event that any special circumstances arise, the Board may extend, or make adjustments to, the timetable if it considers appropriate. The Company will notify Shareholders by way of announcement(s) of any change to the expected timetable as and when appropriate.

All times and dates in this prospectus refer to Hong Kong local times and dates.

2020

First day of dealing in nil-paid Rights Shares	9:00 a.m. on Friday, 21 August
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Tuesday, 25 August
Latest time for dealing in nil-paid Rights Shares	4:00 p.m. on Friday, 28 August
Latest time of acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Wednesday, 2 September
Latest time for termination of the Underwriting Agreement and the Rights Issue to become unconditional	4:00 p.m. on Friday, 4 September
Announcement of the results of the Rights Issue to be published	Wednesday, 9 September
Refund cheques for wholly and partially unsuccessful excess applications to be posted	Thursday, 10 September
Share certificates of fully-paid Rights Shares to be posted	Thursday, 10 September
Dealings in fully-paid Rights Shares commence	9:00 a.m. on Friday, 11 September

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place as set out on page 5 of this prospectus if there is/are a tropical cyclone warning signal no. 8 or above, a “black” rainstorm warning or extreme conditions caused by a super typhoon as announced by the government of Hong Kong:

- (i) in force in Hong Kong at any local time on or before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 2 September 2020. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 2 September 2020. Instead, the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be re-scheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on Wednesday, 2 September 2020, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with, the full text of this prospectus:

Basis of Rights Issue:	One (1) Rights Share for every three (3) Shares held on the Record Date
Subscription Price:	HK\$0.05 per Rights Share
Number of Shares in issue as at the Latest Practicable Date:	1,246,317,523 Shares
Number of Rights Shares to be issued under the Rights Issue:	Not less than 415,439,174 Rights Shares
Enlarged issue share capital upon completion of the Rights Issue:	Not less than HK\$16,617,566.97 comprising 1,661,756,697 Shares (assuming no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Number of Rights Shares undertaken to be taken up:	Greatwalle has undertaken to take up an aggregate of 230,581,307 Rights Shares (representing approximately 55.50% of the total Rights Shares to be provisionally allotted by the Company)
Underwriter to the Rights Issue:	First Capital Securities Limited
Number of Rights Shares underwritten by the Underwriter:	Up to 230,077,395 (being the maximum number of Rights Shares proposed to be provisionally allotted under the Rights Issue other than the Committed Shares)
Funds raised before expenses:	Not less than approximately HK\$20.8 million

The 415,439,174 Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) approximately 33.33% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 25.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares, assuming no change in the number of Shares in issue on or before the Record Date and no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue.

As at the Latest Practicable Date, there were 135,658,584 outstanding Share Options granted by the Company exercisable into 135,658,584 Shares. Save for the foregoing, as at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, conversion securities or other similar securities which were convertible or exchangeable into Shares, and there was no arrangement under which future dividends are/will be waived or agreed to be waived.

SUMMARY OF THE RIGHTS ISSUE

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

If the Underwriter exercises its right to terminate the Underwriting Agreement or if any of the conditions of the Rights Issue is not fulfilled or, where applicable, waived at or before 4:00 p.m. on Friday, 4 September 2020, the Rights Issue will not proceed.

Any Shareholder or investor dealing in the Shares and/or the Rights Shares in their nil-paid form up to the latest time for the Rights Issue to become unconditional will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any Shareholder or investor contemplating any dealings in the Shares and/or the Right Shares in their nil-paid form are recommended to consult their professional advisers.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may terminate the Underwriting Agreement prior to the Latest Time for Termination, if:

- (1) (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or the prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not *ejusdem generis* with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or the prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction of trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or the prospects of the Group as a whole; or
- (5) any other material adverse change in relation to the business or the financial or trading position or the prospects of the Group as a whole whether or not *ejusdem generis* with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of any of the Underwriter, a material omission in the context of the Rights Issue; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue,

the Underwriter shall be entitled to terminate the Underwriting Agreement by notice in writing served on the Company prior to the Latest Time for Termination. It is agreed that the Underwriter shall not rely on the global pandemic of COVID-19 and/or the impact or aftermath thereof as any ground or reason to terminate or rescind the Underwriting Agreement and/or the Rights Issue.

If the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed. A further announcement would be made by the Company if the Underwriting Agreement is terminated by the Underwriter.

LETTER FROM THE BOARD

GREATWALLE INC. 長城匯理公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 08315)

Executive Directors:

Mr. Song Xiaoming (*Chairman*)
Ms. Pang Xiaoli (*Chief Executive Officer*)
Mr. Hon Hoi Chuen
Ms. Lin Shuxian

Non-executive Director:

Mr. Chung Man Lai

Independent Non-executive Directors:

Mr. Li Zhongfei
Mr. Zhao Jinsong
Ms. Guan Yan

Registered Office:

Clifton House
75 Fort Street
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Room 2008, 20/F.,
West Tower, Shun Tak Centre
200 Connaught Road Central
Hong Kong

19 August 2020

To the Qualifying Shareholders

Dear Sirs and Madams,

RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) SHARES HELD ON THE RECORD DATE

INTRODUCTION

Reference is made to the announcement of the Company dated 5 August 2020 whereby the Board announced that the Company proposed to conduct the Rights Issue to raise up to approximately HK\$20.8 million before expenses by issuing up to 415,439,174 Rights Shares at the Subscription Price of HK\$0.05 per Rights Share on the basis of one (1) Rights Share for every three (3) Shares held by the Qualifying Shareholders on the Record Date.

The purpose of this prospectus is to provide you with, among other things, further details on the Rights Issue and the relevant financial information and other general information in respect of the Group.

LETTER FROM THE BOARD

TERMS OF THE RIGHTS ISSUE

The terms of the Rights Issue are set out as follows:

Issue statistics

Basis of Rights Issue:	One (1) Rights Share for every three (3) Shares held on the Record Date
Subscription Price:	HK\$0.05 per Rights Share
Number of Shares in issue as at Latest Practicable Date:	1,246,317,523 Shares
Number of Rights Shares to be issued under the Rights Issue:	Not less than 415,439,174 Rights Shares
Aggregate nominal value of the Rights Shares:	Not less than 4,154,391.74
Enlarged issue share capital upon completion of the Rights Issue:	Not less than HK\$16,617,566.97 comprising 1,661,756,697 Shares (assuming no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Number of Rights Shares undertaken to be taken up:	Greatwalle has undertaken to take up an aggregate of 230,581,307 Rights Shares (representing approximately 55.50% of the total Rights Shares proposed to be provisionally allotted by the Company)
Underwriter to the Rights Issue:	First Capital Securities Limited
Number of Rights Shares underwritten by the Underwriter:	Up to 230,077,395 (being the maximum number of Rights Shares proposed to be provisionally allotted under the Rights Issue other than the Committed Shares)
Funds raised before expenses:	Not less than HK\$20.8 million

The 415,439,174 Rights Shares to be issued pursuant to the terms of the Rights Issue will represent: (i) approximately 33.33% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 25.00% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares, assuming no new Shares will be issued on or before the Record Date, the maximum number of Rights Shares under the Rights Issue has been subscribed for, and that no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue.

As at the Latest Practicable Date, there were 135,658,584 outstanding Share Options granted by the Company exercisable into 135,658,584 Shares. Save for the foregoing, as at the Latest Practicable Date, the Group had no outstanding debt securities, derivatives, options, warrants, conversion securities or other similar securities which were convertible or exchangeable into Shares, and there was no arrangement under which future dividends are/will be waived or agreed to be waived.

LETTER FROM THE BOARD

Subscription Price

The Subscription Price of HK\$0.05 per Rights Share is payable in full when a Qualifying Shareholder accepts any of his/her/its provisional allotment of Rights Shares or applies for excess Rights Shares or when a transferee of nil-paid Rights Shares subscribes for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 27.54% to the closing price of HK\$0.069 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 7.41% to the average of the closing prices of Shares for the five consecutive trading days ended on the Last Trading Day of approximately HK\$0.054 per Share;
- (iii) a discount of approximately 7.41% to the average of the closing prices of Shares for the 10 consecutive trading days ended on the Last Trading Day of approximately HK\$0.054 per Share;
- (iv) a discount of approximately 21.88% to the theoretical ex-rights price of approximately HK\$0.064 per Share based on the closing price per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a discount of approximately 5.66% to the closing price of HK\$0.053 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 7.25% (taking into account the maximum Rights Shares to be issued), represented by the theoretical diluted price of approximately HK\$0.064 per Share to the benchmarked price of approximately HK\$0.069 per Share (as defined under Rule 10.44A of the GEM Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.069 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the Last Trading Day of approximately HK\$0.05 per Share); and
- (vii) represents a premium of approximately HK\$0.055 over the audited net liability value per Share of approximately HK\$0.005 (based on the net liability value of the Group of approximately HK\$6.3 million as at 31 March 2020 as disclosed in the annual report of the Company for the year ended 31 March 2020 and 1,246,317,523 Shares in issue as at the Latest Practicable Date).

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the recent market prices of the Shares, the current market conditions and the amount of funds the Company intends to raise under the Rights Issue.

The Directors (including the independent non-executive Directors) consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Basis of provisional allotment

The basis of the provisional allotment shall be one (1) Rights Share for every three (3) Shares held by a Qualifying Shareholder as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the full amount payable for acceptance of the Rights Shares with the Registrar on or before 4:00 p.m. on the Final Acceptance Date.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be an Excluded Shareholder on the Record Date.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements).

Rights of Overseas Shareholder(s)

The Prospectus Documents have not been registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. According to the register of members of the Company as at the Record Date and the Latest Practicable Date, there were 11 Overseas Shareholders, whose registered address was in the PRC, holding an aggregate of 10,141,648 Shares. Saved for the above, there was no Overseas Shareholder as at the Record Date and the Latest Practicable Date. The Company has, in compliance with Rule 17.41(1) of the GEM Listing Rules, made enquiries regarding the legal restrictions under the laws of the PRC and the requirements of the regulatory bodies or stock exchanges of the PRC with respect to extending the Rights Issue to the Overseas Shareholders. The Company has been advised by its legal advisers in the PRC that the Prospectus Documents would not be required to be registered with any regulatory authorities or the stock exchanges of the PRC. Based upon such advice, the Directors have decided to extend the Rights Issue to the Overseas Shareholders in the PRC, who are therefore Qualifying Shareholders. As set out in the announcement of the Company dated 5 August 2020, in order to be registered as a member of the Company on the Record Date, a Shareholder must have lodged the relevant transfer(s) of Share(s) (with the relevant share certificates) with the Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Thursday, 12 August 2020. Based upon the register of members of the Company as at the Record Date and the Latest Practicable Date, there was no Excluded Shareholder.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of any person (including but not limited to Shareholders and beneficial owners of the Shares, any agent, custodian, nominee or trustee) outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

LETTER FROM THE BOARD

Any acceptance of the offer of the Rights Shares by any person by way of completion or return to the Registrar of a PAL and/or an EAF will be deemed to constitute a representation and warranty from such person to the Company that the applicable local laws and requirements have been fully complied with. Such persons should consult their professional advisers if in doubt.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to the representations and warranties provisions above.

The Company reserves the right to refuse to accept any application for Rights Shares where it believes that doing so may violate applicable legal or regulatory requirements.

Notwithstanding any other provision in this prospectus or the PAL or the EAF, the Company reserves the right to permit any Shareholder to take up his/her/its rights if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Distribution of the Prospectus Documents

The Company will only send this prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders on the Posting Date. However, to the extent reasonably practicable and legally permitted, the Company will send this prospectus, for information purposes only, to the Excluded Shareholder(s) (if any). The Company will not send any PALs or EAFs to the Excluded Shareholder(s) (if any).

Distribution of this prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

Receipt of this prospectus and/or a PAL and/or an EAF or the crediting of nil-paid Rights Shares to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, this prospectus and/or a PAL and/or an EAF must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this prospectus and/or a PAL and/or an EAF or whose stock account in CCASS is credited with nil-paid Rights Shares should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer the nil-paid Rights Shares to any person in, into or from, any such jurisdiction. If a PAL or an EAF or a credit of nil-paid Rights Shares in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up any rights referred to in the PAL or transfer (whether in whole or in part) the PAL (or apply for any excess Rights Shares under the EAF) or transfer the nil-paid Rights Shares in CCASS unless the Company determines that such action would not violate any applicable legal or regulatory requirements.

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Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this prospectus or a PAL or an EAF in, into or from any such jurisdiction (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

No part of the Prospectus Documents should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the written consent of the Company.

Beneficial owners of the Shares who reside outside Hong Kong should note that the Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of the relevant beneficial owners and/or their respective agents, custodians, nominees or trustees wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue at the time. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

Fractional entitlements to the Rights Shares

The Company will not provisionally allot and will not accept application for any fractions of the Rights Shares. All fractions of the Rights Shares will be aggregated and sold by the Company in the open market if a premium (net of expenses) can be obtained. Any unsold fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders. No odd-lot matching services will be provided.

Procedures for acceptance and payment or transfer

A PAL is enclosed with this prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong by not later than 4:00 p.m. on Wednesday, 2 September 2020 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed "Effect of Bad Weather on the Latest Time for Acceptance of and Payment for the Rights Shares and for Application and Payment for Excess Rights Shares" in "Expected Timetable" on page 5 in this prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "GREATWALLE INC. –

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RIGHTS ISSUE ACCOUNT” and crossed “ACCOUNT PAYEE ONLY”. It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Wednesday, 2 September 2020, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Tuesday, 25 August 2020 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, after 9:00 a.m. on the second Business Day following the surrender of the original PAL. This process is commonly referred to as “splitting” of nil-paid Rights Shares. It should be noted that stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Qualifying Shareholders are advised to study the procedures set out in the PAL carefully.

If the Underwriter exercises the right to terminate the Underwriting Agreement or if any of the conditions of the Rights Issue as set out in the section headed “Conditions of the Rights Issue” is not fulfilled or, where applicable, waived at or before 4:00 p.m. on Thursday, 3 September 2020, the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Thursday, 10 September 2020.

Application for excess Rights Shares

Qualifying Shareholders are entitled to apply for, by way of excess application:

- (i) any unsold entitlements to the Rights Shares of the Excluded Shareholder(s) (if any);
- (ii) any unsold Rights Shares created by aggregating fractions of the Rights Shares; and
- (iii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of nil-paid Rights Shares.

Application for excess Rights Shares may be made by completing and signing the enclosed EAF in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the full amount payable for application for the excess Rights Shares, with the Registrar by not later than

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4:00 p.m. on Wednesday, 2 September 2020 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed “Effect of Bad Weather on the Latest Time for Acceptance of and Payment for the Rights Shares and for Application and Payment for Excess Rights Shares” in “Expected Timetable” on page 6 in this prospectus). All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “GREATWALLE INC. – EXCESS APPLICATION ACCOUNT” and crossed “ACCOUNT PAYEE ONLY”.

The Directors will, upon consultation with the Underwriter, allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of the excess Rights Shares applied for under each application;
- (ii) no preference will be given to applications for topping up odd-lot holdings to whole lot holdings;
- (iii) no reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders; and
- (iv) pursuant to Rule 10.31(3)(b) of the GEM Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder or its associates (together, the “**Relevant Shareholders**”), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders’ applications for excess Rights Shares to the extent that the total number of excess Right Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under PALs is greater than the aggregate number of excess Rights Shares being applied for under EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares the actual number of excess Rights Shares being applied for.

Investors whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company as at the close of business on the Record Date. Accordingly, the Investors should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to individual beneficial owners whose Shares are held by any such nominee company.

The Company reserves the right to refuse to accept any application for the excess Rights Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction.

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If no excess Rights Shares are allotted to a Qualifying Shareholder, the amount tendered on his/her/its application is expected to be returned to him/her/it in full without interest on or before Thursday, 10 September 2020 by means of cheques despatched by the Registrar by ordinary post at the risk of the Qualifying Shareholder to his/her/its registered address. If the number of excess Rights Shares allotted to a Qualifying Shareholder is less than what is applied for, the surplus application monies are also expected to be returned to him/her/it without interest on or before Thursday, 10 September 2020.

The EAF is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any application monies received.

Any Rights Shares not taken up (i) by the Qualifying Shareholders or transferees of nil-paid Rights Shares under PALs, or (ii) by excess applications by the Qualifying Shareholders under EAFs, will be taken up by the Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

Cheques and banker's cashier orders

All cheques and banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgement of a PAL or an EAF together with a cheque or banker's cashier order in payment of the Rights Shares applied for will constitute a warranty that the cheque or banker's cashier order will be honoured upon first presentation. If any cheque or banker's cashier order is not honoured upon first presentation, the PAL or EAF (as the case may be) is liable to be rejected and/or deemed invalid by the Company in its absolute discretion, and in the case of an acceptance of a Qualifying Shareholder's assured entitlement all such assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

Beneficial owners' instructions to their Intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or "split" their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the "Expected Timetable" on page 5 of this prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or "splitting" in these cases shall be in accordance with the General Rules of CCASS, the CCASS Operational Procedures and any other applicable requirements of CCASS.

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Application for listing

The Company has applied to the Listing Division for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

The board lot size of the nil-paid Rights Shares shall be the same as that of the fully-paid Rights Shares, i.e. 10,000 Shares in one board lot.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty pursuant to the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), Stock Exchange trading fee, SFC transaction levy or any other applicable fees and charges in Hong Kong.

TAXATION

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

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Share certificates and refund cheques for Rights Issues

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Thursday, 10 September 2020.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Thursday, 10 September 2020 by ordinary post to the applicants' registered address, at their own risk.

Conditions of the Rights Issue

The Rights Issue will be conditional upon the Underwriting Agreement becoming unconditional. For details of the conditions of the Underwriting Agreement, please refer to the paragraph headed "The Underwriting Agreement – Conditions of the Underwriting Agreement" in this section. **Accordingly, the Rights Issue may or may not become unconditional and may or may not proceed.**

IRREVOCABLE UNDERTAKING FROM AND INTENTION OF GREATWALLE

As at the Latest Practicable Date, Greatwalle, being a controlling shareholder of the Company, holds directly 691,743,923 Shares (representing approximately 55.50% of the issued share capital of the Company as at the Latest Practicable Date).

On 5 August 2020, the Company received from Greatwalle the Irrevocable Undertaking, which provides (among other things) that (i) Greatwalle will take up all of the assured entitlements to the Rights Shares in respect of Shares beneficially owned by it as at the date of the Irrevocable Undertaking pursuant to the terms of the Rights Issue; and (ii) Greatwalle will not dispose of or transfer any interests in the Company (including Shares) from the date of the Irrevocable Undertaking up to and including the date on which the Rights Issue has become unconditional or the date on which the Company announces that the Rights Issue will not proceed, whichever is earlier. In addition, Greatwalle does not intend to apply and/or procure its associates to apply, by way of excess application, for any excess Rights Shares using EAF.

Save for the above, the Company has not received any information or irrevocable undertaking from any substantial shareholders (as defined in the GEM Listing Rules) of the Company of their intention in relation to the Rights Shares to be allotted to them under the Rights Issue as at the Latest Practicable Date.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Shares have been dealt with on an ex-rights basis from Monday, 10 August 2020. Dealings in the Rights Shares in their nil-paid form will take place from 9:00 a.m. on Friday, 21 August 2020 to 4:00 p.m. on Friday, 28 August 2020 (both dates inclusive).

If the Underwriter exercises its right to terminate the Underwriting Agreement or if any of the conditions of the Rights Issue is not fulfilled or, where applicable, waived at or before 4:00 p.m. on Friday, 4 September 2020, the Rights Issue will not proceed.

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Any Shareholder or investor dealing in the Shares and/or the Rights Shares in their nil-paid form up to the latest time for the Rights Issue to become unconditional will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Any Shareholder or investor contemplating any dealings in the Shares and/or the Right Shares in their nil-paid form are recommended to consult their professional advisers.

RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the Shareholders' attention. The Directors believe that there are certain risks involved in the operations of the Group which includes, but is not limited to, the following:

Risks relating to security guarding business

The security guarding services is under rigorous competition in Hong Kong and the PRC. There is no assurance that the Group will be able to provide a competitive quote as compared to its competitors and the services of the Group will remain attractive to its customers. Increased competition could generate additional pricing pressure, result in price reduction and reduced profit margins and/or loss of market share, any of which could adversely affect the Group's operating results. A failure to compete effectively could materially and adversely affect the growth, profitability and operation of the Group.

The Group generally enters into service contracts with the customers for the security guarding services rendered. However, the customers may terminate the service contracts if the Group is in breach of the terms of service contracts. In addition, customers may terminate the service contracts by serving written notice to the Group pursuant to the terms of service contracts. If service contracts are terminated by serving written notice or for the reasons of breach of material terms and conditions thereunder, the Group's revenue stream and profitability may be adversely affected.

Besides, the Group is required to obtain relevant license or permit for the security guarding business in Hong Kong and the PRC, in the event that the license or permit is revoked or not renewed or granted, or if there is any change or tightening of regulations and/or requirements of the license or permit which require additional costs for compliance, the Group's operation and business performance may be adversely affected.

Risks relating to business advisory and asset management business

The business advisory and asset management business of the Group is based in Hong Kong and the PRC. Our financial results are therefore primarily dependent upon the performance of the financial markets of Hong Kong and the PRC. Any material deterioration or sudden change in the economic or market conditions may adversely affect investors' general market confidence as well as sentiments in the business advisory and asset management industry. Poor investment returns to the funds managed or advised by the Group due to either general economic and market conditions or underperformance relative to the funds managed or advised by competitors of the Group, could adversely affect the ability of the Group to retain existing clients and to attract new clients or additional assets from existing clients. Unsatisfactory investment performance could also adversely affect the revenue and growth of the Group.

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Further, the business advisory and asset management business is highly regulated and subject to extensive and evolving regulatory requirements, and any changes in or non-compliance of which, may result in penalties, prohibitions on future business activities or suspension or revocation of the Group's licenses, and may consequently have a material and adverse effect on the business operations and prospects of the Group.

UNDERWRITING AGREEMENT

After the trading hours on 5 August 2020, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue, pursuant to which the Rights Shares other than the Committed Shares will be fully underwritten by the Underwriter.

Principal terms of the Underwriting Agreement

The principal terms of the Underwriting Agreement are summarised as follows:

Date : 5 August 2020

Parties : (i) The Company as issuer; and
(ii) First Capital Securities Limited as underwriter.

The Underwriter is a company incorporated in Hong Kong with limited liability and a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO. As at the Latest Practicable Date, the Underwriter does not hold any Shares. Each of the Underwriter and its ultimate beneficial owners is, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, an Independent Third Party.

The Underwriter has confirmed that (1) it is not a connected person of the Company; and (2) it is licensed under the SFO for Type 1 regulated activity and its ordinary business includes underwriting of securities (hence, the Underwriter has complied with Rule 10.24A(1) of the GEM Listing Rules).

Rights Shares : Up to 230,077,395 Rights Shares
being
underwritten
by the
Underwriter

Commission and Expenses : The Company shall pay to the Underwriter an underwriting commission equal to a lump sum amount of HK\$200,000.00. In addition, the Company shall also pay all legal fees and other reasonable out-of-pocket expenses of the Underwriter in respect of the Rights Issue.

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The commission payable to the Underwriter was determined after arm's length negotiations between the Company and the Underwriter with reference to the prevailing market rate of similar transactions. The Directors having taken into account the fact that the Underwriting Agreement was entered into for the purpose of underwriting all of the Underwritten Shares and the reasons for the Rights Issue as detailed in the section headed "Reasons for the Rights Issue and Use of Proceeds" below, consider that the terms of the Underwriting Agreement (including the underwriting commission) are fair and reasonable and the entering into of the Underwriting Agreement is in the interests of the Company and the Shareholders as a whole.

Subject to the fulfilment of all the conditions precedent (save and except such conditions precedent waived in accordance with the conditions precedent (5) and the paragraph set as out in the paragraph headed "Conditions precedent of the Rights Issue" in this prospectus) contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriter shall subscribe or procure subscription on the terms of the Prospectus Documents (insofar as the same are applicable) for such Untaken Shares.

Conditions precedent of the Rights Issue

The Right Issue is conditional upon:

- (1) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the Companies Ordinance not later than the Posting Date;
- (2) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus only to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (3) the Listing Division granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Rights Shares by no later than the first day of their dealings on the Stock Exchange;
- (4) the obligations of the Underwriter becoming unconditional and the Underwriting Agreement is not terminated in accordance with its terms;
- (5) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement;
- (6) compliance with the requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands; and
- (7) the Underwriter having obtained all necessary consent and/or approval for entering into the Underwriting Agreement or the transactions contemplated herein.

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None of the above conditions precedent (other than condition (5) which can only be waived by the Underwriter) can be waived. If the conditions precedent are not satisfied and/or waived (as the case may be) in whole or in part by the Company and/or the Underwriter (as the case may be) by the Latest Time for Termination or such other date as the Company and the Underwriter may agree in writing, the Underwriting Agreement shall terminate (save and except certain clauses which shall remain in full force and effect) and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches. If the Underwriting Agreement is terminated (please also refer to the paragraph headed “Termination of the Underwriting Agreement” in this prospectus), the Rights Issue will not proceed.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming all the Rights Shares will be taken up by the Shareholders; and (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders other than Greatwalle and all the Untaken Shares are taken up by the Underwriter and/or its subscriber(s) procured by the Underwriter, assuming there is no other change in the shareholding structure of the Company from the Latest Practicable Date to the date of completion of the Rights Issue:

Shareholders	At the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming all the Rights Shares will be taken up by the Shareholders)		Immediately after completion of the Rights Issue (assuming nil acceptance by the Qualifying Shareholders other than Greatwalle and all the Untaken Shares are taken up by the Underwriter and/or its subscriber(s) procured by the Underwriter) (Note 2)	
	(Note 1)					
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Controlling shareholder						
Greatwalle	691,743,923	55.50	922,325,230	55.50	922,325,230	55.50
Director						
Pang Xiaoli	14,922,155	1.20	19,896,206	1.20	14,922,155	0.90
Public						
The Underwriter and/or subscriber(s) procured by it	–	–	–	–	184,857,867	11.12
Other Shareholders	<u>539,651,445</u>	<u>43.30</u>	<u>719,535,261</u>	<u>43.30</u>	<u>539,651,445</u>	<u>32.48</u>
Total	<u><u>1,246,317,523</u></u>	<u><u>100.00</u></u>	<u><u>1,661,756,697</u></u>	<u><u>100.00</u></u>	<u><u>1,661,756,697</u></u>	<u><u>100.00</u></u>

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Notes:

1. Based on 1,246,317,523 Shares in issue as at the Latest Practicable Date.
2. The number of Shares to be taken up by Greatwalle is on the assumption that (i) it will take up its assured entitlements to the Rights Shares in accordance with the Irrevocable Undertaking and (ii) no excess application will be made by Greatwalle.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

Reasons for the Rights Issue

General working capital of the Group. The Board believes the Rights Issue will enable the Group to strengthen its working capital base and enhance its financial position, while at the same time allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company. The Company intends to apply part of the Net Proceeds as the general working capital of the Group mainly for rental expenses, staff cost, professional fees and other administrative expenses.

Repaying the indebtedness and liabilities of the Group. As disclosed in the annual report of the Company for the year ended 31 March 2020, the Group recorded net current liabilities of approximately HK\$19.3 million and net liabilities of approximately HK\$6.3 million as at 31 March 2020. The Company intends to apply part of the Net Proceeds for repaying the indebtedness and liabilities of the Group including payment of accrued liabilities and interest expenses and part repayment of loans.

Expanding the Group's security guarding business in the PRC. The Group believes that the future development of the security guarding market in the PRC is huge as an emerging market and has been vigorously expanding into the PRC market since 2019. The Company intends to apply part of the Net Proceeds to expand the Group's security guarding business in the PRC by recruiting additional staff, setting up a new office and acquiring equipment and facilities to accommodate the new staff and conducting marketing activities.

Developing and strengthening the Group's asset management business in the PRC and Hong Kong. The Group has continued to explore opportunities to diversify its businesses in order to enhance the income stream and continue to improve the return of the Shareholders. As disclosed in the annual report of the Company for the year ended 31 March 2020, the Group has obtained the relevant asset management licenses in the PRC and Hong Kong and is qualified to conduct private equity fund management business in the PRC and asset management business in Hong Kong. The Company is optimistic about the business prospect and potential growth of the asset management business and intends to apply part of the Net Proceeds to develop and strengthen the Group's asset management business in the PRC and Hong Kong including but not limited to establishing new funds.

LETTER FROM THE BOARD

The intended use of Net Proceeds

Based on the Subscription Price of HK\$0.05 per Rights Share, the estimated gross proceeds of the Rights Issue, before expenses, will be approximately HK\$20.77 million. The Net Proceeds to be received by the Company are expected to be approximately HK\$19.57 million. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares will be approximately HK\$0.05.

The Company intends to apply the Net Proceeds in the following manners:

- (i) approximately 35% or HK\$6.9 million will be used as the general working capital of the Group for the ten months after completion of the Rights Issue, allocated as below:
 - approximately 4% or HK\$0.8 million will be used for rental expenses;
 - approximately 14% or HK\$2.7 million will be used for staff cost; and
 - approximately 17% or HK\$3.4 million will be used for professional fees and other administrative expenses;
- (ii) approximately 30% or HK\$5.9 million will be used for repaying the indebtedness and liabilities of the Group, allocated as below:
 - approximately 19% or HK\$3.7 million will be used for paying accrued liabilities by the end of 2020; and
 - approximately 11% or HK\$2.2 million will be used for paying interest expenses and part repayment of loans by the first quarter of 2021;
- (iii) approximately 20% or HK\$3.9 million will be used for expanding the Group's security guarding business in the PRC by the first quarter of 2021, allocated as below:
 - approximately 7% or HK\$1.4 million will be used for recruiting additional staff;
 - approximately 5% or HK\$0.9 million will be used for setting up a new office and acquiring equipment and facilities to accommodate the new staff; and
 - approximately 8% or HK\$1.6 million will be used for conducting marketing activities;
- (iv) approximately 15% or HK\$2.9 million will be used for developing and strengthening the Group's asset management business in the PRC and Hong Kong by the end of 2020, allocated as below:
 - approximately 7% or HK\$1.4 million will be used for the operation of the asset management business in the PRC including but not limited to establishing new funds in the PRC; and

LETTER FROM THE BOARD

- approximately 8% or HK\$1.5 million will be used for the operation of Type 9 (asset management) regulated activities under the SFO in Hong Kong including but not limited to establishing new funds in Hong Kong.

The use of Net Proceeds may be adjusted based upon the development of the Group's business and its needs. If the actual use of the Net Proceeds deviates significantly, the Company will publish announcement on the change(s) as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

Based on the above, the Board considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, the Directors consider that the Rights Issue, which is on a fully underwritten basis, will allow the Group to strengthen its capital structure without incurring debt financing cost, improve the financial and liquidity position and provide additional general working capital. Meanwhile, the Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro rata shareholding interests in the Company and to continue to participate in the future development of the Group. The Qualifying Shareholders are also able to further increase their interests in the Company through excess applications. **However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholder(s) (if any) should note that their shareholdings will be diluted.**

As at the Latest Practicable Date, the Company has no intention, arrangement, agreement, understanding, negotiation (concluded or otherwise) on any disposal, termination or scaling down of the existing businesses of the Group.

OTHER FUNDRAISING ALTERNATIVES

The Company has considered other alternative fundraising methods such as debt financing and placing of new Shares. The Board considered that debt financing may incur interest burden on the Group and may be subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position and the then financial market condition, and the costs of such financing may be relatively uncertain and the negotiation process may be time-consuming. The Directors are of the view that it would be difficult for the Group to obtain a significant amount of additional bank loans given that the Group has suffered losses in recent years. On the other hand, the Board considered that placing of new Shares would normally be conducted on a best efforts basis of which the success is not guaranteed and the issue of new Shares for the placing will cause dilution effect to the Shareholders and deny the Shareholders to participate in the fund raising activities in order to maintain their proportionate shareholdings in the Company.

The Company further considered that the Rights Issue allows the Company to strengthen its balance sheet by raising long term equity fund without the need for payment of interest and repayment. The Board considers that the Rights Issue is in the interest of the Company and the Shareholders as a whole as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so and it will improve the capital base of the Company. Should the Qualifying

LETTER FROM THE BOARD

Shareholders decide not to take up their entitlements under the Rights Issue, they can choose to dispose of their Rights Shares provisional allotments in the market in nil-paid form for their own economic benefit.

As such, the Directors did not pursue the above equity and debt fund raising methods which are considered not appropriate and are of the view that the Rights Issue (with the Irrevocable Undertaking by Greatwalle) is the best available option under the current situation of the Company.

In addition, the Company considered that the terms of the Rights Issue are fair and reasonable and in the best interest of the Shareholders since (i) under the Rights Issue, all the Qualifying Shareholders will be offered the same opportunity to maintain their proportionate interests in the Company and to participate in the growth and development of the Group and the Qualifying Shareholders have the first right to decide whether to accept their entitlements of the Rights Shares; and (ii) the Shareholders who do not want to participate in the Rights Issue can dispose of the nil-paid Rights Shares in the secondary market for their own economic benefit.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activities in the 12 months immediately preceding the date of this prospectus.

POSSIBLE ADJUSTMENTS IN RELATION TO THE SHARE OPTION SCHEME

As at the Latest Practicable Date, the Company has outstanding Share Options under the Share Option Scheme carrying rights for the holders thereof to subscribe for an aggregate of 135,658,584 new Shares. As a result of the Rights Issue, there may be adjustments to the exercise prices and/or the number of Shares to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Scheme. In the event of any alteration in the capital structure of the Company whilst any Share Option remains exercisable, by way of Rights Issue, corresponding adjustments (if any) shall be made in (i) the number of Shares subject to the Share Option so far as unexercised; and/or (ii) the subscription prices, as the auditors of the Company shall certify in writing to the Board to be in their opinion fair and reasonable in compliance with the relevant provisions of the GEM Listing Rules, or any guidelines or supplemental guideline issued by the Stock Exchange from time to time, provided that any alteration shall give a grantee the same proportion of the issued share capital of the Company as that to which he/she was previously entitled, but no adjustment shall be made to the effect of which would be to enable a share to be issued at less than its nominal value. Upon discussion with the auditors of the Company, it is expected that the exercise price and the number of new shares of the outstanding Share Options may be adjusted from the range of HK\$0.0904 to HK\$0.238 and 135,658,584 new shares to the range of HK\$0.089 to HK\$0.234 and 138,198,573 new shares, respectively upon completion of the Rights Issue on the assumptions that all the Rights Shares will be taken up and the closing price of the Shares on the last day of trading before going ex-entitlement is the same of the share price as at the Latest Practicable Date. Further announcement(s) will be made by the Company in relation thereof as and when appropriate.

LETTER FROM THE BOARD

Among the 135,658,584 Share Options granted and remained outstanding as at the Latest Practicable Date, 29,888,494 of which were granted to the Directors, details of which are set out below:

Name	Position/Capacity	Number of Share Options granted	Exercise Price
Ms. Pang Xiaoli	Executive Director	2,015,242	0.0904
Mr. Hon Hoi Chuen	Executive Director	9,156,186 3,280,440	0.2380 0.0904
Ms. Lin Shuxian	Executive Director	9,156,186 3,280,440	0.2380 0.0904
Ms. Guan Yan	Independent non-executive Director	915,618 84,382	0.2380 0.0904
Mr. Zhao Jinsong	Independent non-executive Director	915,618 84,382	0.2380 0.0904
Mr. Li Zhongfei	Independent non-executive Director	915,618 84,382	0.2380 0.0904
		Total	<u>29,888,494</u>

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this prospectus.

By order of the Board
GreatWalle Inc.
Song Xiaoming
Chairman and executive Director

1. FINANCIAL INFORMATION

Financial information of the Group for the three years ended 31 March 2018, 31 March 2019 and 31 March 2020 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and of the Company (www.kingforce.com.hk):

- From page 48 to 143 of the Company's annual report for the year ended 31 March 2020 published on 29 June 2020, which can be found at:
(<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0629/2020062900980.pdf>);
- From page 56 to 147 of the Company's annual report for the year ended 31 March 2019 published on 27 June 2019, which can be found at:
(<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0627/gln20190627243.pdf>);
- From page 50 to 127 of the Company's annual report for the year ended 31 March 2018 published on 29 June 2018, which can be found at:
(<http://www3.hkexnews.hk/listedco/listconews/GEM/2018/0629/GLN20180629275.pdf>)

2. STATEMENT OF INDEBTEDNESS

As at the close of business on 30 June 2020, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this prospectus, the Group had total outstanding debt of approximately HK\$32,342,000, comprising the loans and their accrued interests from related parties with an aggregate amount of approximately HK\$4,538,000, the promissory note payable and its accrued interests of approximately HK\$23,150,000, the amounts due to related parties of approximately HK\$2,083,000, the amount due to an associate of approximately HK\$352,000, the lease liabilities of approximately HK\$169,000 and the contingent consideration payable with fair value of approximately HK\$2,050,000 (notional amount of approximately RMB3,600,000), all of which were unsecured and unguaranteed.

Save as aforesaid and apart from intra-group liabilities and normal trade and other payables, the Group did not have, at the close of business on 30 June 2020, any debt securities issued and outstanding or agreed to be issued, any outstanding bank overdrafts or loans, or other similar indebtedness, loan capital, debentures, liabilities under acceptances, acceptance credits, hire purchase or finance lease commitments, mortgages, charges, or guarantees or other material contingent liabilities.

3. WORKING CAPITAL

As noted from the annual report of the Company for the year ended 31 March 2020, there is a material uncertainty on the Group's ability to continue as a going concern due to a significant loss for the year and the net current liabilities and capital deficiency position of the Group, among which outstanding borrowings of HK\$29,526,000, including promissory note payable of approximately HK\$22,550,000 and loans from related parties of approximately HK\$6,976,000, are due for repayment within one year from 31 March 2020.

Leveraged on advantages in operation, management system and branding of security guarding business in Hong Kong, the Group provides professional services to other similar industries in order to further develop its business. It is expected that the financial performance of the Group's security guarding business in Hong Kong would continue to improve given the Group has enhanced the business relationship with its major customers since the second half of the year ended 31 March 2020 ("2019/20"). During 2019/20, the Group has also expanded its security guarding business to PRC by acquiring Shandong Zhong Jun Wei Shi Security Group Co., Limited. It is expected the revenue from security guarding business in PRC will continue to grow in the coming year ("2020/21").

It is expected the Group would continue to develop its asset management business in 2020/21. On 11 June 2020, the Group has obtained a private equity fund manager license from the Asset Management Association of China in the PRC, and licenses to carry out Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under the SFO in Hong Kong.

In addition to the above the Directors have adopted or in the process of adopting the following measures in order to strengthen the Group's financial position, liquidity and cash flows:

- (a) On 5 June 2020, the Company has entered into a loan facility agreement with the intermediate holding company, Guangzhou Nansha Huiming Investment Business Company Limited* (廣州南沙區匯銘投資業務有限公司) ("Nansha Huiming"). Pursuant to the agreement, Nansha Huiming has granted a loan facility of HK\$40,000,000 to the Company, in which the Company can utilise the loan facility at any time until 31 December 2021. The loan to be granted under this agreement is unsecured, repayable within 1 year at the date of draw down without a repayable on demand clause, and interest-bearing at 1% per annum;
- (b) As at 31 March 2020, the aggregate outstanding amount of the loans from related parties was HK\$6,976,000 (including loan from Nansha Huiming of HK\$5,474,000 and loan from a fellow subsidiary in the amount of HK\$1,502,000), and aggregate outstanding amount of amounts due to related parties was HK\$1,879,000 (including amount due to ultimate holding company of HK\$273,000 and amounts due to fellow subsidiaries of HK\$1,606,000). In June 2020, these related parties have undertaken to and confirmed in writing for not to demand repayment of loans and debts due from the Group within twelve months from 31 March 2020 and until such time when the repayment will not affect the Group's ability to repay other creditors in the normal course of business, whichever is longer;
- (c) As at 31 March 2020, the outstanding amount of the promissory note was HK\$22,550,000, which would be fall due for repayment on 5 October 2020. The Group has been actively liaising with Mr. Fu Yik Lung, being the noteholder, for a further extension beyond 5 October 2020. Subsequent to 31 March 2020, the Group has entered into a letter of intent with the noteholder in respect of the mutual willingness to extend the maturity date of the promissory note to 5 October 2021 when it matures on 5 October 2020; and
- (d) Upon the completion of the Rights Issue and receiving the Net Proceeds, the Group can (i) repay the indebtedness and liabilities of the Group; (ii) bring in additional cash inflow to strengthen the Group's working capital; (iii) expand the Group's security guarding business in the PRC; (iv) develop and strengthen the Group's asset management business in the PRC and Hong Kong.

In considering the these measures regarding the operating and financing aspects of the Group, the Directors have taken into account the possible impact of the COVID-19 pandemic on the Group's future business, and have assessed the ability of the relevant parties to provide the necessary funds when the funding needs arise in different time or in different amounts for at least the next 12 months from the date of this prospectus.

The Directors are of the opinion that, after taking into account the cash flows generated from the operating activities of the Group, the financial resources presently available to the Group including available facilities mentioned above, and the estimated net proceeds from the Rights Issue (assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to completion of the Rights Issue), the Group has sufficient working capital to meet its requirements for at least the next 12 months from the date of this prospectus.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2020, the date to which the latest published audited consolidated financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Following a series of measures undertaken by the Group since the second half of 2019, the Company's security guarding business has already restored to growing path. The Company has successfully opened up the PRC market and gained a large number of new customers. Members of the Company are taking full advantage of the Group's strengths, and are working to continuously enhance the business scale and scope of service of the Company's security guarding business, which so far has yielded tremendous results.

Moreover, the Company has been developing its asset management and business advisory business and has obtained a private equity fund manager licence in the PRC and an approval from the SFC to carry out Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities under the SFO. The Group's asset management team is well known in the industry with its high reputation and good track record, and possesses extensive market resources. Following the obtaining of the above-mentioned licences, the Company is generally prepared in terms of having sufficient resources for the asset management business, and will strive to substantially enhance the scale and profitability of the asset management business through continuous efforts.

The Group has entered into a new path of continuous growth and will continue to strive to further increase the size of the Company's assets, reduce its gearing ratio, improve the Company's operating profit and continue to develop the security guarding business of the Company while expanding its business scope and building up the Company to become a well-known investment holding company to achieve better returns for the Shareholders.

The following is the text of a report received from BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation into this prospectus.

(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP ATTRIBUTABLE TO OWNERS OF THE COMPANY

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2020 (the “**Unaudited Pro Forma Financial Information**”) which has been prepared by the directors of the Company in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”), with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and on the basis of the notes set out below for the purpose of illustrating the effects of the Rights Issue on the consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 31 March 2020.

The Unaudited Pro Forma Financial Information is prepared based on the audited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 31 March 2020 as set out in the Group’s published annual report dated 19 June 2020, after giving effect to the unaudited pro forma adjustments as described in the accompanying notes.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to owners of the Company had the Rights Issue been completed as at 31 March 2020 or at any future date.

					Unaudited pro forma adjusted net tangible assets of the Group attributable to the owners of the Company per Share as at 31 March 2020 HK\$
					Unaudited pro forma adjusted net tangible assets of the Group attributable to the owners of the Company per Share as at 31 March 2020 HK\$
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					Unaudited pro forma adjusted net tangible assets of the Group attributable to the owners of the Company per Share as at 31 March 2020 HK\$
					Unaudited pro forma adjusted net tangible assets of the Group attributable to the owners of the Company per Share as at 31 March

Notes to the Unaudited Pro Forma Financial Information of the Group

1. The number of Shares of the Company in issue as at the Latest Practicable Date (as defined in the prospectus dated 19 August 2020 (the “**Prospectus**”)) was 1,246,317,523 Shares. The number of 415,439,174 Rights Shares is calculated on the assumptions that there is no change in Shares from the Latest Practicable Date to the Record Date (as defined in the Prospectus) and all the Rights Shares will be taken up; and on the basis of one Rights Share for every three Shares held on the Record Date.
2. The consolidated net liabilities of the Group attributable to the owners of the Company as at 31 March 2020 is extracted from the audited consolidated statement of financial position of the Group as at 31 March 2020 as set out in the Company’s published annual report for the year ended 31 March 2020 dated 19 June 2020 (“**Annual Consolidated Financial Statements**”).
3. These represent the amount of goodwill and other intangible assets of the Group as at 31 March 2020 of approximately HK\$1,165,000 and HK\$356,000, respectively. The amounts are extracted from the Annual Consolidated Financial Statements.
4. The calculation of consolidated net tangible liabilities of the Group attributable to owners of the Company per Share as at 31 March 2020 is based on 1,246,317,523 Shares in issue immediately before the proposed Rights Issue.
5. The amount of estimated net proceeds from the Rights Issue is based on a total of 415,439,174 Rights Shares to be issued at the Subscription Price of HK\$0.05 per Rights Share and after deducting estimated related expenses of approximately HK\$1.2 million.
6. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 31 March 2020 is calculated by having the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 31 March 2020 divided by the number of Shares of 1,661,756,697 as if the Rights Issue was completed on 31 March 2020.
7. Assuming the Share Option holders exercise all of the subscription rights attaching to the outstanding exercisable Share Options and take up the Rights Shares for these exercised Share Options as of 31 March 2020, in addition to the adjustments reflected in Note 3 and Note 5, the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company, including proceeds from full exercise of subscription rights attaching to these Share Options of approximately HK\$22,240,000 (being 39,371,598, 22,698,295 and 73,588,691 Share Options at exercise prices of HK\$0.238, HK\$0.0904 and HK\$0.147 per Share respectively) and additional proceeds from the Rights Issue for the Rights Shares issued for these exercised Share Options of approximately HK\$2,261,000 (being 45,219,528 Shares at subscription price of HK\$0.05 per Share), will be approximately HK\$35,349,000. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share will be HK\$0.019 and is arrived on the basis that 1,842,634,809 Shares were in issue assuming the Rights Issue had been completed on 31 March 2020.
8. No adjustment has been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 31 March 2020.

**(B) INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from BDO Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation into this prospectus.



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香港干諾道中111號
永安中心25樓

To The directors of Greatwalle Inc.

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Greatwalle Inc. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of consolidated net tangible assets of the Company as at 31 March 2020 and related notes as set out on pages 1 to 2 of Appendix II of the Company’s prospectus dated 19 August 2020 (the “Prospectus”) in connection with a rights issue on the basis of one rights share for every three shares in issue at a subscription price of HK\$0.05 each of the Company (the “Proposed Rights Issue”). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on page 1 of Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Proposed Rights Issue on the Company’s consolidated net tangible assets as at 31 March 2020 as if the Proposed Rights Issue had taken place on 31 March 2020. As part of this process, information about the Company’s consolidated financial position has been extracted by the directors of the Company from the Company’s consolidated financial statements for the year ended 31 March 2020, on which an audit report has been published.

Directors’ Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Rights Issue at 31 March 2020 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

BDO Limited

Certified Public Accountants

Hong Kong

19 August 2020

1. RESPONSIBILITY STATEMENT

This prospectus, 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 prospectus 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 prospectus misleading.

2. SHARE CAPITAL

(a) As at the Latest Practicable Date:

	Nominal value per Share (HK\$)	Number of Shares	Nominal amount (HK\$)
Authorised:	0.01	<u>4,000,000,000</u>	<u>40,000,000</u>
Issued and fully paid:	0.01	<u>1,246,317,523</u>	<u>12,463,175.23</u>

(b) Immediately after completion of the Rights Issue (assuming there is no change in the issued share capital of the Company from the Latest Practicable Date up to completion of the Rights Issue):

	Nominal value per Share (HK\$)	Number of Shares	Nominal amount (HK\$)
Authorised:	0.01	<u>4,000,000,000</u>	<u>40,000,000</u>
Issued and fully paid:			
– As at the Latest Practicable Date	0.01	1,246,317,523	12,463,175.23
– Rights Shares to be issued pursuant to the Rights Issue	0.01	<u>415,439,174</u>	<u>4,154,391.74</u>
Shares upon completion of the Rights Issue	0.01	<u>1,661,756,697</u>	<u>16,617,566.97</u>

All the Shares in issue are fully-paid and rank *pari passu* in all respects including as regards to dividends, voting rights and return of capital. All Rights Shares to be issued will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment of the Rights Shares.

The Company has applied to the Listing Division for the listing of and permission to deal in the Rights Shares (in both their nil-paid and fully-paid forms). No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there were 135,658,584 outstanding Share Options granted by the Company exercisable into 135,658,584 Shares. Save for the foregoing, as at the Latest Practicable Date, the Group had no outstanding debt securities, derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares, and there was no arrangement under which future dividends are/will be waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interest and short positions in the securities of the Company and its associated corporations

(i) Directors' interests in securities of the Company

Name of Director	Long/Short position	Nature of interests	Number of Shares held	Share options	Total interests	Percentage of aggregate interests to total issued share capital of the Company (Note 1)
Mr. Song Xiaoming	Long Position	Interest in a controlled corporation	691,743,923 (Note 2)	–	691,743,923	55.50%
Ms. Pang Xiaoli	Long Position	Beneficial Owner	14,922,155	2,015,242	16,937,397	1.36%
Mr. Hon Hoi Chuen	Long Position	Beneficial Owner	–	12,436,626	12,436,626	1.00%
Ms. Lin Shuxian	Long Position	Beneficial Owner	–	12,436,626	12,436,626	1.00%
Mr. Li Zhongfei	Long Position	Beneficial Owner	–	1,000,000	1,000,000	0.08%
Mr. Zhao Jinsong	Long Position	Beneficial Owner	–	1,000,000	1,000,000	0.08%
Ms. Guan Yan	Long Position	Beneficial Owner	–	1,000,000	1,000,000	0.08%

Notes:

1. Based on 1,246,317,523 Shares in issue as at the Latest Practicable Date.
2. According to information available to the Company, Greatwalle is wholly-owned by Guangzhou Nansha Huiming Investment Business Company Limited* (廣州南沙區匯銘投資業務有限公司) (“**Nansha Huiming**”). Nansha Huiming is held as to approximately 91.9992% by Huili Jiu Hao Investment, and as to approximately 0.0008% by Mr. Song. Huili Jiu Hao Investment is held as to 99% by Great Walle Investment. Great Walle Investment is ultimately controlled by Mr. Song (as to approximately 68.9039% directly, and as to approximately 21.9995% indirectly through a wholly-owned company, 深圳弘德商務服務有限公司). As such, Mr. Song is deemed to be interested in the above companies and the Shares and the underlying Shares of the Company under the SFO.

* For identification purpose only

(ii) Director's interest in the associated corporations

Name of Director	Name of the associated corporation	Capacity/ Nature of interests	Number of Shares held	Approximate percentage of total number of issued shares of the associated corporations
Mr. Song Xiaoming	Greatwalle	Interest in a controlled corporation	1,000,000	100.0000%
	Nansha Huiming	Beneficial owner	1,000	0.0008%
		Interest in a controlled corporation	110,000,000	91.9992%
	Shenzhen Huili Jiu Hao Investment Consulting Enterprise Limited Partnership* (深圳匯理九號投資諮詢企業(有限合伙)) (“Huili Jiu Hao Investment”)	Interest in a controlled corporation	990,000 (Note 1)	99.0000%
	Great Walle Investment	Beneficial owner	3,828,902 1,222,486	68.9039%
Ms. Pang Xiaoli		Interest in a controlled corporation		21.9995%
	Huili Jiu Hao Investment	Beneficial Owner	10,000 (Note 1)	1.0000%
	Great Walle Investment	Beneficial Owner	73,637	1.3252%
Ms. Lin Shuxian		Interest in a controlled corporation	27,509 (Note 2)	0.4950%
	Great Walle Investment	Beneficial owner	1,111	0.0200%

* For identification purpose only

Notes:

1. The associated corporation is a limited partnership with no share description or shares. The total number of shares represented the amount of capital contributed.
2. These shares are beneficially owned by Shenzhen Mingyue Technology Company Limited* (深圳明銳科技有限公司), a company wholly owned by Ms. Pang Xiaoli, and therefore Ms. Pang Xiaoli is deemed to be interested in these shares under the SFO.

Save as disclosed above, as at Latest Practicable Date, none of the Directors or the chief executive had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short position which they are taken or deemed to have taken under such provisions of the SFO), or which will be required to be entered into the register kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

* For identification purpose only

(b) Interest of the substantial Shareholders

So far as is known to the Directors, as at Latest Practicable Date, persons (other than directors or chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to Section 336 of the SFO, to be entered into the register referred to therein, or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group were as follows:

Name of Shareholder	Long/Short position	Nature of interests	Number of Shares held	Percentage of interests to total issued share capital of the Company (Note 1)
Greatwalle	Long Position	Beneficial owner	691,743,923	55.50%
Nansha Huiming	Long Position	Interest of corporation controlled (Note 2)	691,743,923	55.50%
Huili Jiu Hao Investment	Long Position	Interest of corporation controlled (Note 2)	691,743,923	55.50%
Great Walle Investment	Long Position	Interest of corporation controlled (Note 2)	691,743,923	55.50%

Notes:

1. Based on 1,246,317,523 Shares in issue as at the Latest Practicable Date.
2. According to information available to the Company, 691,743,923 Shares are held by Greatwalle in the capacity of beneficial owner. Greatwalle is wholly-owned by Nansha Huiming. Nansha Huiming is held as to approximately 91.9992% by Huili Jiu Hao Investment, and as to approximately 0.00008% by Mr. Song. Huili Jiu Hao Investment is held as to approximately 99% by Great Walle Investment. Great Walle Investment is ultimately controlled by Mr. Song (as to approximately 68.9039% directly, and as to approximately 21.9995% indirectly, and as to approximately 21.9995% indirectly through a wholly-owned company, 深圳弘德商務服務有限公司). As such, each of Nansha Huiming, Huili Jiu Hao Investment and Great Walle Investment is deemed to be interested in 691,743,923 Shares held by Greatwalle under the SFO.

Save as disclosed above, the Directors are not aware that there is any party who, as at Latest Practicable Date, persons (other than directors or chief executive of the Company) who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to Section 336 of the SFO, to be entered into the register referred to therein, or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

4. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the Directors to be pending or threatened by or against any member of the Group.

5. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries) had been entered into by the Company or any of its subsidiaries within two years preceding the issue date of this prospectus and ending on the Latest Practicable Date, which are or may be material in relation to the business of the Group as a whole:

- (i) the promissory note extension agreement dated 4 April 2019 extending the term of the promissory note issued by the Company to Mr. Fu Yik Lung in the principal amount of HK\$19.95 million and amending the interest payable and payment method during the extended term;
- (ii) the loan agreement dated 31 March 2020 entered into between Shenzhen Guanhui Jiye Property Management Limited* (深圳冠輝基業物業管理有限公司) as the borrower and Nansha Huiming as the lender in the principal amount of RMB5 million;
- (iii) the loan agreement dated 5 June 2020 entered into between the Company as the borrower and Nansha Huiming as the lender in the principal amount of RMB40 million;
- (iv) a letter of intent dated 18 June 2020 entered into between the Company and Mr. Fu Yik Lung in respect of the mutual willingness to extend the maturity date of the promissory note by the Company to Mr. Fu Yik Lung in the principal amount of HK\$19.95 million to 5 October 2021 when it becomes due on 5 October 2020; and
- (v) the Underwriting Agreement.

* For identification purpose only

6. DIRECTOR'S INTEREST IN CONTRACTS AND ASSETS

- (i) None of the Directors had any direct or indirect interest in any assets which had been, since 31 March 2020 (being the date to which the latest published annual results announcement for the audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Group; and
- (ii) none of the Directors was materially interested in any contract or arrangement subsisting as at the date of this prospectus which is significant in relation to the business of the Group.

7. QUALIFICATION AND CONSENT OF THE EXPERT

The following is the qualification of the professional adviser who has given opinion or advice contained in this prospectus:

Name	Qualification
BDO Limited	Certified Public Accountants

BDO Limited has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion of its report and/or references to its name in the form and context in which they respectively appear in this prospectus.

BDO Limited does not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

BDO Limited does not and did not have any direct or indirect interest in any assets acquired or disposed of by or leased to or proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2020, being the date to which the latest published audited accounts of the Group were made up.

8. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

Registered Office	Clifton House 75 Fort Street P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Principal Office in Hong Kong	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong

Authorised Representatives	Ms. PANG Xiaoli and Mr. HON Hoi Chuen Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Company Secretary	Ms. LAM Yuen Ling Eva Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Compliance Officer	Ms. PANG Xiaoli Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Audit Committee	Mr. ZHAO Jinsong (<i>Chairman</i>) Mr. LI Zhongfei Ms. GUAN Yan
Auditor and Reporting Accountants	BDO Limited (<i>Certified Public Accountants</i>) 25/F Wing On Centre 111 Connaught Road Central Hong Kong
Principal Banker	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Hong Kong
Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Legal Adviser to the Company as to the Rights Issue	Fangda Partners 26/F, One Exchange Square 8 Connaught Place Central Hong Kong

9. PARTICULARS OF DIRECTORS

a. Name and address of the Directors

Name	Business Address
<i>Executive Directors</i>	
Mr. SONG Xiaoming	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Ms. PANG Xiaoli	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Mr. HON Hoi Chuen	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Ms. LIN Shuxian	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
<i>Non-executive Director</i>	
Mr. CHUNG Man Lai	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
<i>Independent Non-executive Directors</i>	
Mr. LI Zhongfei	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Mr. ZHAO Jinsong	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong
Ms. GUAN Yan	Room 2008, 20/F West Tower, Shun Tak Centre 200 Connaught Road Central Hong Kong

b. Profiles of the Directors*Executive Directors*

Mr. Song Xiaoming, aged 46, joined the Group in 2019 and is an executive Director, the chairman of the Board and the chairman of the nomination committee of the Company. Mr. Song graduated from Sun Yat-sen University with a bachelor degree in economics in June 1997 and obtained an executive master of business administration degree from Tsinghua University, the PRC, in January 2014. Mr. Song is the founder of Shenzhen Great Walle Capital Management Co. Ltd.* (深圳長城匯理資產管理有限公司), a company incorporated in May 2013 and principally engaged in the provision of asset management service. It has become a subsidiary of 深圳長城匯理投資股份有限公司 (Shenzhen Great Walle Investment Corp., Ltd.*) in 2015. He has been the chief executive officer of Shenzhen Great Walle Capital Management Co. Ltd. since May 2013 and the president of Shenzhen Great Walle Investment Corp., Ltd. since July 2015.

Ms. PANG Xiaoli, aged 42, joined the Group in 2018 and is an executive Director and the compliance officer of the Company. She is the chief executive officer of the Company and also the executive director, general manager and authorised representative of Shenzhen Jiuli Investment Advisory Co., Ltd.* (深圳玖立投資諮詢有限公司), a wholly-owned subsidiary of the Company. She joined Great Walle Investment in May 2013 and is the executive director and chief financial officer of Great Walle Investment. She holds a bachelor's degree in economics from Dongbei University of Finance and Economics. She obtained an executive master's degree in business administration (EMBA) awarded by Cheung Kong Graduate School of Business in September 2018.

Mr. HON Hoi Chuen, aged 45, joined the Group in 2018 and is an executive Director. He is also the executive director of Great Walle Investment. In 2017, Mr. Hon was the vice president of First Capital Fund Management Company Limited* (首控基金管理有限公司), a wholly-owned subsidiary of China First Capital Group Limited which is listed on the Stock Exchange (stock code: 1269), and from September 2012 to December 2015, he worked for Henan Agri-investment Fund Co., Ltd.* (河南農開投資基金管理有限公司) and his last position was its deputy general manager. From April 1999 to August 2012, he also held positions in various departments of Bank of China Hong Kong, including the corporate banking, financial institutions and product management department. He graduated from the undergraduate programme of international finance from Sun Yat-sen University in the PRC in June 1997.

Ms. LIN Shuxian, aged 38, joined the Group in 2018 and is an executive Director. She is also the deputy investment director of the investment department at Great Walle Investment. From November 2007 to May 2009, Ms. Lin was a financial analyst at the Business Valuation Department of Shenzhen Branch, Jones Lang LaSalle Sallmanns (Beijing) Consultants Limited* (仲量聯行西門(北京)諮詢有限公司深圳分公司) (currently renamed as Shenzhen Branch, Jones Lang LaSalle (Beijing) Consultants Limited* (仲量聯行(北京)諮詢有限公司深圳分公司)). From November 2009 to September 2015, she was a senior manager at the Investment Banking Department of First Shanghai Venture Capital Management (Shenzhen) Co., Ltd.. Ms. Lin obtained a master of science degree in Financial Decision Analysis from the University of Portsmouth in July 2007.

* For identification purposes only

Non-executive Director

Mr. Chung Man Lai, aged 44, joined the Group in 2020 and is a non-executive Director. Prior to joining the Company, Mr. Chung worked in a reputable international accounting firm and was the chief financial officers of CMIC Ocean En-Tech Holding Co., Ltd. (formerly known as TSC Group Holdings Limited (stock code: 206)) (華商國際海洋能源科技控股有限公司) and IDT International Limited (stock code: 167) (萬威國際有限公司), both are companies listed on the Main Board of the Stock Exchange. He is also currently the independent non-executive director of Century Group International Holdings Limited (世紀集團國際控股有限公司) (the shares of which are listed on the Main Board of the Stock Exchange, stock code: 2113), Roma Group Limited (羅馬集團有限公司*) (the shares of which are listed on GEM, stock code: 8072) and Aurum Pacific (China) Group Limited (奧栢中國集團有限公司) (the shares of which are listed on GEM stock code: 8148). Mr. Chung obtained a bachelor of arts degree in accountancy from The Hong Kong Polytechnic University in November 1998 and a master of business administration degree with a major in international business from EU Business School in December 2018. Mr. Chung is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Independent Non-executive Directors

Mr. LI Zhongfei, aged 56, joined the Group in 2018 and is a professor of Sun Yat-sen Business School Sun Yat-sen University in the PRC. He is also a member of editorial board of Journal of Sun Yat-sen University (Social Science Edition). He holds a bachelor's degree in science from Lanzhou University in the PRC, a master's degree in science from Inner Mongolia University in the PRC, and a Ph.D in management from the Academy of Mathematics and Systems Science of the Chinese Academy of Sciences in the PRC.

Mr. ZHAO Jinsong, aged 44, joined the Group in 2018 and holds a bachelor's degree in international finance from the Sun Yat-sen University in the PRC and a master's degree from the Sun Yat-sen University in the PRC. He previously served in Shenzhen Branch, National Audit Office of the People's Republic of China (中華人民共和國審計署駐深圳特派員辦事處) for 17 years and his last position was the Commissioner of that office. Mr. Zhao was accredited as a member of The Association of Chartered Certified Accountants in November 2006, a fellow member of The Association of Chartered Certified Accountants in April 2012 and was granted the designation of Financial Risk Manager from the Global Association of Risk Professionals in March 2017.

Ms. GUAN Yan, aged 39, joined the Group in 2018 and holds a bachelor's degree in laws from the Peking University and a master's degree in laws from University College London and a master's degree in corporate law from New York University. She has more than 14 years of experience in the legal industry. She was employed by Peregrine Services Limited, the service company of Herbert Smith Freehills Hong Kong from November 2003 to September 2007 and her last position was legal manager of that company. From January 2008 to March 2018, she held various positions at Shearman & Sterling, Hong Kong Office (including legal assistant, registered foreign lawyer, assistant solicitor and consultant). From March 2018 to Jan 2019, she held the position of general counsel at 5miles Holdings Limited

* For identification purpose only

and CyberMiles Foundation Limited in Hong Kong. Since April 2019, she works for New World Development Company Limited (the shares of which are listed on the Stock Exchange, stock code: 17) as a legal counsel.

None of the Directors or senior management had held any directorship in other publicly listed companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date. None of the management has any relationship with any directors, the other members of the senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

c. Profile of Company Secretary

Ms. LAM Yuen Ling Eva, aged 53, joined the Group in 2018 and is the company secretary of the Group. She holds higher certificate in company secretaryship and administration from the Hong Kong Polytechnic University and a master's degree in corporate governance and directorship from the Hong Kong Baptist University. She is a fellow of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators with over 20 years of experience in company secretarial services and commercial solutions.

d. About the Company's Audit Committee

The Company's audit committee, comprising all of our independent non-executive Directors, is responsible for making recommendations to the Board on the appointment and removal of external auditor, evaluating the overall effectiveness of the internal control and risk management frameworks, reviewing the accounting principles and practices adopted by the Group and other financial reporting matters and ensuring the completeness, accuracy and fairness of the financial statements, monitoring compliance with statutory and listing requirements and overseeing the relationship with the external auditors.

10. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which were not expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

11. EXPENSES

The expenses in connection with the Rights Issue, including the fees of legal advisers and auditors, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.2 million, which were paid or are payable by the Company.

12. MISCELLANEOUS

- (i) As at the Latest Practicable Date, there was no contracts for the hire or hire purchase of plant to or by any member of the Group for a period of over one year which were substantial in relation to the Group's business.

- (ii) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside of Hong Kong.
- (iii) As at the Latest Practicable Date, the Company has no significant exposure to foreign exchange liabilities.
- (iv) The English language text of this prospectus and the other Prospectus Documents shall prevail over its Chinese language text, in case of any inconsistency.

13. LEGAL EFFECT

This prospectus, the PAL and the EAF, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

14. BINDING EFFECT

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of this prospectus, together with copies of the PAL and EAF and the written consent referred to in the paragraph headed “7. Qualification and Consent of the Expert” in this Appendix III, have been registered with the Registrar of Companies in Hong Kong for registration pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following will be available for inspection during normal business hours (other than Saturdays, Sundays and public holidays) at Room 2008, 20/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong, from the date of this prospectus up to and including 2 September 2020:

- (i) the memorandum and articles of association of the Company;
- (ii) the annual reports of the Company for the two years ended 31 March 2019 and 31 March 2020;
- (iii) the accountants’ report on the unaudited pro forma financial information of the Group from BDO Limited set out in Appendix II to this prospectus;
- (iv) the material contracts as referred to in the paragraph headed “5. Material Contracts” in this appendix; and
- (v) the written consent referred to in the paragraph headed “7. Qualification and Consent of the Expert” in this Appendix III.