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ANNOUNCEMENT OF FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 30 JUNE 2023

The board (the “**Board**”) of directors (the “**Directors**”) of Greatwalle Inc. (the “**Company**”) is pleased to announce the first quarterly results of the Company and its subsidiaries for the three months ended 30 June 2023. This announcement, containing the full text of the First Quarterly Report 2023/24 of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of first quarterly results.

By order of the Board
Greatwalle Inc.
Song Xiaoming
Chairman and Executive Director

Hong Kong, 14 August 2023

As at the date of this announcement, the executive Directors are Mr. Song Xiaoming, Ms. Song Shiqing, Mr. Su Congyue; the non-executive Director is Mr. Chung Man Lai; and the independent non-executive Directors are Mr. Li Zhongfei, Mr. Zhao Jinsong and Mr. Liu Chengwei.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the Stock Exchange’s website at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its publication and on the website of the Company at www.kingforce.com.hk.



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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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

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*This report, for which the directors (the “**Directors**”) of Greatwalle Inc. (the “**Company**”) and together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 report 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 report misleading.*



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Notes	For the three months ended 30 June	
		2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Revenue	2	25,099	19,832
Cost of services rendered		24,682	(18,750)
Gross profit		417	1,082
Other income	3	8,537	621
Administrative expenses		(5,982)	(5,662)
Finance costs	4	(413)	(776)
Profit/(loss) before income tax	5	2,559	(4,735)
Income tax expense	6	(5)	(1)
Profit/(loss) for the period		2,554	(4,736)
Other comprehensive income that may be reclassified subsequently to profit or loss:			
Exchange difference on translation of financial statements of foreign operations		(5,341)	(3,198)
Other comprehensive income for the period		(5,341)	(3,198)
Total comprehensive income for the period		(2,787)	(7,934)
Profit/(loss) for the period attributable to:			
Owners of the Company		2,520	(4,636)
Non-controlling interests		34	(100)
		2,554	(4,736)
Total comprehensive income for the period attributable to:			
Owners of the Company		(2,726)	(7,817)
Non-controlling interests		(61)	(117)
		(2,787)	(7,934)
		HK cents	HK cents (Restated)
Earnings/(loss) per share for loss attributable to owners of the Company	8		
– Basic and diluted		0.4	(0.8)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30 JUNE 2023

	Share capital HK\$'000	Share premium HK\$'000	Share option reserve HK\$'000	Merger reserve HK\$'000	Foreign exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 April 2022 (audited)	29,072	224,877	7,241	(5,270)	3,771	(225,928)	33,763	(2,828)	30,935
Loss for the period	-	-	-	-	-	(4,636)	(4,636)	(100)	(4,736)
Other comprehensive income:									
Exchange difference on translation of financial statements for foreign operations	-	-	-	-	(3,181)	-	(3,181)	(17)	(3,198)
Total comprehensive income for the period	-	-	-	-	(3,181)	(4,636)	(7,817)	(117)	(7,934)
At 30 June 2022 (unaudited)	29,072	224,877	7,241	(5,270)	590	(230,564)	25,946	(2,945)	23,001
At 1 April 2023 (audited)	29,072	224,877	7,241	(5,270)	(857)	(242,243)	12,820	(3,055)	9,765
Loss for the period	-	-	-	-	-	2,520	2,520	34	2,554
Other comprehensive income:									
Exchange difference on translation of financial statements for foreign operations	-	-	-	-	(5,246)	-	(5,246)	(95)	(5,341)
Total comprehensive income for the period	-	-	-	-	(5,246)	2,520	(2,726)	(61)	(2,787)
At 30 June 2023 (unaudited)	29,072	224,877	7,241	(5,270)	(5,246)	239,723	10,094	(3,116)	6,978

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE THREE MONTHS ENDED 30 JUNE 2023

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Greatwalle Inc. (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 2 January 2014. The Company's registered office is located at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business is located at Unit 1112, 11/F, The Metropolis Tower, No. 10 Metropolis Drive, Hungghom, Kowloon, Hong Kong.

The Company's shares were listed on the GEM of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 20 August 2014.

The principal activity of the Company is investment holding. The principal activities of the Company and its subsidiaries are the provision of security guarding and property management services (the "**Security Guarding and Property Management Services**") and the provision of business advisory and asset management services (the "**Asset Management Services**").

The directors of the Company (the "**Directors**") considered the Company's ultimate holding company as at 30 June 2023 is Shenzhen Great Walle Investment Corp. LTD ("**Shenzhen Great Walle**"), a company established in the People's Republic of China (the "**PRC**") and its ultimate controlling party is Mr. Song Xiaoming ("**Mr. Song**").

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), unless otherwise stated other than subsidiaries operating in the PRC of which functional currency is Renminbi, the functional currency of the Company and other subsidiaries is HK\$.

The unaudited condensed consolidated financial information for the three months ended 30 June 2023 have been reviewed by the audit committee of the Board (the "**Audit Committee**") but have not been reviewed or audited by the Company auditor.

The Group's unaudited condensed consolidated financial statements for the three months ended 30 June 2023 have been prepared in accordance with accounting principles generally accepted in Hong Kong and complied with accounting standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules. The quarterly financial information have been prepared on the historical cost basis.

The accounting policies adopted in preparation of the unaudited condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2023, except for the adoption of the new and revised the Hong Kong Financial Reporting Standards ("**HKFRSs**").

In this report, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 2023. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies and amounts in the Reporting Period and the corresponding previous periods.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2023.

2. REVENUE

Revenue represents the net invoiced value of service rendered from the provision of Security Guarding and Property Management Services and the service income from the provision of Asset Management Services during the three months ended 30 June 2023 and 2022.

	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Provision of Security Guarding and Property Management Services	24,971	19,659
Provision of Asset Management Services	128	173
	25,099	19,832

3. OTHER INCOME

	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Bank interest income	23	5
Sundry income	13	2
Government subsidies (note 1)	25	614
Gain on disposal of property, plant and equipment (note 2)	8,476	–
	8,537	621

Notes:

- Government subsidies for the three ended 30 June 2022 mainly represented government grants obtained from Employment Support Scheme ("ESS") under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Company's employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Group does not have other unfulfilled obligations relating to this program.
- Reference is made to the Company's announcement on 5 September 2022, the disposal of property transaction was completed on 12 April 2023 with a gain on disposal of approximately HK\$8.5 million (the gain on disposal was the difference between the net sales proceeds and the carrying amount of the disposed property, and was recognised in the consolidated statement of profit or loss and other comprehensive income).

4. FINANCE COSTS

	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Continuing Operations		
Interest charges on promissory note repayable	239	600
Interests charge on loans from related parties	2	4
Interests charges on borrowings	144	138
Interest on lease liabilities	28	34
	413	776

5. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is arrived at after charging:

	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Continuing Operations		
Cost of services rendered	24,682	18,750
Depreciation of property, plant and equipment ¹	83	119
Depreciation of right-of-use assets ¹	354	726
Short-term leases expenses ¹	32	44
Employee benefits expenses (including directors' emoluments):		
Salaries, allowances and benefits in kind included in:		
– Cost of services rendered	24,641	18,584
– Administrative expenses	3,470	2,598
Retirement benefits – Defined contribution plans ² included in:		
– Cost of services rendered	240	166
– Administrative expenses	412	344
	28,763	21,692
Legal and professional fees ¹	242	338
Impairment loss on trade receivables ¹	–	553

¹ included in "administrative expenses" in the consolidated statement of profit or loss and other comprehensive income

² there were no contributions forfeited by the Group on behalf of its employees who leave the MPF scheme or the PRC retirement scheme (as the case may be).

6. INCOME TAX EXPENSE

	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Current tax:		
PRC Enterprise Income Tax ("EIT")		
– Provision for the period	5	1
– Over-provision in respect of prior years	–	–
	5	1

Hong Kong Profits Tax is calculated at 16.5% (2022: 16.5%) on the estimated assessable profits of subsidiaries operating in Hong Kong for the three months ended 30 June 2023 and 2022. EIT is calculated on estimated assessable profits of the subsidiaries' operations in the PRC for the period ended 30 June 2023 and 2022 at 25% (2022: 25%).

7. DIVIDEND

The Board did not recommend a payment of a dividend for the three months ended 30 June 2023 (three months ended 30 June 2022: nil).

8. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the following data:

Loss	Three months ended 30 June	
	2023 (Unaudited) HK\$'000	2022 (Unaudited) HK\$'000
Earnings/(loss) attributable to owners of the Company	2,520	(4,636)
Number of shares	2023 '000	2022 '000
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share	581,442	581,442

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company, and the weighted average number as at 30 June 2023 of approximately 581,442,000 (30 June 2022: 581,442,000).

The computation of diluted loss per share does not assume the exercise of the Company' share options for the period ended 30 June 2023 and 30 June 2022 as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

9. SUBSEQUENT EVENTS

Saved as disclosed in this report, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2023 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the three months ended 30 June 2023 (the “**Reporting Period**”), the Group principally engaged in (i) the provision of security guarding and property management services (the “**Security Guarding and Property Management Services**”); and (ii) the provision of business advisory and asset management services (the “**Asset Management Services**”).

I. Security Guarding and Property Management Services

For the Group's Security Guarding and Property Management Service, the Group operates in both the People's Republic of China (the “**PRC**”) and Hong Kong. Compared to corresponding period, revenue increased by approximately HK\$5.4 million from approximately HK\$19.6 million for the three months ended 30 June 2022 to approximately HK\$25.0 million for the Reporting Period.

Most of the Group's revenue was generated in the PRC (approximately 95.2% of the Security Guarding and Property Management Services of the Group), the Group's Security Guarding and Property Management Services has continued to grow and its client base has gradually expanded from government departments to schools and industrial parks. The Group has successfully expanded its Security Guarding and Property Management Services business in Shandong Province in the PRC in the second half of 2021 and it became the largest source of revenue to the Group. As a result, revenue from Security Guarding and Property Management Services in the PRC recorded a consecutive growth of approximately HK\$8.9 million from approximately HK\$15.0 million for the three months ended 30 June 2022 to approximately HK\$23.9 million for the Period. The Group has fully realised its comprehensive advantages in brand, operation and management system, and will continue to expand the scale of its security guarding and property management business in the PRC to achieve sustained growth in operating revenue, with a view to build the Company into a prominent security guarding and property management enterprise in the PRC. Security Guarding and Property Management Services revenue in Hong Kong decreased significantly from HK\$4.6 million for the corresponding period to HK\$1.1 for the Period, given the economy in Hong Kong remains challenging, the Group intends to adjust its resources to focus in the PRC.

II. Asset Management Services

Since 2019, the Company has begun to gradually develop its Asset Management Services. In the PRC, the Group holds a private equity investment fund manager licence from the Asset Management Association of China. The Greater China asset management industry is facing both new challenges and new opportunities under the influence of policies such as China's economic structural transformation and dual circulation.

As at 30 June 2023, the Group managed privately offered funds in the PRC where these funds invested in promising companies listed or unlisted. Asset Management Services revenue from external customers during the Reporting Period was approximately to HK\$0.1 million, and it remains steady compared to the corresponding period.

The Group targets to invest in (i) buyout or leveraged buyout funds; (ii) medium to long-term investments towards companies with long-term development value and have a leading position in a particular market segment; (iii) bonds; and (iv) providing corporate relief consultation services. The asset management team has been committed to exploring business and investment opportunities, aiming for quality and long-term investments and to increasing the scale of funds. We believe that the economy of the PRC will rebound after the epidemic and over the next few years, the Group will drive the asset management business into the high-quality development phase.

OUTLOOK

The Group will continue to increase its transparency and present a better corporate image to both existing and potential customers in order to capture the rich potential in the Security Guarding and Property Management Services in the PRC. This potential is driven by the continuous increase in real estate projects and large-scale events, increase in demand for more sophisticated facility management services. The Group has a plan to extend its Security Guarding and Property Management Services in the PRC through establishing its own vocational schools, production and education integration bases and to provide Security Guarding and Property Management Service to such properties.

As the negative impact of the COVID-19 pandemic on the business environment of domestic enterprises continues to expand, it is expected that the scale of non-performing loans for enterprises will continue to increase against the backdrop of mounting downward pressure on the macro economy after the exposure of non-performing loan risks. There is an increasing demand in the market for introducing professional teams to provide non-performing asset disposal services. Leveraging on its extensive experience in the asset management market, technical expertise and sound brand reputation, the Group plans to provide advisory services on alleviating difficulties to certain enterprises and provide one-stop transaction advisory and value analysis services for enterprises in need. The advisory services cover bulk transfer of non-performing retail bonds, disposal of assets in satisfaction of debts, debt-to-equity swaps, debt restructuring and other transactions, in both domestic and overseas markets. Meanwhile, the Group intends to establish investment funds through our asset management platform, connecting the upstream and downstream educational industrial chains with portfolio investment management, as such to transform the Group into a boutique asset management vehicle.

The Board believes that the Group's strategy to extension of businesses could provide a better return to the shareholders of the Company (the "**Shareholders**").

FINANCIAL REVIEW

Revenue

For the three months ended 30 June 2022 and 2023, the Group's revenue was generated from the provision of Security Guarding and Property Management Services in the PRC and Hong Kong and provision of Asset Management Services. Total revenue of the Group increased by approximately HK\$5.3 million or 26.8% from approximately HK\$19.8 million for the three months ended 30 June 2022 to approximately HK\$25.1 million for the three months ended 30 June 2023. The following table sets forth the breakdown of the Group's revenue by types of revenue for the three months ended 30 June 2022 and 2023:

	Three months ended 30 June			
	2023		2022	
	HK\$'000	Percentage	HK\$'000	Percentage
Security Guarding and Property Management Services	24,971	99.5%	19,659	99.1%
Asset Management Services	128	0.5%	173	0.9%
Total	25,099	100%	19,832	100%

(a) Security Guarding and Property Management Services

Total revenue of Security Guarding and Property Management Services for the Reporting Period amounted to approximately HK\$25.0 million, it represented an increase of approximately HK\$5.4 million or approximately 27.6%, as compared with total revenue of approximately HK\$19.6 million for the three months ended 30 June 2022.

Since second half of 2021, the Group has expanded its Security Guarding and Property Management Services in Shandong Province in the PRC. As a result, revenue generated from Security Guarding and Property Management Service in the PRC recorded an increase of approximately HK\$8.9 million or 59.3% from HK\$15.0 million for the three months ended 30 June 2022 to approximately HK\$23.9 million for the Reporting Period. Revenue of Hong Kong's Security Guarding and Property Management Services decreased by approximately HK\$3.5 million or 76.1% from approximately HK\$4.6 million for the three months ended 30 June 2022 to approximately HK\$1.1 million for the Reporting Period. The Group has fully realised its comprehensive advantages in brand, operation and management system, and will continue to expand the scale of its security guarding and property management business in the PRC to achieve sustained growth in operating revenue, with a view to build the Company into a prominent security guarding and property management enterprise in the PRC, despite the increase in revenue in the PRC, business in Hong Kong remains challenging and the Group intends to adjust its resources to focus in the PRC.

(b) Asset Management Services

Revenue of Asset Management Services for the three months ended 30 June 2023 and 30 June 2022 derived from external customers and it remains steady of approximately HK\$128,000 and HK\$173,000, respectively.

Cost of services rendered and gross profit and gross profit margin

For the three months ended 30 June 2022 and 2023, the cost of services rendered amounted to approximately HK\$18.8 million and HK\$24.7 million respectively.

The cost of services rendered mainly consists of direct guard costs amounted to approximately HK\$18.8 million and HK\$24.7 million for the three months ended 30 June 2022 and 2023, representing approximately 94.9% and 98.4% of the Group's revenue respectively. Despite the increase in revenue which resulted in the increase in cost of services rendered, the decrease in secondment services (where associated with less labour-intensive nature) also led to the cost of services rendered to revenue. To better control the cost of services rendered, the Group will continue to implement a stringent cost control and to adjust on business based upon the Group's resource advantage. In contrast to the labour-intensive character in the Security Guarding and Property Management Services, cost of services rendered of Asset Management Services mainly consists of business surcharge of approximately HK\$2,900 for the Reporting Period. The Group's gross profit decreased by approximately HK\$0.7 million or 63.6% from approximately HK\$1.1 million for the three months ended 30 June 2022 to approximately HK\$0.4 million for the three months ended 30 June 2023.

Other income

Other income for the three months ended 30 June 2023 and 2022 approximately to HK\$8.5 million and HK\$0.6 million respectively. The increase in other income was mainly attributable to the recognition of gain of disposal of property, plant and equipment of approximately HK\$8.5 million. Reference is made to the Company's announcement dated on 5 September 2022, the disposal of property, plant and equipment was completed on 12 April 2023, gain on disposal was the difference between the net sales proceeds and the carrying amount of the disposed property, plant and equipment.

Administrative expenses

The Group's administrative expenses remains steady of approximately HK\$6.0 million for the Reporting Period and approximately HK\$5.7 million for the corresponding period. The administrative expenses for the Reporting Period mainly attributable to salaries and related expenses amounted to approximately HK\$3.9 million (three months ended 30 June 2022: approximately HK\$3.0 million), in light of the exploring of investment opportunities for asset management and property management businesses, the Group engaged more actively in building its workforce.

Finance costs

The Group's finance costs decreased by approximately HK\$363,000 or 46.8% from approximately HK\$776,000 for the three months ended 30 June 2022 to approximately HK\$413,000 for the three months ended 30 June 2023. The decrease in the finance costs was mainly due to the decrease in interest on promissory notes.

Profit/(loss) for the Reporting Period

Profit attributable to owners of the Company for the three months ended 30 June 2023 was approximately HK\$2.5 million, compared to loss of approximately HK\$4.6 million for the corresponding period. The decrease in the Group's loss for the Reporting Period was mainly due to the various reasons as mentioned above.

DISCLOSURE OF INTERESTS

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2023, the interests and short positions of the Directors and chief executive of the Company 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 or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to Rules 5.46 to 5.68 of the GEM Listing Rules, were as follows:

Long positions in the shares and underlying shares of the Company

Name of Directors	Capacity/Nature of interests	Number of ordinary shares held/interested	Number of underlying shares held/interested pursuant to share options	Approximate percentage of the total number of issued shares of the Company
Mr. Song Xiaoming ("Mr. Song")	Interest in a controlled corporation	433,555,955(L) ^(Note 1)	–	74.57%
Mr. Su Cong yue ("Mr. Su")	Beneficial owner	–	2,534,255(L) ^(Note 2)	0.40%
Mr. Li Zhongfei	Beneficial owner	–	203,772(L) ^(Note 2)	0.04%
Mr. Zhao Jinsong	Beneficial owner	–	203,772(L) ^(Note 2)	0.04%

(L) represents a long position in the shares of the Company (the "Shares")

Notes:

1. According to information available to the Company:
 - (a) 184,465,046 Shares are held by Greatwalle Holding Limited in the capacity of beneficial owner.
 - (b) Greatwalle Holding Limited is wholly-owned by 廣州南沙匯銘投資業務有限公司 (Guangzhou Nansha Huiming Investment Business Company Limited*) ("Nansha Huiming").
 - (c) Nansha Huiming is held as to 99.9992% by 深圳匯理九號投資諮詢有限企業 (有限合伙) (Shenzhen Huili Jiu Hao Investment Consulting Enterprise Limited Partnership*) ("Huili Jiu Hao Investment") and as to 0.0008% by Mr. Song.
 - (d) Huili Jiu Hao Investment is held as to 99.99% by 深圳長城匯理投資股份有限公司 (Shenzhen Great Walle Investment Corp., Ltd*) ("Great Walle Investment").
 - (e) 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, 深圳弘德商務有限公司 (Shenzhen Hongde Commercial Services Corporation Limited*)).

* For identification purpose only

- (f) As such, each of Nansha Huiming, Huili Jiu Hao Investment, Great Walle Investment and Mr. Song is deemed to be interested in 184,465,046 Shares held by Greatwalle Holding Limited under the SFO.
- (g) 249,090,909 Shares are held by Walle Holding Limited in the capacity of beneficial owner. Walle Holding Limited is wholly-owned by Mr. Song. As such, Mr. Song is deemed to be interested in 249,090,909 Shares held by Walle Holding Limited under SFO.
2. These long positions represent in the share options granted by the Company under the Share Option Scheme. For details, please refer to the section headed "Share Option Scheme" in this report.

Save as disclosed above, as at 30 June 2023, 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 Division 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred in Rule 5.46 to 5.68 of the GEM Listing Rules).

Long positions in the interest in the associated corporations

As at 30 June 2023, the Directors and chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interest or short positions which they are taken or deemed to have under such provision of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange to the required standard of dealings were as follows:

Name of Director	Name of the associated corporation	Capacity/Nature	Number of Shares, underlying Shares held/interested	Approximate percentage of total number of issued Shares of the associated corporation
Mr. Song	Greatwalle Holding Limited	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%
	Huili Jiu Hao Investment	Interest in a controlled corporation	990,000 ^(Note)	99.0000%
	Great Walle Investment	Beneficial owner	3,828,902	68.9039%
		Interest in a controlled corporation	1,222,486	21.9995%
Mr. Su	Greatwalle Holding Limited	Beneficial owner	18,523	0.3333%

Note: The associated corporation is a limited partnership with no share description or shares. The total number of shares represented the amount of capital contributed.

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executive of the Company or was deemed to have 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 or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTERESTS IN SECURITIES OF THE COMPANY

As at 30 June 2023, persons (other than a director or chief executive of the Company) who had or deemed to have interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group were as follows:

Long positions in the shares and underlying shares of the Company

Name of substantial shareholders	Capacity/Nature of interests	Number of Shares held/interested in	Approximate percentage of the total number of issued Shares of the Company
Greatwalle Holding Limited	Beneficial owner	184,465,046(L)	31.73%
Walle Holding Limited	Beneficial owner	249,090,909(L)	42.84%
Nansha Huiming	Interest in a corporation controlled by substantial shareholder <i>(Note)</i>	184,465,046(L)	31.73%
Huili Jiu Hao Investment	Interest in a corporation controlled by substantial shareholder <i>(Note)</i>	184,465,046(L)	31.73%
Great Walle Investment	Interest in a corporation controlled by substantial shareholder <i>(Note)</i>	184,465,046(L)	31.73%

(L) represents a long position in the Shares

Note: According to information available to the Company:

- (a) 184,465,046 Shares are held by Greatwalle Holding Limited in the capacity of beneficial owner.
- (b) Greatealle Holding Limited is wholly-owned by Nansha Huiming.
- (c) Nansha Huiming is held as to approximately 91.9992% by Huiji Jiu Hao Investment, and so as to 0.0008% by Mr. Song.
- (d) Huiji Jiu Hao Investment is held as to 99.99% by Greatwalle Investment.
- (e) As such, each of Nansha Huiming, Hui li Jiu Hao Investment and Great Walle Investment is deemed to be interested in 184,465,046 Shares held by Greatwalle Holding Limited under SFO.

Save as disclosed above, as at 30 June 2023, the Company had not been notified of other interests or short positions of substantial shareholders or any other person (other than the Directors and the chief executives of the Company) in the shares of the Company or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

The details of the movements of the share options under the Share Option Scheme for the three months ended 30 June 2023 are set out as follows:

Name or category of grantees	Exercise price per share on or after 2 August 2021 (HK\$)	Date of grant	Exercisable period (Note 1)	Number of share options (Note 2)					Balance as at 30 June 2023
				Balance as at 1 April 2023	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	
Directors									
Mr. Li Zhongfei	1.170	14 December 2018	14 December 2018 to 13 December 2028	186,578	-	-	-	-	186,578
	0.445	18 April 2019	18 April 2019 to 17 April 2029	17,194	-	-	-	-	17,194
Mr. Zhao Jinsong	1.170	14 December 2018	14 December 2018 to 13 December 2028	186,578	-	-	-	-	186,578
	0.445	18 April 2019	18 April 2019 to 17 April 2029	17,194	-	-	-	-	17,194
Mr. Su	0.445	18 April 2019	18 April 2019 to 17 April 2029	2,534,256	-	-	-	-	2,534,256
Former Directors									
Ms. Guan Yan	1.170	14 December 2018	14 December 2018 to 13 December 2028	186,578	-	-	-	-	186,578
	0.445	18 April 2019	18 April 2019 to 17 April 2029	17,195	-	-	-	-	17,194
Mr. Hon Hoi Chuen	1.170	14 December 2018	14 December 2018 to 13 December 2028	1,865,788	-	-	-	-	1,865,788
	0.445	18 April 2019	18 April 2019 to 17 April 2029	668,467	-	-	-	-	668,467
Mr. Li Mingming	1.170	14 December 2018	14 December 2018 to 13 December 2028	1,865,788	-	-	-	-	1,865,788
Ms. Lin Shuxian	1.170	14 December 2018	14 December 2018 to 13 December 2028	1,865,788	-	-	-	(1,865,788)	-
	0.445	18 April 2019	18 April 2019 to 17 April 2029	668,467	-	-	-	(668,467)	-
Ms. Pang Xiaoli	0.445	18 April 2019	18 April 2019 to 17 April 2029	410,653	-	-	-	-	410,653

Name or category of grantees	Exercise price per share on or after 2 August 2021 (/HK\$)	Date of grant	Exercisable period (/Note 1)	Number of share options (/Note 2)					Balance as at 30 June 2023
				Balance as At 1 April 2023	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	
Employees of the Group									
In aggregate	1,170	14 December 2018	14 December 2018 to 13 December 2028	1,865,788	-	-	-	-	1,865,788
	0,445	18 April 2019	18 April 2019 to 17 April 2029	291,885	-	-	-	-	291,885
	0,2242	11 October 2021	11 October 2021 to 10 October 2026	33,235,133	-	-	-	-	33,235,133
Total				45,883,329	-	-	-	(2,534,255)	43,349,074

Notes:

- (1) The vesting period of the share option is from the date of the grant until the commencement of the exercised period.
- (2) All of the share options granted have no vesting period or vesting condition.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 June 2023.

DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 30 June 2023 (three months ended 30 June 2022: Nil).

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted written guidelines regarding Directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry to all the Directors, the Directors confirmed that they have complied with the required standard of dealings and the said guidelines regarding directors' securities transactions during the three months ended 30 June 2023.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as contained in Appendix 15 to the GEM Listing Rules throughout the three months ended 30 June 2023 except for CG Code provision C.2.1.

CG Code provision C.2.1 stipulates that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have any officer with the title of chief executive officer but the Company has appointed several staff at the subsidiary level for each business segment who were responsible for the oversight of each business segment's operation. The Directors will periodically review the Company's corporate governance policies and will propose any amendment, if necessary, to ensure compliance with the CG Code from time to time.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provisions of the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Zhao Jinsong (chairman of the Audit Committee), Mr. Li Zhongfei and Liu Chengwei, all of which are independent non-executive Directors.

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group, this report and the first quarterly results announcement of the Group for the three months ended 30 June 2023. The condensed consolidated financial results for the three months ended 30 June 2023 are unaudited, but have been reviewed by the Audit Committee.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company’s articles of association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

INTERESTS IN COMPETING BUSINESS

During the three months ended 30 June 2023, none of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) at the relevant time was considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group, as required to be disclosed under Rule 11.04 of the GEM Listing Rules.

MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any material acquisition or disposal of subsidiaries or associates during the three months ended 30 June 2023.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group did not have any significant event subsequent to the three months ended 30 June 2023 and up to the date of this report.

Save as disclosed herein, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2023 and up to the date of this report.

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

Hong Kong, 14 August 2023

As at the date of this report, the executive Directors are Mr. Song Xiaoming, Ms. Song Shiqing and Mr. Su Congyue; the non-executive Director is Mr. Chung Man Lai; and the independent non-executive Directors are Mr. Li Zhongfei, Mr. Zhao Jinsong and Mr. Liu Chengwei.