



GREATWALLE INC.
長 城 匯 理 公 司

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8315



2021/22
INTERIM REPORT

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*This report, for which the directors (the “**Directors**”) of Greatwall 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.*

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CORPORATE INFORMATION

DIRECTORS

Executive Directors:

Mr. Song Xiaoming (*Chairman*)

Ms. Song Shiqing

Ms. Lin Shuxian

Non-executive Director:

Mr. Chung Man Lai

Independent Non-executive Directors:

Mr. Li Zhongfei

Mr. Zhao Jinsong

Mr. Liu Chengwei

AUDIT COMMITTEE

Mr. Zhao Jinsong (*Chairman*)

Mr. Li Zhongfei

Mr. Liu Chengwei

REMUNERATION COMMITTEE

Mr. Li Zhongfei (*Chairman*)

Mr. Zhao Jinsong

Mr. Liu Chengwei

NOMINATION COMMITTEE

Mr. Song Xiaoming (*Chairman*)

Mr. Li Zhongfei

Mr. Zhao Jinsong

COMPANY SECRETARY

Ms. Lam Yuen Ling Eva

AUTHORISED REPRESENTATIVES

Mr. Song Xiaoming

Ms. Song Shiqing

INDEPENDENT AUDITOR

BDO Limited

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PRINCIPAL BANKER

Bank of China (Hong Kong) Limited

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STOCK CODE

8315

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND SIX MONTHS ENDED 30 SEPTEMBER 2021**

	Notes	For the three months ended 30 September		For the six months ended 30 September	
		2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Revenue	3	12,585	11,481	27,439	29,955
Cost of services rendered		(12,873)	(10,260)	(27,462)	(26,127)
Gross profit		(288)	1,221	(23)	3,828
Other income	4	30	4,948	126	5,079
Administrative expenses		(7,418)	(8,557)	(12,396)	(14,964)
Finance costs	5	(759)	(736)	(1,501)	(1,354)
Loss before income tax	6	(8,435)	(3,124)	(13,794)	(7,411)
Income tax expense	7	(1)	(3)	12	(29)
Loss for the period from continuing operations		(8,436)	(3,127)	(13,782)	(7,440)
Discontinued operations					
Loss for the period from discontinued operations		-	-	-	(1)
Loss for the period		(8,436)	(3,127)	(13,782)	(7,441)
Other comprehensive income that may be reclassified subsequently to profit or loss:					
Exchange difference on translation of financial statements of foreign operations		175	81	1,374	111
Other comprehensive income for the period		175	81	1,374	111
Total comprehensive income for the period		(8,261)	(3,046)	(12,408)	(7,330)
Loss for the period attributable to:					
Owners of the Company		(8,147)	(2,816)	(13,228)	(6,649)
Non-controlling interests		(289)	(311)	(554)	(792)
		(8,436)	(3,127)	(13,782)	(7,441)
Total comprehensive income for the period attributable to:					
Owners of the Company		(7,974)	(2,725)	(11,851)	(6,542)
Non-controlling interests		(287)	(321)	(557)	(788)
		(8,261)	(3,046)	(12,408)	(7,330)
		HK cents	HK cents (Restated)	HK cents	HK cents (Restated)
Loss per share for loss attributable to owners of the Company from continuing and discontinued operations	8				
- Basic and diluted		(1.68)	(1.05)	(3.23)	(2.57)
From continuing operations					
- Basic and diluted		(1.68)	(1.05)	(3.23)	(2.57)
From discontinued operations					
- Basic and diluted		-	-	-	-

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	Notes	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	10	34,720	13,517
Goodwill		1,281	1,263
Amount due from the non-controlling equity holder of a subsidiary		232	228
		36,233	15,008
Current assets			
Trade receivables	11	9,272	12,093
Prepayments, deposits and other receivables		3,191	3,223
Amount due from a related party		–	345
Cash at banks and in hand		74,441	85,010
		86,904	100,671
Current liabilities			
Trade payables	12	2,551	5,114
Accrued expenses and other payables		20,206	15,712
Loans from related parties		–	70,727
Amounts due to related parties		298	758
Lease liabilities		4,906	789
Promissory note payable	13	20,150	20,150
Borrowings	14	6,579	6,313
		54,690	119,563
Net current assets/(liabilities)		32,214	(18,892)
Total assets less current liabilities		68,447	(3,884)
Non-current liabilities			
Lease liabilities		17,230	337
		17,230	337
Net assets/(liabilities)		51,217	(4,221)
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	29,072	16,618
Reserves		23,585	(19,956)
		52,657	(3,338)
Non-controlling interests		(1,440)	(883)
Total equity/(Capital deficiencies)		51,217	(4,221)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

	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	(Capital deficiency)/ Total equity HK\$'000
At 1 April 2020	12,463	153,805	8,339	(5,270)	411	(176,951)	(7,203)	935	(6,268)
Rights issue, net of expenses	4,155	15,681	-	-	-	-	19,836	-	19,836
Transactions with owners	4,155	15,681	-	-	-	-	19,836	-	19,836
Loss for the period	-	-	-	-	-	(6,649)	(6,649)	(792)	(7,441)
Other comprehensive income: Exchange difference on translation of financial statements of foreign operations	-	-	-	-	107	-	107	4	111
Total comprehensive income for the period	-	-	-	-	107	(6,649)	(6,542)	(788)	(7,330)
At 30 September 2020 (unaudited)	16,618	169,486	8,339	(5,270)	518	(183,600)	6,091	147	6,238
At 1 April 2021 (audited)	16,618	169,485	8,339	(5,270)	1,400	(193,910)	(3,338)	(883)	(4,221)
Issue of subscription shares, net of expenses	12,454	55,392	-	-	-	-	67,846	-	67,846
Transactions with owner	12,454	55,392	-	-	-	-	67,846	-	67,846
Loss for the period	-	-	-	-	-	(13,228)	(13,228)	(554)	(13,782)
Other comprehensive income: Exchange difference on translation of financial statements for foreign operations	-	-	-	-	1,377	-	1,377	(3)	1,374
Total comprehensive income for the period	-	-	-	-	1,377	(13,228)	(11,851)	(557)	(12,408)
At 30 September 2021 (unaudited)	29,072	224,877	8,339	(5,270)	2,777	(207,138)	52,657	(1,440)	51,217

* The total of these accounts represents "Reserves" in the consolidated statement of financial position.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

	Six months ended	
	30 September	
	2021	2020
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Net cash used in operating activities	(6,044)	(7,364)
Net cash used in investing activities	-	-
Net cash (used in)/generated from financing activities	(4,951)	18,662
Net (decrease)/increase in cash and cash equivalents	(10,995)	11,298
Cash and cash equivalents at beginning of the period	85,010	16,420
Effect of foreign exchange rates change	426	(92)
Cash and cash equivalents at end of the period	74,441	27,626
Analysis of the balances of cash and cash equivalents		
Cash at banks and in hand	74,441	27,626

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Greatwalle Inc. (formerly known as King Force Group Holdings Limited) (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 Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business is located at Room 2008, 20th Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong. The Company's shares were listed on the GEM of 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, and the provision of business advisory and asset management services.

The Group's unaudited condensed consolidated financial statements 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**"). The unaudited condensed consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinances and GEM Listing Rules. They are prepared under the historical cost convention.

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 2021, 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 2021. 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 2021.

2. SEGMENT INFORMATION

The Group currently has two reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies as follows:

- (a) "Security Guarding and Property Management" segment involves provision of security guarding and property management services; and
- (b) "Asset Management" segment involves provision of business advisory and asset management services.

Revenue generated, loss incurred from operations, total assets and liabilities by each of the Group's operating segments are summarised as follows:

	Security Guarding and Property Management		Asset Management		Total	
	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000
Revenue from external customers	26,137	29,155	1,302	800	27,439	29,955
Total segment loss from operations	(7,938)	(2,899)	(2,388)	(2,906)	(10,326)	(5,805)
Finance costs					(1,501)	(1,354)
Unallocated corporate income					-	3,099
Unallocated corporate expenses					(1,967)	(3,351)
Loss before income tax					(13,794)	(7,411)
Income tax expense					12	(29)
Loss for the period from continuing operations					(13,782)	(7,440)

There was no inter-segments transfer during the six months ended 30 September 2021 and 2020.

Unallocated corporate expenses mainly comprise legal and professional fees, remuneration and salaries.

	Security Guarding and Property Management		Asset Management		Total	
	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000	2021 (unaudited) HK\$'000	2020 (unaudited) HK\$'000
Other segment information						
Depreciation of property, plant and equipment	218	248	4	3	222	251
Amortisation of other intangible assets	-	247	-	-	-	247
Impairment loss on trade receivables	1,125	2,463	-	-	1,125	2,463
Income tax expense	8	19	(20)	10	(12)	29
Capital expenditure*	21,583	-	-	6,618	21,583	6,618

* Capital expenditure consists of additions to property, plant and equipment.

2. SEGMENT INFORMATION – Continued

All assets are allocated to operating segments other than unallocated assets (mainly comprising certain other receivables and certain cash and cash equivalents).

As at 30 September 2021 (Unaudited)

	Security Guarding HK\$'000	Asset Management HK\$'000	Total HK\$'000
Segment assets	48,620	14,758	63,378
Corporate cash at banks and in hand			58,875
Other corporate assets			884
Total assets			123,137

All liabilities are allocated to operating segments other than unallocated liabilities (mainly comprising promissory note payable, certain other payables and borrowings).

	Security Guarding HK\$'000	Asset Management HK\$'000	Total HK\$'000
Segment liabilities	35,524	1,267	36,791
Promissory note payable			20,150
Borrowings			6,579
Other corporate liabilities			8,400
Total liabilities			71,920

As at 31 March 2021 (Audited)

	Security Guarding HK\$'000	Asset Management HK\$'000	Total HK\$'000
Segment assets	107,259	7,206	114,465
Corporate cash at banks and in hand			402
Other corporate assets			812
Total assets			115,679

All liabilities are allocated to operating segments other than unallocated liabilities (mainly comprising loan from a controlling shareholder, promissory note payable, contingent consideration payable, tax payables and deferred tax liabilities).

	Security Guarding HK\$'000	Asset Management HK\$'000	Total HK\$'000
Segment liabilities	41,060	2,776	43,836
Promissory note payable			20,150
Borrowings			6,313
Other corporate liabilities			49,601
Total liabilities			119,900

2. SEGMENT INFORMATION – Continued

Geographic information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments ("Specified non-current assets"). The geographical location of customers is based on the location at which the services are rendered. For goodwill and intangible assets, the geographical location is based on the areas of operation. The geographical location of other specified non-current assets is based on the physical location of the assets.

	Revenue from external customers (including continuing and discontinued operations)		Specific non-current assets	
	Six months ended 30 September 2021 (Unaudited) HK\$'000	Six months ended 30 September 2020 (Unaudited) HK\$'000	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
Hong Kong (place of domicile)	4,223	16,570	6,476	6,423
The People's Republic of China (the "PRC")	23,216	13,385	24,625	7,521
	27,439	29,955	31,101	13,944

Information about major customers

Revenue from major customers in the segment of security guarding and property management, each of them accounted for 10% or more of the Group's revenue, are set out below:

	Six months ended 30 September 2021 (Unaudited) HK\$'000	Six months ended 30 September 2020 (Unaudited) HK\$'000
Customer A	18,241	7,789
Customer B	2,013	12,838

3. REVENUE

Revenue represents the net invoiced value of service rendered from the provision of security guarding and property management service and the service income from the provision of business advisory and asset management services during the period.

	Three months ended 30 September 2021 (Unaudited) HK\$'000		Six months ended 30 September 2021 (Unaudited) HK\$'000	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Provision of security guarding and property management services	11,987	11,076	26,137	29,155
Provision of business advisory and assets management services	598	405	1,302	800
	12,585	11,481	27,439	29,955

4. OTHER INCOME

	Three months ended 30 September		Six months ended 30 September	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Bank interest income	21	5	24	14
Government grant ¹	–	1,653	–	1,653
Gain on modification of the terms of provisory note	–	3,000	–	3,000
Sundry income	9	290	102	412
	30	4,948	126	5,079

¹ The amount 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.

5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Interest charges on promissory note	600	600	1,200	1,200
Interest on lease liabilities	23	12	33	15
Interest charges on loans from related parties	2	12	2	27
Interest charges on borrowings	134	112	266	112
	759	736	1,501	1,354

6. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	Three months ended 30 September 2021		Six months ended 30 September 2021	
	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Amortisation of intangible asset ¹	–	39	–	247
Cost of services rendered	12,873	10,260	27,462	26,127
Depreciation of property, plant and equipment ¹	119	135	222	251
Depreciation of right-of-use assets ¹	538	267	886	569
Short-term leases expenses ¹	39	248	110	611
Employee benefits expenses (including directors' emoluments): Salaries, allowances and benefits in kind included in:				
– Cost of services rendered	12,751	9,633	27,188	16,887
– Administrative expenses	2,609	3,179	5,287	5,671
Retirement benefits – Defined contribution plans ² included in:				
– Cost of services rendered	83	81	169	182
– Administrative expenses	253	187	619	289
	15,696	13,080	33,263	23,029
Legal and professional fees ¹	213	872	904	1,526
Impairment loss on trade receivables	529	1,125	1,125	2,463

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

² no forfeited contributions available for offset against existing contributions during the period

7. INCOME TAX EXPENSE

The amount of taxation in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

Loss	Three months ended 30 September 2021		Six months ended 30 September 2021	
	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Current tax				
PRC Enterprise Income Tax ("EIT")				
– Provision for the period	1	3	8	29
– Over-provision in respect of prior years	–	–	(20)	–
	1	3	(12)	29
Hong Kong Profits tax				
– Provision for the period	–	–	–	–
	1	–	(12)	29

The Company was incorporated in the Cayman Islands that is tax-exempted as no business is carried out in the Cayman Islands under the laws of the Cayman Islands.

Hong Kong Profits Tax is calculated at 16.5% (2020: 16.5%) on the estimated assessable profits of subsidiaries operating in Hong Kong for the year. EIT is calculated on estimated assessable profits of the subsidiaries' operations in PRC at 25% (2020: 25%). Income tax expense for other jurisdictions is calculated at the rates of taxation prevailing in the relevant jurisdictions.

8. LOSS PER SHARE

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

Loss	Three months ended 30 September 2021		Six months ended 30 September 2021	
	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000	(Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
- Continuing operations	(8,147)	(2,816)	(13,228)	(6,648)
- Discontinued operations	-	-	-	(1)
Loss from continuing operations and discontinued operations	(8,147)	(2,816)	(13,228)	(6,649)
Number of shares	Three months ended 30 September 2021		Six months ended 30 September 2021	
	'000	2020 '000 (Restated)	'000	2020 '000 (Restated)
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	485,638	268,438	408,995	258,851

The weighted average number of shares of the purpose of calculating the basic loss per share has been retrospectively adjusted for the effect of the share consolidation (note 15) completed during the six months ended 30 September 2021.

No adjustment had been made to the basic loss per share amounts presented for the six months ended 30 September 2021 and 30 September 2020 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

9. DIVIDENDS

The Board did not recommend a payment of interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: nil).

10. PROPERTY, PLANT AND EQUIPMENT

For the six months ended 30 September 2021, the Group's capital expenditures mainly included right-of-use assets under leases located in PRC, amount to approximately HK\$21,583,000 (six months ended 30 September 2020: HK\$6,618,000) and no material disposal of items of property, plant and equipment (six months ended 30 September 2020: nil).

11. TRADE RECEIVABLES

	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
Trade receivables	9,272	12,093

Trade receivables generally have credit terms of 7 to 30 days (as at 31 March 2021: 7 to 30 days).

At each reporting date, the Group reviews trade receivables for evidence of impairment on both individual and collective basis.

The ageing analysis of trade receivables (net of impairment losses) based on invoice dates, as of the end of the reporting periods is as follows:

	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
Not more than 30 days	6,542	8,674
30-90 days	2,205	2,033
Over 90 days	525	1,386
	9,272	12,093

None of the trade receivables as at 30 September 2021 has been written off by the Group (31 March 2021: none).

12. TRADE PAYABLES

The ageing analysis of the Group's trade payables based on invoice dates, as at the end of each reporting period is as follows:

	As at 30 September 2021 (Unaudited) HK\$'000	As at 31 March 2021 (Audited) HK\$'000
Not more than 30 days	2,486	4,339
30-90 days	65	82
Over 90 days	-	693
	2,551	5,114

13. PROMISSORY NOTE PAYABLE

On 6 May 2016, the Company issued a promissory note to a former director of the Company, Mr. Fu Yik Lung ("Mr. Fu") to raise funding for the Group's working capital on the daily operation and the development of its existing businesses and any other future development opportunities.

The principal sum of HK\$19,500,000 together with its interest accrued are to be repaid on the date falling two years from 6 May 2016. The promissory note was unsecured and interest-bearing at 5% per annum during that period.

On 10 May 2018, the Group had entered into an extension agreement with Mr. Fu (the noteholder of the promissory note) pursuant to which the maturity date of the promissory note was extended to 4 August 2019, and the principal amount of the promissory note was amended to HK\$19,950,000. The extended promissory note shall bear fixed interest in the amount of HK\$200,000 per month.

On 4 April 2019, the Group had entered into a second extension agreement with Mr. Fu pursuant to which the maturity date of the promissory note was further extended to 5 October, 2020, and the principal amount was HK\$19,950,000. The extended promissory note would bear fixed interest in the amount of HK\$200,000 per month.

On 31 July 2020, the Group had entered into an agreement with Mr. Fu pursuant to which certain liabilities for the interest payable was discharged by Mr. Fu. It hereby resulted in substantial modification of the terms of the promissory note. The gain on modification with amount of HK\$2,400,000 was recognised during the year ended 31 March 2021.

On 14 May 2021, the Company had entered into a third extension agreement with Mr. Fu pursuant to which the maturity date of the promissory note was further extended to 30 April 2022.

14. BORROWINGS

The balance represented the unsecured debenture. As at 30 September 2021, the Company has issued debentures with aggregate principal of approximately USD800,000 (equivalent to approximately HK\$6,202,000) to an independent third party. The debentures are unsecured, bearing interest rate at 8.5% per annum, and repayable in July 2022.

15. SHARE CAPITAL

	Number of ordinary shares of HK\$0.01	Number of ordinary shares of HK\$0.05	Amount HK\$'000
Authorised:			
At 1 April 2019, 31 March 2020, 1 April 2020	2,000,000,000	–	20,000
Increase in authorised share capital (note (ii))	2,000,000,000	–	20,000
At 31 March 2021 and 1 April 2021	4,000,000,000	–	40,000
Share consolidation (note (iv))	(4,000,000,000)	800,000,000	–
At 30 September 2021	–	800,000,000	40,000
Issued:			
At 1 April 2019	1,243,662,655	–	12,437
Share of options exercised (note (i))	2,654,868	–	26
At 31 March 2020 and 1 April 2020	1,246,317,523	–	12,463
Issue of shares under Rights Issue (note (iii))	415,439,174	–	4,155
At 31 March 2021 and 1 April 2021	1,661,756,697	–	16,618
Share consolidation (note (iv))	(1,661,756,697)	332,351,339	–
Issue of subscription shares (note (v))	–	249,090,909	12,454
At 30 September 2021	–	581,442,248	29,072

Notes:

- (i) During the year ended 31 March 2020, the subscription rights attaching to 2,654,868 share options issued pursuant to the share option scheme of the Company were exercised at the subscription price of HK\$0.0904 per share respectively, resulting in the issue of aggregate of 2,654,868 shares of HK\$0.01 each respectively for a total cash consideration of approximately HK\$239,000. The premium received was credited to the share premium account.
- (ii) With effect from 15 July 2020, the authorised share capital of the Company from HK\$20,000,000.00 divided into 2,000,000,000 Shares was increased to HK\$40,000,000.00 divided into 4,000,000,000 Shares by the creation of additional 2,000,000,000 Shares of par value of HK\$0.01 each. The new Shares shall rank pari passu with each other and with the existing Shares in all respects upon issue and being fully-paid.
- (iii) On 19 August 2020, the Company conducted the rights issue (the "Rights Issue") to raise 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. The Rights Issue was fully subscribed and completed on 9 September 2020 and approximately HK\$19,835,000 of net proceeds was received by the Company.
- (iv) With effect from 5 August 2021, every five (5) issued and unissued shares of the Company of HK\$0.01 each were consolidated into one (1) consolidated share of the Company of HK\$0.05 each.
- (v) On 18 March 2021, the Company entered into a subscription agreement (as amended and supplemented by a supplemental agreement dated 6 July 2021) with Walle Holding Limited, a company wholly-owned by Mr. Song (the "Subscription Agreement"). Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and Walle Holding Limited has conditionally agreed to subscribe for, 249,090,909 new consolidated ordinary shares (the "Subscription Shares") at a subscription price of HK\$0.275 per Subscription Share (the "Subscription").

16. RELATED PARTY TRANSACTIONS AND BALANCES

- (a) In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group had the following transactions carried out with related parties during the period:

	Notes	Six months ended 30 September	
		2021 HK\$'000	2020 HK\$'000
Interest expense to a former director of the Company/a director of subsidiaries, Mr. Fu Yik Lung	(a)	1,200	1,200
Business advisory and asset management services income received from a related company	(a & b)	869	800

Note:

- (a) The transactions above were carried out on the terms agreed between the relevant parties.
- (b) Transaction with Shenzhen Great Walle Capital Management Co., Ltd., a company controlled by the common shareholder.

(b) Compensation of key management personnel

	Six months ended 30 September	
	2021 (Unaudited) HK\$'000	2020 (Unaudited) HK\$'000
Remuneration for key management personnel of the Group during the periods were as follows:		
Short-term employee benefits	3,290	3,337
Post employment benefits	123	35
	3,413	3,372

17. 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 September 2021 and up to the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 September 2021 (the “**Reporting Period**”), the subsidiaries of 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 asset management and business advisory services (the “**Asset Management Services**”). During the Reporting Period, the Company recorded a revenue of approximately HK\$27,439,000, in which the Security Guarding and Property Management Services recorded a revenue of approximately HK\$26,137,000, and the Asset Management Services recorded a revenue of HK\$1,302,000.

I. **Security Guarding and Property Management Services**

For the Group’s Security Guarding and Property Management Services, the Group operates in both Hong Kong and the PRC, and the Company’s business has maintained sustained growth for most of the past two consecutive years.

In Hong Kong, the Group is permitted to provide security guarding services under Type 1 security work in Hong Kong in accordance with the Security Company License regime. With years of operating experience, the Group has established a strong reputation in the field of manned security guarding services. Leveraging on the Company’s operation, management system and brand, the Group also provides professional services to other firms within the same industry in order to further develop its business. In the PRC, the Company’s property management and security guarding business has continued to grow and its client base has gradually expanded from government departments to schools and industrial parks. In order to further expand the revenue of the Group’s security guarding and property management business in the PRC, the Group has established Shandong Guanhui Foundation Business Management Co., Ltd.* (山東冠輝基業商業管理有限公司) in Shandong Province in late 2020 to mainly focus on the commencement of property management and security guarding business in larger schools and industrial parks. 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 by riding on its foothold in the Hong Kong market and achieve sustained growth in operating revenue, with a view to building the Company into a prominent security guarding and property management enterprise in the PRC.

* For identification purpose only

II. Asset Management Services

During the Reporting Period, the Asset Management Services of the Group involved provision of business advisory and asset management services.

Since 2019, the Company has begun to gradually develop its Asset Management Services. In the PRC, the Company holds a private equity investment fund manager license issued by the Asset Management Association of China. The Group is confident in the potential and investment opportunities in the PRC and Hong Kong markets. The asset management team has been committed to exploring business and investment opportunities, aiming for quality and long-term investment targets, and increasing the scale of asset management. The assets managed by the Company will be mainly invested in multiple directions as follow: first would be buyout-type mergers, in which the Company focuses on buying out companies with undervalued capital, asset and commercial values as well as rooms for transformation and improvement; second would be medium and long-term investments towards companies with long-term development value and have a leading position in a particular market segment; third would be investment in security guarding and property management services in respect of vocational education, undergraduate education and related support education. We believe that the economy of the PRC will continue to develop strongly, which will bring huge investment opportunities. The Company will actively engage in the future economic growth opportunities of the PRC, and over the next one to two years, the Company will drive the asset management business into the high-quality development phase.

SIGNIFICANT EVENTS DURING THE SIX MONTHS ENDED 30 SEPTEMBER 2021

Completion of Directors Service Contracts of an Executive Director and an Independent Non-Executive Director; Change of Authorised Representative; Change of Composition of the Audit Committee and the Remuneration Committee and Appointment of an Independent Non-Executive Director

Upon expiration of the terms of offices under the service contracts entered into between the Company and each of Mr. Hon Hoi Chuen (“**Mr. Hon**”) and Ms. Guan Yan (“**Ms. Guan**”), respectively, both on 11 July 2021, Mr. Hon and Ms. Guan ceased to be an executive Director and an independent non-executive Director respectively with effect from 12 July 2021.

Upon cessation of directorship on 12 July 2021, Mr. Hon ceased to be an authorised representative of the Company (the “**Authorised Representative**”) under Rule 5.24 of the GEM Listing Rules. Mr. Song Xiaoming (“**Mr. Song**”), the chairman of the board of Directors (the “**Board**”) and an executive Director, has been appointed as an Authorised Representative with effect from 12 July 2021.

Following the cessation of Ms. Guan’s directorship on 12 July 2021, the Board comprises two independent non-executive Directors only. The number of independent non-executive Directors was less than three as required under Rule 5.05(1) of the GEM Listing Rules. On the same day, Ms. Guan also ceased to be a member of each of the audit committee of the Company (the “**Audit Committee**”) and the remuneration committee of the Company (the “**Remuneration Committee**”). The Company was unable to fulfill the requirement of having (i) a minimum of three members on the Audit Committee under Rule 5.28 of the GEM Listing Rules and the terms of reference of the Audit Committee and (ii) a minimum of three members on the Remuneration Committee under the terms of reference of the Remuneration Committee.

The Board proposed an ordinary resolution to elect Mr. Liu Chengwei (“**Mr. Liu**”) as an independent non-executive Director to fill the vacancy created by the cessation of directorship of Ms. Guan at the annual general meeting of the Company held on 10 September 2021 (the “**AGM**”). Mr. Liu has been appointed as an independent non-executive Director according to the poll results of the AGM and has been appointed as a member of each of the Audit Committee and the Remuneration Committee. Following the appointment of Mr. Liu, the Board comprises three independent non-executive Directors, three members on each of the Audit Committee and the Remuneration Committee and fulfilled the requirements under Rules 5.05(1) and 5.28 of the GEM Listing Rules and the terms of reference of each of the Audit Committee and the Remuneration Committee.

For details, please refer to the Company’s announcements dated 12 July 2021 and 10 September 2021 and the Company’s circular dated 10 August 2021.

Share Consolidation and Connected Transaction Involving Subscription of New Shares under Specific Mandate

The Board proposed to implement the share consolidation on the basis that every five (5) issued and unissued ordinary shares of par value of HK\$0.01 each be consolidated into one (1) consolidated ordinary share of par value of HK\$0.05 each (the “**Share Consolidation**”) prior to the completion of the subscription mentioned below.

On 18 March 2021, the Company entered into a subscription agreement (as amended and supplemented by a supplemental agreement dated 6 July 2021) with Walle Holding Limited, a company wholly-owned by Mr. Song (the “**Subscription Agreement**”). Pursuant to the Subscription Agreement, the Company has conditionally agreed to allot and issue, and Walle Holding Limited has conditionally agreed to subscribe for, 249,090,909 new consolidated ordinary shares (the “**Subscription Shares**”) at a subscription price of HK\$0.275 per Subscription Share (the “**Subscription**”).

In light of the rapid business developments of the Company, the Company has expanded new business opportunities in Shandong Province in the PRC for its security guarding services and identified potential merger and acquisition targets for its asset management business in the latter half year of 2020 (the “**Business Expansion Plan**”). The Business Expansion Plan was not in the Company’s initial business development plan when conducting the rights issue on 19 August 2020 (the “**2020 Rights Issue**”). The Directors estimate the total amount of investment for the Business Expansion Plan to be approximately HK\$68.5 million. As at the date of the Subscription Agreement, the unutilized net proceeds allocated to its security guarding and asset management business from the 2020 Rights Issue were approximately HK\$3.9 million and HK\$1.8 million, respectively which are insufficient to support the funding requirements of the Business Expansion Plan.

In order to meet the funding requirements of the Business Expansion Plan, the Board has approached securities firms and banks and considered other fund-raising alternatives. Having considered the various factors, the Board is of the view that the capitalization and full settlement of the shareholder loan in the sum of HK\$68.5 million via the Subscription to be the most feasible and appropriate means to raise funding for the Business Expansion Plan.

The gross proceeds and net proceeds (after deducting professional fees and other related expenses) from the Subscription were approximately HK\$68.5 million and HK\$67.5 million, respectively. The gross subscription price was HK\$0.275 per Subscription Share, representing a discount of approximately 6.780% to the theoretical closing price of HK\$0.295 per consolidated ordinary share (after taking into the account the effect of the Share Consolidation) based on the closing price of HK\$0.059 per share as quoted on Stock Exchange on 18 March 2021, being the date of the Subscription Agreement. The net subscription price was HK\$0.271 per Subscription Share.

The Share Consolidation and the Subscription were approved by the shareholders of the Company by way of poll at the extraordinary general meeting of the Company held on 29 July 2021. The Share Consolidation became effective on 2 August 2021 and the completion of the Subscription took place on 5 August 2021.

The number and the exercise prices of the outstanding share options were adjusted as a result of the Share Consolidation on 2 August 2021.

For details, please refer to the Company's announcements dated 18 March 2021, 13 April 2021, 27 April 2021, 17 May 2021, 31 May 2021, 11 June 2021, 25 June 2021, 29 July 2021, 30 June 2021, 3 August 2021, 4 August 2021 and 5 August 2021 and the Company's circular dated 9 July 2021.

During the Reporting Period, the actual use of the net proceeds of the Subscription is as follows:

Net proceeds raised	Intended use of the net proceeds	Proportion to the total net proceeds	Allocation in respect of the intended use of net proceeds	Actual use of the net proceeds as at 30 September 2021	Unutilised amount as at 30 September 2021	Expected timeline for full utilisation of the remaining proceeds
Approximately HK\$67,500,000	(1) (a) Business plan for providing comprehensive and integrated property management services for a marine industrial park in Shandong province (the " Security Guarding and Property Management Services Plan "); or (b) construction development plan with an education and vocational training company for the construction of a vocational education centre in Shandong Province to train and develop professionals (the " Education Centre Plan ", together with the Security Guarding and Property Management Services Plan, collectively known as the " Projects ")	Approximately 44% (approximately HK\$29,700,000)	(a) The Group expects to utilise part of its net cash proceeds for the Security Guarding and Property Management Services Plan:			
			(i) Approximately 25% (approximately HK\$16,875,000) will be applied towards the payment of the Security Guarding and Property Management Services Plan initial start-up, labour, rental, energy consumption, insurance, marketing and other management costs and expenses;	-	-	(i) The Company has chosen to fully utilise the proceeds for the Education Centre Plan
			(ii) Approximately 7% (approximately HK\$4,725,000) will be applied towards capital expenditure which involves the purchase, maintenance and replacement of security and property management related equipment and facilities;	-	-	(ii) The Company has chosen to fully utilise the proceeds for the Education Centre Plan
			(iii) Approximately 6% (approximately HK\$4,050,000) will be applied towards employee salaries and staff training costs for security and property management staff; and	-	-	(iii) The Company has chosen to fully utilise the proceeds for the Education Centre Plan

Net proceeds raised	Intended use of the net proceeds	Proportion to the total net proceeds	Allocation in respect of the intended use of net proceeds	Actual use of the net proceeds as at 30 September 2021	Unutilised amount as at 30 September 2021	Expected timeline for full utilisation of the remaining proceeds
			(iv) Approximately 6% (approximately HK\$4,050,000) will be applied towards the general working capital of the Security Guarding and Property Management Services Plan.	-	-	(iv) The Company has chosen to fully utilise the proceeds for the Education Centre Plan
			(b) The Group expects to utilise part of its net cash proceeds for the Education Centre Plan: 100% (approximately HK\$29,700,000) will be applied towards the payment for the construction of the main campus of the vocational education centre	-	Approximately HK\$29,700,000	(b) On or before June 2022 ^(Note 1)
	(2) The Group intends to establish two new investment funds for (i) engaging in the debt restructuring process of a Hong Kong listed company by acquiring its debt securities (the "Debt Asset Investment Fund"); and (ii) the acquisition of certain shares of an A-share listed company (the "A-share Listed Company Investment Fund")	Approximately 56% (approximately HK\$37,800,000)	The Group expects to utilise part of its net cash proceeds by establishing the Investment Funds:			
			(i) Approximately 53% (approximately HK\$35,775,000) will be contributed as funding to the Investment Funds; and	-	Approximately HK\$35,775,000	(i) On or before June 2022 ^(Note 2)
			(ii) Approximately 3% (approximately HK\$2,025,000) will be applied towards the payment of employee salaries and staff training costs for setting up and maintaining the investment research team for the Investment Funds.	-	Approximately HK\$2,025,000	(ii) On or before June 2022 ^(Note 3)

Notes:

- Vocational Education Centre: The land site required for the vocational education centre project is subject to coordination and consultation with a number of local government departments in Weifang City, Shandong Province. The Company has entered into a strategic cooperation agreement with the Administrative Committee of Weifang Binhai Economic and Technological Development Zone* (濰坊濱海經濟技術開發區管委會) in September 2021 in relation to the planning and investment of the education land, and will then participate in the tender process for the education land organised by government departments, the timetable for which is subject to coordination and arrangement by government departments.
- Acquisition of Hong Kong listed debt securities: The project involves PRC state-owned financial institutions which need to seek internal approval for the debt restructuring plan. Such state-owned enterprises have a longer approval process for key projects. The project is progressing in an orderly manner.
- Acquisition of certain shares of an A-share listed company: Negotiations between the Company and both the financial institution that holds the pledged shares of the A-share listed company and the third largest shareholder of the Company are still ongoing. The project is progressing in an orderly manner.

* For identification purpose only

USE OF PROCEEDS FROM RIGHTS ISSUE

On 19 August 2020, the Company conducted the 2020 Rights Issue to raise 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. The 2020 Rights Issue was fully subscribed and completed on 9 September 2020 and approximately HK\$19,835,000 of net proceeds was received by the Company.

For detailed breakdown and description of the intended use of proceeds, please refer to the announcements of the Company dated 5 August 2020 and 9 September 2020 and the prospectus of the Company in relation to the 2020 Rights Issue dated 19 August 2020. During the Reporting Period, the actual use of the net proceeds of the 2020 Rights Issue is as follows:

Date of announcement	Fund raising activity	Net proceeds	Intended use of net proceeds	Unutilized net proceeds as at the Latest Practicable Date	Proposed application of the unutilized net proceeds as at the Latest Practicable Date
5 August 2020, 19 August 2020 and 9 September 2020	Rights issue on the basis of one (1) rights share for every three (3) shares held on the record date, with a total of 415,439,174 rights shares been accepted	Approximately HK\$19.8 million	i) approximately HK\$6.9 million for the general working capital of the Group for the ten months after completion of the Rights Issue;	approximately HK\$1.9 million	Approximately HK\$1.9 million will be applied for general working capital of the Group in the next 4 months
			ii) approximately HK\$6.0 million for repaying the indebtedness and liabilities of the Group;	Fully used as intended	Fully used as intended
			iii) approximately 20% or HK\$3.9 million for the payment for the construction of the main campus of the vocational education centre;	approximately HK\$923,000	Approximately HK\$923,000 will be applied on or before June 2022 towards the payment for the construction of the main campus of the vocational education centre
			iv) approximately 7.5% or HK\$1.5 million for developing and strengthening the Group's asset management business in the PRC and Hong Kong	Fully used as intended	Fully used as intended
			v) approximately 7.5% or HK\$1.5 million for the payment of employee salaries and staff training costs for setting up and maintaining the investment research team for the Investment Funds	Fully used as intended	Fully used as intended

* For identification purpose only

OUTLOOK

The PRC economy has showed new characteristics brought about by the novel coronavirus epidemic and changes in the international environment. The Group will continue to deepen and expand its business scale and improve its business ecology with a focus on its principal business by leveraging on its own strengths and the characteristics of the PRC market, so as to continuously improve the Group's operating results.

For the Security Guarding and Property Management Services, Hong Kong and overseas markets has been affected by the epidemic, which resulted in human mobility restriction and economic activities to remain largely subdued. As such, the Group will continue to develop vigorously into the PRC market. The Company will continue to focus on exploring the security guarding and property management markets in large schools, industrial parks and government organisations, in an effort to continuously expand the scale of its security guarding and property management business.

For the Asset Management Services, the Asset Management Services of the Group have entered into a phase of rapid development. With the epidemic gradually brought under control and cross-border travel between Hong Kong and the PRC made possible, part of the Company's asset management business that involves cross-border acquisitions will be sped up and the scale of the Company's fund management will gain a larger growth.

In September 2021, the Company entered into a strategic cooperation agreement (the "**Strategic Cooperation Agreement**") with the Administrative Committee of Wefang Binhai Economic and Technological Development Zone* (濰坊濱海經濟技術開發區管委會) (the "**BDZ Administrative Committee**") in relation to a construction project of secondary and higher vocational institutes and an undergraduate industry college. These schools intend to serve as a training base for nurturing talents in the aviation, rail transportation, security, information and artificial intelligence industries. The project is planned to be built on a 1,600-mu site in three phases over a span of five years, with a total investment amount of US\$500 million (including land cost and main building construction cost) upon completion, and has a planned enrolment of 20,000 students. Currently, the project is in full swing.

The Company will leverage its own resource advantages to participate in the project by: (i) investing in the project through an education industry investment fund set up by the Company's asset management platform, thereby establishing a comprehensive education industry investment and post-investment management system, and enhancing the core competitiveness of the Group's asset management business; and (ii) providing property management and security guarding services for the school campuses upon the completion of the project, thereby enhancing the management scale of the Company's property management and security guarding business and creating a brand of professional property management and security guarding for school campuses.

The project is in line with the policy direction of the PRC and has a large development potential in the future. In October 2021, the General Office of the Central Committee of the Chinese Communist Party and the General Office of the State Council have jointly issued the "Opinions on Promoting the High-quality Development of Modern Vocational Education". The opinions proposed to encourage listed companies and leading industry enterprises to organise vocational education, and encourage all types of enterprises to participate in organising vocational education in accordance with the law. Vocational schools and social capital shall collaborate to build vocational education infrastructure and training centres, and together shall build and share public training centres. The management of the Company believes that the above projects will be conducive to the continuing development of the Company's two principal businesses, namely provision of Asset Management Services and provision of Security Guarding and Property Management Services, and further enhance the Company's industry position.

* For identification purpose only

FINANCIAL REVIEW

Revenue

For the six months ended 30 September 2020 and 2021, the Group's revenue was generated from the provision of Security Guarding and Property Management Services in Hong Kong and the PRC and provision of Asset Management Services. The following table sets forth the breakdown of the Group's revenue by types of contracts for the six months ended 30 September 2020 and 2021:

	Six months ended 30 September 2021		2020	
	HK\$'000	Percentage	HK\$'000	Percentage
Security Guarding and Property Management Services	26,137	95.3%	29,155	97.3%
Asset Management Services	1,302	4.7%	800	2.7%
Total	27,439	100%	29,955	100%

The Group's overall revenue decreased by approximately HK\$2,516,000 or 8.4% from approximately HK\$29,955,000 for the six months ended 30 September 2020 to approximately HK\$27,439,000 for the six months ended 30 September 2021. The decrease in revenue was mainly due to (i) decrease in revenue from the Security Guarding and Property Management Services in Hong Kong from approximately HK\$16,570,000 for the six months ended 30 September 2021 to approximately HK\$4,223,000 for the six months ended 30 September 2021 due to the impact of the COVID-19 pandemic; (ii) but which was partially offset by the increase in revenue from the Security Guarding and Property Management Services in the PRC from approximately HK\$12,585,000 for the six months ended 30 September 2020 to approximately HK\$21,914,000 for the six months ended 30 September 2021 through a series of operational measures in line with the Company's own characteristics.

Cost of services rendered

For the six months ended 30 September 2020 and 2021, the cost of services rendered, which mainly consists of direct guard cost, was approximately HK\$26,127,000 and HK\$27,462,000, representing approximately 87.2% and 100.1% of the Group's revenue, respectively. Such increase of the cost of service in the percentage of revenue was primarily attributable to general increase in the guard costs in the market.

As at 30 September 2021, the Group had a total of 512 employees, of which 490 were full-time and part-time guards providing manned security guarding and related services.

Gross (loss)/profit

The Group's gross loss for the six months ended 30 September 2021 was approximately HK\$23,000, as compared with the gross profit of approximately HK\$3,828,000 for the six months ended 30 September 2020. The turnaround performance was mainly due to (i) general decrease in revenue from the Security Guarding and Property Management Services in Hong Kong due to the impact of the COVID-19 pandemic; (ii) the Group still retained most of its security guards and operational staffs despite the reduced scale of business in Hong Kong; and (iii) general increase in the guard costs in the market, which resulted in higher costs and lower profitability than expected.

Other income

The Group's other income decreased by approximately HK\$4,953,000 or 97.5% from approximately HK\$5,079,000 for the six months ended 30 September 2020 to approximately HK\$126,000 for the six months ended 30 September 2021. The decrease of the Group's other income was mainly due to (i) an absence of the recognition of government grant of approximately HK\$1,653,000 and (ii) an absence of the recognition of gain on modification of the terms of provisory note of approximately HK\$3,000,000.

Administrative expenses

The Group's administrative expenses decreased by approximately HK\$2,568,000 or 17.2% from approximately HK\$14,964,000 for the six months ended 30 September 2020 to approximately HK\$12,396,000 for the six months ended 30 September 2021. The decrease in the Group's administrative expenses was mainly due to (i) the decrease in consulting fee as a result of better cost control in the development of the Group's asset management services; (ii) the decrease in amortization of intangible assets, depreciation of property, plant and equipment; (iii) the decrease in short-term leases expenses; and (iv) decrease in impairment loss on trade receivables during the six months ended 30 September 2021.

Finance costs

The Group's finance costs increased by approximately HK\$147,000 or 10.9% from HK\$1,354,000 for the six months ended 30 September 2020 to HK\$1,501,000 for the six months ended 30 September 2021. The increase in the finance costs was mainly due to the increase in the interest charges on borrowings of approximately HK\$154,000 for the six months ended 30 September 2021.

Loss for the Reporting Period

Loss attributable to owners of the Company for the six months ended 30 September 2021 increased by approximately HK\$6,579,000 from approximately HK\$6,649,000 for the six months ended 30 September 2020 to approximately HK\$13,228,000 for the six months ended 30 September 2021. The increase in the Group's loss for the Reporting Period was mainly due to the reasons and factors as mentioned above.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Share Capital

Capital structure

The management reviews the capital structure regularly. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debts. As at 30 September 2021, the share capital and total equity attributable to owners of the Company amounted to approximately HK\$29,072,000 and HK\$52,657,000, respectively (as at 31 March 2021: approximately HK\$16,618,000 and HK\$3,338,000 (capital deficiency), respectively). As at 30 September 2021, the Group has a promissory note which is payable to a former director of the Company. For details, please refer to note 13 of the notes to unaudited condensed consolidated interim financial information.

Cash position

As at 30 September 2021, the cash at banks and in hand of the Group amounted to approximately HK\$74,441,000 (as at 31 March 2021: approximately HK\$85,010,000), representing a decrease of approximately HK\$10,569,000 as compared to 31 March 2021.

Charges over assets of the Group

As at 31 March 2021 and 30 September 2021, none of the Group's assets had been pledged.

Gearing ratio

As at 30 September 2021, the gearing ratio of the Group was 52.8% (as at 31 March 2021: 2,320.5%). The gearing ratio is calculated based on the total debt at the end of the relevant period divided by the total equity at the end of the relevant period. Total debt includes the promissory note, loans from related parties, amounts due to related parties and borrowings. As at 30 September 2021, the Group did not have any bank borrowings, bank overdrafts and obligations under finance leases.

Capital expenditure

The Group acquired property, plant and equipment amounted to approximately HK\$21,583,000 from direct purchases for the six months ended 30 September 2021, which mainly comprises of addition of right-of-use assets under leasehold and buildings (for the six months ended 30 September 2020: approximately HK\$6,618,000).

Capital commitments

As at 30 September 2021, the Group had no capital commitments (as at 31 March 2021: Nil).

Foreign exchange risk

The Group's business operations are primarily conducted in Hong Kong and PRC. The transactions, monetary assets and liabilities of the Group are mainly denominated in RMB and Hong Kong dollar. During the six months ended 30 September 2021, there was no material impact on the Group arising from the fluctuation in the foreign exchange rates between the currencies.

The Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the six months ended 30 September 2021.

Significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies, and plans for material investments or capital assets

During the six months ended 30 September 2021, save as disclosed in this report, the Company did not have any significant investment and had no material acquisition or disposal of subsidiaries or affiliated companies, and the Company has no plans for material investments or capital assets.

Employees and remuneration policy

The Group had 512 employees as at 30 September 2021 (as at 31 March 2021: 514 employees). For the Reporting Period, employee benefits costs of the Group (including the Directors' emoluments) were approximately HK\$33,263,000 (for the six months ended 30 September 2020: approximately HK\$23,029,000). The Group recruits and promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff and to enable smooth operations within the Group, the Group offers competitive remuneration packages (with reference to market conditions and individual qualifications and experience) and various in-house training courses. The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

Training and Development

Our security services are mainly divided into three parts: security guard services, event security services and VIP escorting services. All of our security staff personnel obtain the Security Patrol Permit to ensure the competence in providing security service for our clients. We value the experience and capability of our staff to elevate our service quality. Our on-the-job patrol monitoring system helps to guide and assist employees to achieve optimal performances. Our goal is to supervise and ensure customers' needs are satisfied. Training plans are established for new and existing employees to connect them to our values and assist them to perform their roles. Our training purpose is also to foster a safe environment for all employees against sexual harassment and promote efficient internal communication between employees and management. We comply with the appropriate local laws and regulations in relation to the restrictions on the employment of child and forced labor. Our employees are properly vetted to ensure they are of proper working age.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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 September 2021, the Directors and chief executive of the Company (the "Chief Executive") and/or any of their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules were as follows:

Long position 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
Song Xiaoming	Interest in a controlled corporation	433,555,955(L) ^(Note 1)	–	74.57%
Lin Shuxian ("Ms. Lin")	Beneficial owner	–	2,534,255(L) ^(Note 2)	0.44%
Li Zhongfei	Beneficial owner	–	203,772(L) ^(Note 2)	0.04%
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:

- According to information available to the Company:
 - 184,465,046 Shares are held by Greatwalle Holding Limited in the capacity of beneficial owner.
 - Greatwalle Holding Limited is wholly-owned by 廣州南沙區匯銘投資業務有限公司 (Guangzhou Nansha Huiming Investment Business Company Limited) ("Nansha Huiming").
 - Nansha Huiming is held as to approximately 91.9992% by 深圳匯理九號投資諮詢企業(有限合夥) (Shenzhen Huili Jiu Hao Investment Consulting Enterprise Limited Partnership) ("Huili Jiu Hao Investment"), and as to 0.0008% by Mr. Song.
 - 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").
 - 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, 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.
 - 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 the SFO.
- These long positions represent the share options granted by the Company under the share option scheme adopted by the Company on 31 July 2014 (the "Share Option Scheme"). For details, please refer to the section headed "Share Option Scheme" below.

* For identification purpose only

Save as disclosed above, as at 30 September 2021, 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 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 to in Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 30 September 2021, substantial shareholders (not being a Director or the Chief Executive) who had 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 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	Approximate percentage of the total number of issued shares of the Company
Greatwalle Holding Limited	Beneficial owner	184,465,046(L)	31.73%
廣州南沙區匯銘投資業務有限公司 (Guangzhou Nansha Huiming Investment Business Company Limited*)	Interest of corporation controlled by the substantial shareholder (Note)	184,465,046(L)	31.73%
深圳匯理九號投資諮詢企業(有限合夥) (Shenzhen HuiLi Jiu Hao Investment Consulting Enterprise Limited Partnership*)	Interest of corporation controlled by the substantial shareholder (Note)	184,465,046(L)	31.73%
深圳長城匯理投資股份有限公司 (Shenzhen Great Walle Investment Corp., Ltd.*)	Interest of corporation controlled by the substantial shareholder (Note)	184,465,046(L)	31.73%
Walle Holding Limited	Beneficial owner	249,090,909(L)	42.84%

(L) represents a long position in the Shares

Note: According to information available to the Company:

- 184,465,046 Shares are held by Greatwalle Holding Limited in the capacity of beneficial owner.
- Greatwalle Holding Limited is wholly-owned by Nansha Huiming.
- Nansha Huiming is held as to approximately 91.9992% by HuiLi Jiu Hao Investment, and as to 0.0008% by Mr. Song.
- HuiLi Jiu Hao Investment is held as to 99.99% by Great Walle Investment.
- As such, each of Nansha Huiming, HuiLi Jiu Hao Investment and Great Walle Investment is deemed to be interested in 184,465,046 Shares held by Greatwalle Holding Limited under the SFO.

* For identification purpose only

Save as disclosed above, the Directors and Chief Executive are not aware that there is any party who, as at 30 September 2021, had an interest or short position 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.

SHARE OPTION SCHEME

The Company adopted the share option scheme on 31 July 2014, which will remain in force for a period of 10 years from its effective date. The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants as incentives or rewards them for their contribution. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. The principal terms of the Share Option Scheme are summarised in the section headed "Share Option Scheme" in Appendix V to the prospectus of the Company dated 13 August 2014. The latest refreshment of the 10% scheme limit on the number of shares which may be allotted and issued upon the exercise of the options to be granted under the Share Option Scheme was approved by the shareholders in the extraordinary general meeting of the Company held on 29 July 2021.

The maximum entitlement of each participant under the Share Option Scheme shall not exceed 1% of the Shares in issue and an offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine, which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of the Share on the date of grant of the option.

The details of the Share Option Scheme and the movements of the share options under the Share Option Scheme for the six months ended 30 September 2021 are set out as follows:

Name or category of grantees	Exercise Price per share during 1 April 2021 to 1 August 2021 (HK\$)	Exercise Price per share on or after 2 August 2021 (HK\$)	Date of grant	Exercise Period (Note 1)	Number of share options					Adjusted on 2 August 2021 (Note 2)	Balance as at 30 September 2021
					Balance as at 1 April 2021	Granted during six months ended 30 September 2021	Exercised during six months ended 30 September 2021	Lapsed during six months ended 30 September 2021	Cancelled during six months ended 30 September 2021		
Directors											
Ms. Lin Shuxian	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	9,328,944	-	-	-	-	(7,463,156)	1,865,788
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	3,342,335	-	-	-	-	(2,673,868)	668,467
Mr. Li Zhongfei	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	932,894	-	-	-	-	(746,316)	186,578
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	85,974	-	-	-	-	(68,780)	17,194
Mr. Zhao Jinsong	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	932,894	-	-	-	-	(746,316)	186,578
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	85,974	-	-	-	-	(68,780)	17,194
Former Directors											
Ms. Pang Xiaoli	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	2,053,265	-	-	-	-	(1,642,612)	410,653
Mr. Li Mingming	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	9,328,944	-	-	-	-	(7,463,156)	1,865,788
Mr. Hon Hoi Chuen	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	9,328,944	-	-	-	-	(7,463,156)	1,865,788
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	3,342,335	-	-	-	-	(2,673,868)	668,467
Ms. Guan Yan	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	932,894	-	-	-	-	(746,316)	186,578
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	85,974	-	-	-	-	(68,780)	17,194
Other employees of the Group											
In aggregate	0.234	1.170	14 December 2018	14 December 2018 to 13 December 2028	9,328,944	-	-	-	-	(7,463,156)	1,865,788
	0.089	0.445	18 April 2019	18 April 2019 to 17 April 2029	14,130,708	-	-	-	-	(11,304,567)	2,826,141
	0.144	0.720	5 September 2019	5 September 2019 to 4 September 2021	74,977,156	-	-	(14,995,427)	-	(59,981,729)	0
Total					138,218,179	-	-	(14,995,427)	-	(110,574,556)	12,648,196

Notes:

- All of the outstanding share options have no vesting period or vesting condition.
- Adjustments on the exercise price and number of the outstanding share options were made upon the completion of Share Consolidation on 2 August 2021. Please refer to the Company's announcements dated 3 August 2021 and 4 August 2021 for further details.

Save as disclosed above, no other share options were granted, exercised, cancelled or lapsed during the six months ended 30 September 2021.

As at the date of this report, there were 45,883,329 Shares available for issue upon exercise of the outstanding share options and the options to be granted under the Share Option Scheme, representing approximately 7.89% of the total number of issued shares of the Company if all of the share options are exercised.

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 six months ended 30 September 2021.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: 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 (the "**Required Standard of Dealings**"). Having made specific enquiry to all the Directors and two former Directors, Mr. Hon and Ms. Guan, all of them confirmed that they have complied with the Required Standard of Dealings and the said guidelines regarding directors' securities transactions during the six months ended 30 September 2021.

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 six months ended 30 September 2021 except for CG Code provision A.2.1.

Under the CG Code provision A.2.1, 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 operations.

For details of the non-compliance of Rules 5.05(1) and 5.28 of the GEM Listing Rules, please refer to the Management Discussion and Analysis on p. 19-20 of this report.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established 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 Mr. Liu Chengwei, all of whom 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 interim results announcement of the Group for the six months ended 30 September 2021. The condensed consolidated financial results for the six months ended 30 September 2021 are unaudited, but have been reviewed by the Audit Committee. The Audit Committee is of the view that such results comply with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

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 of the Company.

INTERESTS IN COMPETING BUSINESS

During the six months ended 30 September 2021, none of the Directors and former 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) 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.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, the Company has maintained sufficient public float as at the latest practicable date prior to the issue of this report.

CHANGES IN DIRECTORS' INFORMATION

Subsequent to the date of the 2020/21 annual report of the Company, the changes in Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules for the six months ended 30 September 2021 and up to the date of this report are set out below:

The executive Directors have not received any Directors' fees since 23 June 2021.

The service contracts of Ms. Lin Shuxian, an executive Director, and Mr. Li Zhongfei and Mr. Zhao Jinsong, the independent non-executive Directors, entered with Company expired on 11 July 2021 and their service contracts had been extended for three years commencing on 12 July 2021.

The details of the biographical information of Mr. Song, Ms. Song Shiqing ("**Ms. Song**") and Mr. Li Zhongfei ("**Mr. Li**"), which have been updated since the annual report 2020/21 of the Company, are as follows:

Mr. Song, aged 47, was appointed as an executive Director on 6 August 2019. He is also 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 and a doctor of business administration from Singapore Management University in June 2021. 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 wholly-owned subsidiary of Shenzhen Great Walle Investment Corp., Ltd.* (深圳長城匯理投資股份有限公司) 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.

Mr. Song is an elder brother of Ms. Song Shiqing, an executive Director.

* For identification purpose only

Ms. Song, aged 31, was appointed as an executive Director, the compliance officer and an authorised representative of the Company on 25 August 2020. She obtained a master degree of business administration from Sun Yat-sen University. She joined Great Walle Investment in July 2015 and holds the position of supervisor at Great Walle Investment, which is a controlling shareholder of the Company. Currently, she is a director of certain subsidiaries of the Company, as well as a legal representative of Guangzhou Huiyu Commercial Company Limited, a domestic subsidiary of the Company. Ms. Song was a director of Star Lake Bioscience Co., Inc. Zhaoqing Guangdong (the shares of which are listed on Shanghai Stock Exchange, stock code: 600866) from August 2020 to September 2021. She was an editor for CCTV-2 (Business Channel) from May 2012 to July 2014.

Ms. Song is a younger sister of Mr. Song.

Mr. Li, aged 58, was appointed as an independent non-executive Director on 12 July 2018. He is also the chairman of the remuneration committee of the Company and a member of the audit committee and nomination committee of the Company. He is currently a chair professor of Department of Finance of College of Business of Southern University of Science and Technology, a professor of Sun Yat-sen Business School and director of Center for Financial Engineering and Risk Management of Sun Yat-sen University in the PRC.

Mr. Li obtained a bachelor of science from Lanzhou University in the PRC in July 1985, and then a master of science from Inner Mongolia University in the PRC in June 1990. He further obtained a Ph.D. in Management from the Academy of Mathematics and Systems Science of the Chinese Academy of Sciences in the PRC in August 2000.

EVENTS AFTER THE REPORTING PERIOD

On 11 October 2021, the Company granted 33,235,133 share options to employees under the Share Option Scheme. The share options shall entitle the grantees to subscribe for a total of 33,235,133 new Shares of HK\$0.05 each in the share capital of the Company at an exercise price of HK\$0.2242 per share of the Company. For details, please refer to the announcement of the Company dated 11 October 2021.

Saved as disclosed in this report, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 30 September 2021 and up to the date of this report.

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

Hong Kong, 12 November 2021

As at the date of this report, the executive Directors are Mr. Song Xiaoming, Ms. Song Shiqing and Ms. Lin Shuxian; 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.