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DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY

The Board is pleased to announce that on 2 September 2022 (after trading hours), the Provisional Agreement was entered into between the Vendor (an indirect wholly-owned subsidiary of the Company) and the Purchaser (an independent third party) for the disposal of the Property at a consideration of HK\$12,000,000.

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal exceeds 5% but all of them are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rule and is subject to the reporting and announcement requirements but is exempted from the circular and Shareholders' approval requirements under the GEM Listing Rules.

THE DISPOSAL

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PROVISIONAL AGREEMENT

The principal terms of the Provisional Agreement are set out below:

Date	2 September 2022
Parties	(1) King Force Security Limited, the Vendor (2) Esources Limited, the Purchaser
Property	Workshops Nos. A, B, C and D on 18/F, So Tao Centre, Nos. 11-15 Kwai Sau Road, Kwai Chung, New Territories, Hong Kong

Condition of the Property	The Property is sold on an “as is” basis subject to the terms and conditions of the Provisional Agreement. Vacant possession of the Property shall be delivered upon Completion
Consideration and Payment Terms	<p>The Purchase Price of HK\$12,000,000 which shall be paid and satisfied by the Purchaser to the Vendor (in cash) in the following manner:</p> <ul style="list-style-type: none"> (a) HK\$550,000 has been paid upon signing of the Provisional Agreement as initial deposit; (b) HK\$650,000 shall be paid on or before 15 September 2022 as further deposit; and (c) the balance of the Purchase Price in the sum of HK\$10,800,000 shall be paid upon Completion
Completion	Completion shall take place on or before 12 April 2023
Stamp duty	All ad valorem stamp duty shall be borne by the Purchaser solely
Agency fee	Agency fee of 2% of the Consideration shall be paid by the Vendor and the Purchaser equally of HK\$120,000 each on or before 12 April 2023. The property agency company and its ultimate beneficial owner, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent to the Company and its subsidiaries
Formal Agreement	Pursuant to the Provisional Agreement, the Vendor shall sell the Property to the Purchaser free from encumbrances. The Vendor and the Purchaser shall enter into the Formal Agreement on or before 15 September 2022

The Purchase Price was determined after arm’s length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to the market price of neighbouring properties and the valuation of the Property.

INFORMATION OF THE PROPERTY

The Property with leasehold improvements is a non-residential property located in Kwai Chung, New Territories, Hong Kong, and it is currently used and occupied by the Group as one of the offices immediately prior to the Disposal.

INFORMATION OF THE GROUP AND THE PARTIES

The Company is a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM of the Stock Exchange. The Group is principally engaged in Security Guarding and Property Management Services and Asset Management Services.

The Vendor is a limited liability company incorporated in Hong Kong and is an indirect wholly-owned subsidiary of the Company. The principal business activity of the Vendor is security guarding services.

The Purchaser is a limited liability company incorporated in Hong Kong and is principally engaged in investment holding. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Upon completion of the Disposal, the Company is expected to recognise an unaudited gain on disposal of approximately HK\$5.8 million, which is calculated based on the Purchase Price of HK\$12,000,000 less the audited carrying amount of the Property and leasehold improvements of approximately HK\$6 million as at 31 March 2022 less agency fee payable of HK\$120,000. Such calculation is only an estimate provided for illustrative purposes and the accounting treatment of the Disposal will be subject to further review by the auditors of the Company.

The Company intends to use the net proceeds as general working capital of the Group. The Directors are of the view that the sale of the Property will have no material impact on the Group's business operations.

REASONS FOR AND BENEFIT OF THE DISPOSAL

In view of the prevailing property market conditions in Hong Kong and the global economic cycle, it is uncertain whether the Property will continue to enjoy further capital appreciation. The Directors believe that the Disposal represents valuable opportunity for the Company to realise the value of the Property at a favourable price and the proceeds from the Disposal may improve the financial position of the Group and provide additional general working capital to the Group.

Based on the foregoing, the Directors consider that the terms and conditions of the Disposal are on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As one or more the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal exceeds 5% but all of them are less than 25%, the Disposal constitutes a disclosable transaction for the Company under Chapter 19 of the GEM Listing Rules, and is subject to the reporting and announcement requirements but is exempted from the circular and shareholders' approval requirements under the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context other requires, the following expression having the following meanings:

“Board”	the board of Directors
“Company”	Greatwalle Inc., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM of the Stock Exchange (Stock Code: 8315)
“Completion”	completion of the sale and purchase of the Property under and pursuant to the Provisional Agreement
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the sale and purchase of the Property between the Vendor and the Purchaser pursuant to the terms and conditions of the Provisional Agreement
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“independent third party(ies)”	third party(ies) independent to the Company and its connected persons
“Property”	Workshops Nos. A, B, C and D on 18/F, So Tao Centre, Nos. 11-15 Kwai Sau Road, Kwai Chung, New Territories, Hong Kong
“Provisional Agreement”	the provisional agreement for sale and purchase dated 2 September 2022 and entered between the Vendor and the Purchaser in respect of the sale and purchase of the Property
“Purchase Price”	the purchase price for the sale and purchase of the Property under the Provisional Agreement in the sum of HK\$12,000,000
“Purchaser”	Esources Limited, a company incorporated in Hong Kong

“Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the GEM Listing Rules
“Vendor”	King Force Security Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“%”	per cent

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

Hong Kong, 5 September 2022

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.