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Grandshores Technology Group Limited
雄岸科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1647)

**(1) INSIDE INFORMATION – TRANSFER OF SHARES BY
THE CONTROLLING SHAREHOLDER;
(2) GRANT OF SHARE OPTIONS;
AND
(3) REVISION OF EMOLUMENTS OF AN EXECUTIVE DIRECTOR**

TRANSFER OF SHARES BY THE CONTROLLING SHAREHOLDER

The Board was informed by Morgan Hill, the controlling shareholder of the Company which is ultimately beneficial owned as to 51% by Mr. Yao (an executive Director and the co-chairman of the Board), that on 10 July 2019 (after trading hours), Morgan Hill has agreed to transfer 10,320,000 Shares, representing approximately 1% of the issued share capital of the Company, to Mr. Zou (an executive Director and the co-chairman of the Board) at a total consideration of HK\$1. Immediately upon completion of the Transfer, Morgan Hill and Mr. Zou will hold 420,960,000 Shares and 10,320,000 Shares, representing approximately 40.79% and approximately 1% of the issued share capital of the Company, respectively.

GRANT OF SHARE OPTIONS

On 10 July 2019, the Company offered to grant share options to Mr. Zou, subject to his acceptance, to subscribe for an aggregate of 10,000,000 Shares.

REVISION OF EMOLUMENTS OF AN EXECUTIVE DIRECTOR

On 10 July 2019, the Company has revised Mr. Zou's remuneration from HK\$1,000,000 per annum to HK\$1,500,000 per annum with effect from 10 July 2019.

This announcement is made by Grandshores Technology Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to (i) Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) in respect of the Transfer (as defined below); and (ii) Rule 17.06A of the Listing Rules in respect of the grant of the Share Options (as defined below).

TRANSFER OF SHARES BY THE CONTROLLING SHAREHOLDER

The board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed by Morgan Hill Holdings Limited (“**Morgan Hill**”), the controlling shareholder of the Company which is ultimately beneficial owned as to 51% by Mr. Yao Yongjie (“**Mr. Yao**”, an executive Director and the co-chairman of the Board), that on 10 July 2019 (after trading hours), Morgan Hill has agreed to transfer 10,320,000 ordinary shares of the Company (“**Shares**”), representing approximately 1% of the issued share capital of the Company, to Mr. Zou Chendong (“**Mr. Zou**”, an executive Director and the co-chairman of the Board) at a total consideration of HK\$1 (the “**Transfer**”).

Immediately before the Transfer, Morgan Hill held 431,280,000 Shares, representing approximately 41.79% of the issued share capital of the Company. Immediately upon completion of the Transfer, Morgan Hill and Mr. Zou will hold 420,960,000 Shares and 10,320,000 Shares, representing approximately 40.79% and approximately 1% of the issued share capital of the Company, respectively. The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Transfer:

Shareholder	As at the date of this announcement		Immediately upon completion of the Transfer	
	Number of Shares	% (Note 3)	Number of Shares	% (Note 3)
Morgan Hill (Note 1)	431,280,000	41.79%	420,960,000	40.79%
Trinity Gate Limited (Note 2)	<u>109,740,000</u>	<u>10.63%</u>	<u>109,740,000</u>	<u>10.63%</u>
<i>Sub-total</i>	541,020,000	52.43%	530,700,000	51.43%
Mr. Zou	—	—	10,320,000	1.00%
Other shareholders	<u>490,885,000</u>	<u>47.57%</u>	<u>490,885,000</u>	<u>47.57%</u>
<i>Total</i>	<u><u>1,031,905,000</u></u>	<u><u>100.00%</u></u>	<u><u>1,031,905,000</u></u>	<u><u>100.00%</u></u>

Note 1: Morgan Hill is owned as to 51% by Great Scenery Ventures Limited (“**Great Scenery**”) and 49% by Emperor Grand International Limited (“**Emperor Grand**”). Mr. Yao is the sole ultimate beneficial owner and director of Great Scenery and Mr. Zhu Guangping is the sole ultimate beneficial owner and director of Emperor Grand.

Note 2: Trinity Gate Limited is wholly owned by Timeness Vision Limited (“**Timeness Vision**”). Mr. Teng Rongsong (“**Mr. Teng**”) is the sole ultimate beneficial owner and director of Timeness Vision. Mr. Teng was a non-executive Director from 28 May 2018 to 8 October 2018.

Note 3: The percentages of the Shares are rounded to the nearest two decimal places, and the total number of the percentages may not add up to 100% due to rounding.

GRANT OF SHARE OPTIONS

On 10 July 2019 (the “**Date of Grant**”), the Company offered to grant share options (the “**Share Options**”) to Mr. Zou, subject to his acceptance, to subscribe for an aggregate of 10,000,000 Shares pursuant to the share option scheme adopted by the Company on 5 January 2017. Details of the Share Options granted are set out below:

Date of Grant	:	10 July 2019
Exercise price of the Share Options	:	HK\$0.636 per Share, representing the highest of: <ul style="list-style-type: none">(i) the closing price of HK\$0.56 per Share as stated in the daily quotations sheet of the Stock Exchange on 10 July 2019, the Date of Grant;(ii) the average closing price of HK\$0.636 per Share as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Date of Grant; and(iii) the nominal value of the Share of HK\$0.01.
Total number of the Share Options	:	10,000,000
Closing price of the Shares on the Date of Grant	:	HK\$0.56
Consideration for the grant of the Share Options	:	Singapore dollar 1.00 to be paid by Mr. Zou upon acceptance of the grant of the Share Options
Validity period of the Share Options	:	From 10 July 2019 to 9 July 2023
Vesting date of the Share Options	:	31 December 2020

The grant of the Share Options to Mr. Zou was approved by the independent non-executive Directors in compliance with Rule 17.04(1) of the Listing Rules.

REVISION OF EMOLUMENTS OF AN EXECUTIVE DIRECTOR

On 10 July 2019, the Company has revised Mr. Zou's remuneration from HK\$1,000,000 per annum to HK\$1,500,000 per annum with effect from 10 July 2019, which has been reviewed by the remuneration committee of the Company and determined by the Board with reference to his qualifications and experience, duties and responsibilities and the prevailing market conditions.

Going forward, Mr. Yao will be principally responsible for all the Group's business operations other than industrial hemp business while Mr. Zou will be principally responsible for the Group's industrial hemp business.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Grandshores Technology Group Limited
Yao Yongjie
Co-Chairman and Executive Director

Hong Kong, 10 July 2019

As at the date of this announcement, the Board comprises Mr. Yao Yongjie, Ms. Li Jia and Mr. Zou Chendong as executive Directors; Mr. Chua Seng Hai and Ms. Lu Xuwen as non-executive Directors; and Mr. Chu Chung Yue, Howard, Dr. Zhang Weining and Mr. Yu Wenzhuo as independent nonexecutive Directors.