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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)

ACQUISITION OF 51% EQUITY INTEREST IN THE TARGET COMPANY

This is a voluntary announcement made by Grandshores Technology Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to keep the shareholders and potential investors of the Company informed of the latest business developments of the Group.

ACQUISITION OF 51% EQUITY INTEREST IN THE TARGET COMPANY

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 4 January 2021 (after trading hours), Hangzhou Grandshores Weicheng Technology Co., Ltd.* (杭州雄岸偉成科技有限公司) (a wholly owned subsidiary of the Company) entered into an equity transfer agreement (the “**Agreement**”) with Hangzhou Tunlan Investment Management Co., Ltd.* (杭州瞰瀾投資管理有限公司) (“**Tunlan Investment**”) in respect of the acquisition of 51% equity interest in Hangzhou Grandshores Investment Management Co., Ltd.* (杭州雄岸投資管理有限公司) (the “**Target Company**”) (the “**Acquisition**”).

The consideration for the Acquisition was determined after arm’s length negotiations between the parties with reference to, among other things, the net asset value of the Target Company as at 31 October 2020. The consideration shall be payable in cash upon completion of the Acquisition.

Completion of the Acquisition shall take place on the date on which the transfer of 51% equity interest in the Target Company has been registered with the relevant administration for industry and commerce and a new business license has been issued to the Target Company. Upon completion, the Target Company will become a subsidiary of the Company and the results of operation of the Target Company will be consolidated in the Group’s financial statements.

INFORMATION ON THE TARGET COMPANY AND PARTIES TO THE AGREEMENT

The Target Company is principally engaged in blockchain related investment and blockchain investment consultation services and is owned as to 51% and 49% by Tunlan Investment and Mr. Li Xiaolai (“**Mr. Li**”) as at the date of this announcement, respectively.

Tunlan Investment provides venture capital management services and is based in Hangzhou, China. Mr. Yao Yongjie, the chairman of the Board and an executive Director and owns 51% equity interest in the controlling shareholder of the Company, owns approximately 49.04% equity interest in Tunlan Investment. Mr. Li Xiaolai is a renowned investor in the field of blockchain.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) providing integrated building service in Singapore; (ii) undertaking building and construction works in Singapore; (iii) operation, maintenance and management of data centres and other high performance data processing facilities and equipment in relation to blockchain technologies, digital assets trading platform operation and blockchain strategic advisory services provision; and (iv) hemp seed research, hemp cultivation, cannabidiol (CBD) extraction and CBD downstream product application.

The Board believes that the Acquisition will enable listed companies to focus on the development of blockchain business, leverage on Mr. Li's industry experience and resources, assist the Group in rapidly expanding its businesses in relation to (among others) digital assets and bitcoin mining, as well as invest in blockchain technology and digital assets-related projects, which is in line with the Group's long-term development strategies and is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

Based on all applicable percentage ratios, the Acquisition did not constitute a notifiable transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Acquisition constitutes a connected transaction under the Listing Rules. Based on all applicable percentage ratios, the Acquisition is fully exempt under Rule 14A.76 of the Listing Rules.

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

Hong Kong, 4 January 2021

As at the date of this announcement, the Board comprises Mr. Yao Yongjie as an executive Director; 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 non-executive Directors.

* *For identification purpose only*