

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

STRATEGIC COOPERATION AGREEMENT BETWEEN THE COMPANY AND LION GROUP HOLDING LIMITED

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.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 22 February 2021, the Company and Lion Group Holding Limited (“**Lion Group**”) signed a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”), pursuant to which:

1. Both parties will leverage their respective capital, platform and resource advantages to jointly promote the blockchain technology and industry development.
2. Lion Group announced on 12 January 2021 that it will acquire 100% of Lion FinTech Group Limited (“**Lion FinTech**”) for an amount to be agreed upon with a definitive agreement expected to be signed by 31 March 2021. Through its subsidiary, Royal Lion Middle East DMCC, Lion FinTech holds a proprietary trading license for crypto assets in Dubai. Lion Group intends to invite the Company as a partner of its crypto asset trading platform operation to provide blockchain technology support, operation advice and consulting services for its crypto asset trading platform operation.
3. Lion Group is planning to establish a fund related to the blockchain industry of not more than US\$800 million. The fund will invest in digital currencies such as Bitcoin and Ethereum and their ecological industrial chain, and invest in the stocks of listed companies or the equity of companies to be listed in the blockchain field with growth potentials. Lion Group will also research on the issue of mainstream digital currency trust funds similar to Grayscale Investment. As the chief technical advisor of Lion Group and the chairman of the Board and an executive director of the Company, Mr. Yao Yongjie (“**Mr. Yao**”), who owns 51% equity interest in the controlling shareholder of the Company, will facilitate the cooperation between Lion Group and the Company in the establishment of the above fund.

Prior to signing the Strategic Cooperation Agreement, on 6 January 2021, Mr. Yao, the chairman of the Board and an executive Director, and Lion Group signed another strategic cooperation framework agreement, pursuant to which (i) Mr. Yao and Lion Group will each use their respective capital, platform and resources to jointly set up a fund of not more than US\$800 million to jointly promote the development and the industry environment of blockchain technology, and actively promote the product innovation in the digital currency field, allowing clients to participate in the digital currency market more conveniently; and (ii) Lion Group has appointed Mr. Yao as the chief technical adviser to provide technical advice and consultancy service in blockchain industry and has conditionally agreed to grant to Mr. Yao options to subscribe for 6,000,000 Class A American Depositary Shares of Lion Group.

Lion Group, a company listed on the NASDAQ (ticker symbol: LGHL), operates an all-in-one trading platform that offers products and services including contract-for-difference trading, insurance brokerage, futures trading, and securities trading with a focus on Chinese investors. Mr. Wang Jian (“**Mr. Wang**”) is the ultimate beneficial owner of Lion Group and exercises approximately 69.4% of the voting rights in Lion Group as at the date of this announcement. Except for Mr. Wang, none of Lion Group’s shareholders has a voting right of more than 20%. Mr. Wang is the co-founder of Lion Group and is the chairman of the board of directors of Lion Group. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Lion Group and Mr. Wang are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

The Board believes that, given the respective strength, resources and expertise of the Group and Lion Group, the proposed cooperation is expected to enable the Group to further expand its blockchain business and bring long term value to the Group.

The Strategic Cooperation Agreement only provides a strategic cooperation framework between the Company and Lion Group. Any possible cooperation contemplated under the Strategic Cooperation Agreement is subject to the definitive agreement to be signed by the Company and Lion Group.

The Company will make further announcement(s) as and when appropriate in compliance with the Listing Rules.

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

Hong Kong, 22 February 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.