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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 HEILONGJIANG YINMA TECHNOLOGY DEVELOPMENT CO., LTD.

The board (the “**Board**”) of directors (the “**Directors**”) of Grandshores Technology Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 10 June 2019, Silver Fame Investment Limited (“**SF**”, a wholly owned subsidiary of the Company) and an individual (the “**Vendor**”) entered into an equity transfer agreement (the “**Agreement**”) relating to Heilongjiang Yinma Technology Development Co., Ltd.* (黑龍江銀麻科技發展有限公司) (the “**Target Company**”). Pursuant to the Agreement, GSHK has conditionally agreed to purchase and the Vendor has conditionally agreed to sell 51% equity interest in the Target Company (the “**Acquisition**”).

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor is a third party 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 Target Company is a limited liability company established in the People’s Republic of China (the “**PRC**”) in April 2019 with a registered capital of RMB20,000,000. It is allowed under its business license to conduct, among others, hemp related business. It has signed a cooperation agreement with Crops Research Institute of Heilongjiang Academy of Agricultural Sciences* (黑龍江省農業科學院經濟作物研究所) (“**CRIHAAS**”) relating to LongDaMa No. 5* (龍大麻 5 號) variety demonstration and scientific research. The Target Company and CRIHAAS have cooperated in setting up a 500-mu standardized hemp industry demonstration base at which seed sowing has been completed as at the date of this announcement.

The Vendor beneficially owns 80% equity interest in the Target Company as at the date of the Agreement. Upon completion of the Acquisition, the Group will own 51% equity interest in the Target Company and the Target Company will become an indirect non-wholly owned subsidiary of the Company.

The Board believes that the Acquisition will further strengthen the Group's industrial/medical hemp related businesses and is expected to bring long term value to the Group. The Board considers that the Acquisition is in the interests of the Company and its shareholders as a whole.

Based on all applicable percentage ratios, the Acquisition does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. 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
Co-Chairman and Executive Director

Hong Kong, 10 June 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 non-executive Directors.

** for identification purposes only*