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Grand Ocean Advanced Resources Company Limited

弘海高新資源有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 65)

COMPLETION OF ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

Reference is made to the announcement of Grand Ocean Advanced Resources Company Limited (the “**Company**”) dated 21 June 2022 in relation to the Subscription Agreement entered into between the Company and the Subscriber on the subscription of the Convertible Bonds by the Subscriber (the “**Announcement**”). Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context requires otherwise.

COMPLETION OF ISSUE OF CONVERTIBLE BONDS

The Board is pleased to announce that all conditions precedent to the Subscription Agreement have been fulfilled and Completion took place on 18 July 2022 in accordance with the terms and conditions thereof. The Convertible Bonds in the aggregate principal amount of HK\$40,000,000 have been issued to the Subscriber.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a table showing the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after full conversion of the Convertible Bonds. Based on the initial Conversion Price of approximately HK\$0.1818 per Conversion Share and assuming that there will be no other changes in the issued share capital and shareholding structure of the Company from the date of this announcement other than the Conversion Shares:

<i>Shareholders</i>	As at the date of this announcement		Immediately after full conversion of Convertible Bonds at the Conversion Price	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Liu Chang Deng	156,154,315	10.39	156,154,315	9.06
Public	1,347,322,851	89.61	1,347,322,851	78.17
The Subscriber	0	0.00	220,000,000	12.76
Total	1,503,477,166	100	1,723,477,166	100

By order of the Board
**GRAND OCEAN ADVANCED
RESOURCES COMPANY LIMITED**
Ng Ying Kit
Executive Director

Hong Kong, 18 July 2022

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ng Ying Kit, Mr. Tao Ye and Mr. Guo Jianpeng; a non-executive Director namely Mr. Zhou Hongliang; and three independent non-executive Directors, namely Mr. Lee Wai Ming, Mr. Chang Xuejun and Mr. Ho Man.