

*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.*

**ANCHORSTONE**

**Anchorstone Holdings Limited**

**基石控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1592)**

## **PROFIT WARNING**

This announcement is made by Anchorstone Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

The board (“**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the latest unaudited financial information for the year ended 31 December 2020 currently available to the Board, the Group is expected to record a significant decrease in revenue by over 50% and a significant decrease in the net profit attributable to Shareholders (the “**Profit Decrease**”). As a result, the Group is expected to record a net loss of approximately HK\$32 million to HK\$36 million for the year ended 31 December 2020 (the “**Net Loss**”), as compared with the profit for the corresponding period in 2019.

The Profit Decrease and Net Loss was mainly due to (i) the worsen of the impact of Coronavirus Disease (the “**COVID-19**”) in the year caused delaying in the progress of most of the stone supply and installation services projects undertaken by the Group. As a result, the Group is expected to record a decrease in gross profit for approximately HK\$24 million as compared with the gross profit for the corresponding period in 2019; and (ii) the provision for loss allowance of the contract assets, trade and retention receivable of approximately HK\$25 million for certain projects based on the impairment assessment by management.

The decrease in profit during the year had been offset by the significant decrease in administrative expenses by approximately HK\$10 million, which mainly due to the decrease in employee benefit expenses under the cost cutting scheme of the Group and the decrease in the legal and professional fees.

As the Company is in the process of finalising the annual results of the Group for the year ended 31 December 2020, the information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which is subject to the external audit and review by the audit committee of the Company. The actual audited consolidated annual results of the Group may be different from the disclosures herein. Further details of the Group's audited financial information for the year ended 31 December 2020 will be disclosed in the annual results announcement of the Company, which is expected to be published by 31 March 2021.

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

By Order of the Board  
**Anchorstone Holdings Limited**  
**Lui Yue Yun Gary**  
*Chairman*

Hong Kong, 12 March 2021

*As at the date of this announcement, the executive Directors are Mr. Lui Yue Yun Gary, Ms. Lui Po Kwan Joyce, Mr. Lui Edwin Wing Yiu and Mr. Fung Wai Hang, and the independent non-executive Directors are Mr. Ko Tsz Kin, Mr. Choi Hok Ya and Mr. Ng Yau Wah Daniel.*