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ANCHORSTONE

Anchorstone Holdings Limited

基石控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1592)

CONVERSION OF TRANCHE 1 NOTES

On 1 September 2022, the Company received conversion notices from AOF I and AOF, respectively, in respect of the exercise of the Conversion Right attached to Tranche 1 Notes in the principal amount of HK\$9,000,000 held by AOF I and in the principal amount of HK\$5,000,000 held by AOF, each at the Conversion Price of HK\$0.178 per Conversion Share, which equals to 90% of the average closing price per Share of HK\$0.1976 on the five consecutive Business Days from 14 July 2022 to 20 July 2022 as selected by AOF I and AOF during the 45 Business Days immediately preceding the relevant Conversion Date on which Shares were traded on the Stock Exchange. As a result of this conversion, the Company allotted and issued a total of 50,561,797 Conversion Shares to AOF I and 28,089,887 Conversion Shares to AOF on 2 September 2022.

CONVERSION OF TRANCHE 1 NOTES

Reference is made to the circular of the Company dated 8 July 2022 (the “**Circular**”) and the announcement dated 18 August 2022 (the “**Announcement**”) in relation to the issue of the Convertible Notes. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular and the Announcement unless otherwise stated herein.

On 1 September 2022, the Company received conversion notices from AOF I and AOF, respectively, in respect of the exercise of the Conversion Right attached to Tranche 1 Notes in the principal amount of HK\$9,000,000 held by AOF I and in the principal amount of HK\$5,000,000 held by AOF, each at the Conversion Price of HK\$0.178 per Conversion Share, which equals to 90% of the average closing price per Share of HK\$0.1976 on the five consecutive Business Days from 14 July 2022 to 20 July 2022 as selected by AOF I and AOF during the 45 Business Days immediately preceding the relevant Conversion Date on which Shares were traded on the Stock Exchange. As a result of this conversion, the Company allotted and issued a total of 50,561,797 Conversion Shares to AOF I and 28,089,887 Conversion Shares to AOF on 2 September 2022.

As disclosed in the Circular, the Conversion Price shall be 90% of the average closing price per Share (subject to adjustment) on any five consecutive Business Days as selected by the relevant Noteholder during the 45 Business Days immediately preceding the relevant Conversion Date on which Shares were traded on the Stock Exchange.

The Conversion Shares will rank *pari passu* with all the existing Shares at the date of allotment and among themselves in all respects. The issued share capital of the Company will be increased to 1,331,469,661 Shares upon allotment and issue of the Conversion Shares under this conversion and the Conversion Shares under this conversion represent approximately 6.278% of the issued share capital of the Company immediately before the allotment and issue of the Conversion Shares under this conversion and approximately 5.907% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares under this conversion.

SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there is no other change in the shareholding structure of the Company, the shareholding structure of the Company immediately before and after the allotment and issue of the Conversion Shares under this conversion is set out as follows:

Name of Shareholders	Shareholding immediately before the allotment and issue of the Conversion Shares		Shareholding immediately after the allotment and issue of the Conversion Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %
		of the entire issued Shares		of the entire issued Shares
PMG Investments Limited	792,305,000	63.24	792,305,000	59.51
Mr. Lui Yue Yun Gary	560,000	0.04	560,000	0.04
AOF I	5,617,977	0.45	56,179,774	4.22
AOF	—	—	28,089,887	2.11
Other Shareholders	<u>454,335,000</u>	<u>36.27</u>	<u>454,335,000</u>	<u>34.12</u>
Total (Note)	<u>1,252,817,977</u>	<u>100.00</u>	<u>1,331,469,661</u>	<u>100.00</u>

Note: Percentage figures may not add up to the total due to rounding.

By Order of the Board
Anchorstone Holdings Limited
Fung Wai Hang
Executive Director and Company Secretary

Hong Kong, 2 September 2022

As at the date of this announcement, the Executive Directors are Mr. Lui Yue Yun Gary, Mr. Lui Edwin Wing Yiu and Mr. Fung Wai Hang, and the Independent Non-Executive Directors are Mr. Ko Tsz Kin and Mr. Ng Yau Wah Daniel.