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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 26 July 2023, the Company received a conversion notice from AOF I in respect of the exercise of the Conversion Right attached to Tranche 1 Notes held by AOF I at the Conversion Price of HK\$0.0401 per Conversion Share, which equals to 90% of the average closing price per Share of HK\$0.0446 on the five consecutive Business Days from 18 July 2023 to 24 July 2023 as selected by AOF I 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 74,611,858 Conversion Shares to AOF I on 28 July 2023.

CONVERSION OF TRANCHE 1 NOTES

Reference is made to the circular of the Company dated 8 July 2022 (the “**Circular**”) and the announcements of the Company dated 18 August 2022 and 20 January 2023 respectively (the “**Announcements**”) 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 Announcements unless otherwise stated herein.

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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 1,557,966,341 Shares upon allotment and issue of the Conversion Shares under this conversion and the Conversion Shares under this conversion represent approximately 5.03% of the issued share capital of the Company immediately before the allotment and issue of the Conversion Shares under this conversion and approximately 4.79% 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

To the best of the Directors' knowledge, information and belief and 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	
	<i>Number of Shares</i>	<i>Approximate % of the entire issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of the entire issued Shares</i>
PMG Investments Limited	779,695,000	52.56	779,695,000	50.05
Mr. Lui Yue Yun Gary	560,000	0.04	560,000	0.04
AOF I	22,581,167	1.52	97,193,025	6.24
AOF	21,537,088	1.45	21,537,088	1.38
Other Shareholders	<u>658,981,228</u>	<u>44.43</u>	<u>658,981,228</u>	<u>42.30</u>
Total (<i>Note</i>)	<u>1,483,354,483</u>	<u>100.00</u>	<u>1,557,966,341</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, 28 July 2023

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 Director is Mr. Ko Tsz Kin.