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GRAPHEX

GRAPHEX GROUP LIMITED

烯石電動汽車新材料控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6128)

**SUPPLEMENTAL AGREEMENT
IN RELATION TO
THE SUBSCRIPTION AGREEMENT FOR THE
(1) ISSUE OF CONVERTIBLE NOTES UNDER GENERAL MANDATE;
AND
(2) PROPOSED ISSUE OF CONVERTIBLE NOTES AND
WARRANTS UNDER SPECIFIC MANDATE**

Reference is made to the announcements of Graphex Group Limited (formerly known as Earthasia International Holdings Limited) (the “Company”) dated 19 January 2021, 28 January 2021, 29 January 2021, 1 February 2021, 1 March 2021, 5 March

2021, 15 March 2021, 12 April 2021, 26 April 2021 and 10 May 2021 (collectively, the “**Announcements**”) in relation to the Subscription. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

On 24 May 2021, the Company and the Subscriber entered into a supplemental agreement (the “**Supplemental Agreement**”) to amend certain terms and conditions of the Subscription Agreement.

TERMS AND CONDITIONS OF THE SUPPLEMENTAL AGREEMENT

Date

24 May 2021

Parties

The Company and the Subscriber

Principal terms of the Supplemental Agreement

Pursuant to the Supplemental Agreement, the following terms have been amended:

1. The definition of “Closing Notice” in the Subscription Agreement has been amended whereby, instead of as previously provided under the Subscription Agreement which only allows the Subscriber the right to serve Closing Notices to request the Company for Other Initial Note Closings and Subsequent Closings, it is provided under the Supplemental Agreement that either the Subscriber or the Company has the right to serve Closing Notices on or before the Long Stop Date to request the other party for Other Initial Note Closings and Subsequent Closings. It is further provided under the Supplemental Agreement that upon a Closing Notice being served by a party requesting for a Closing, the Closing shall take place on the date specified in the Closing Notice which shall not be less than 5 Business Days or more than 10 Business Days from the date of the Closing Notice unless otherwise agreed by the Parties in writing. At the Closing, the Subscriber shall deliver or cause to be delivered to the Company, via wire transfer of immediately available fund, cash in the closing principal amount of the Convertible Notes specified in the Closing Notice.
2. The definition and references of “Minimum Commitment” in the Subscription Agreement have been deleted in its entirety.

3. Subject to the satisfaction (or waiver) of the Conditions Precedent, the Company agrees to issue the Convertible Notes and Warrants to the Subscriber, and the Subscriber agrees to subscribe and pay for the Convertible Notes in the aggregate amount equivalent to the Total Commitment of US\$15,000,000 and the Warrants at the Warrant Purchase Price of US\$1.00 at the applicable Closings pursuant to the Subscription Agreement.
4. Subject to the satisfaction (or waiver) of the Conditions Precedent, in the event that on the date immediately prior to the Long Stop Date the aggregate principal amount of the Convertible Notes issued and subscribed pursuant to the Subscription Agreement prior to such date shall be less than the Total Commitment, then, a Closing Notice in the amount equivalent to such shortfall of the Total Commitment shall be deemed to be served by the Subscriber to the Company on the Long Stop Date and the parties shall proceed to the final Closing of Convertible Notes for such shortfall amount of the Total Commitment on the 10th Business Day after the Long Stop Date (unless otherwise agreed by the Company and the Subscriber parties in writing).
5. The Subscriber may not assign any of its rights and delegate or transfer or any of its obligations under the Subscription Agreement without the prior written consent of the Company.

Save for and except as set out in and amended by the Supplemental Agreement, the remaining terms and conditions of the Subscription Agreement shall continue to exist and subsist and be valid and binding and have full force and effect.

The Board is of the view that the amendments to the Subscription Agreement pursuant to the Supplemental Agreement has clearly stated the Subscriber's intention to fully commit on the Subscription to the Total Commitment of US\$15,000,000 and provided the Company with the right to request for Closing with the Subscriber as and when the Company deem appropriate to meet with the Company's financial needs and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Unless specified the otherwise, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.75. The exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or other rates or at all.

WARNING

The issue of the Convertible Notes and the Warrants under the Specific Mandate are subject to the fulfilment of certain conditions precedent and may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
Graphex Group Limited
Lau Hing Tat Patrick
Chairman

Hong Kong, 24 May 2021

As at the date of this announcement, the executive Directors are Mr. Lau Hing Tat Patrick, Mr. Chan Yick Yan Andross, Mr. Tian Ming, Mr. Yang Liu and Mr. Qiu Bin; the non-executive Directors are Mr. Ma Lida and Mr. Tu Wenzhe; and the independent non-executive Directors are Ms. Tam Ip Fong Sin, Mr. Wang Yuncai, Mr. Liu Kwong Sang, Mr. Tang Zhaodong and Mr. Chan Anthony Kaikwong.