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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)

**COMPLETION OF THE ISSUE OF
NON-CONVERTIBLE PREFERENCE SHARES
UNDER SPECIFIC MANDATE**

Reference is made to the announcement of the Company dated 9 December 2021 and the circular of the Company dated 1 March 2022 (the “**Circular**”) in relation to, amongst others, the issue of Preference Shares under Specific Mandate. Capitalized terms used herein shall have the same meanings as those defined in the Circular unless otherwise stated.

The Company is pleased to announce that all of the Conditions have been fulfilled and the Company has on 25 March 2022 issued the Preference Shares to the Subscriber in accordance with the terms of the Agreement.

As the aggregated Subscription Price for the Preference Shares was satisfied by setting off against the Company's obligation to repay part of the Extended PN, there was no cash proceeds from the issue of Preference Shares.

CHANGES TO THE SHAREHOLDING AS A RESULT OF THE ISSUE OF PREFERENCE SHARES

The Preference Shares are not convertible into Shares, hence the Subscription did not affect the holdings of the Shares. Set out below is a summary of the shareholdings in the Company (i) immediately before Completion; and (ii) immediately upon Completion:

Name of Shareholders	Immediately before Completion		Immediately upon Completion			
	No. of Shares	%	No. of Shares	%	No. of Preference Shares	%
Mr. Chan Yick Yan Andross (<i>Note 1</i>)	97,920,887	19.14	97,920,887	19.14	—	—
PBLA Limited	75,223,669	14.71	75,223,669	14.71	—	—
Mr. Lau Hing Tat Patrick (<i>Note 2</i>)	55,215,444	10.80	55,215,444	10.80	—	—
The Subscriber	—	—	—	—	323,657,534	100
Public Shareholders	<u>283,141,536</u>	<u>55.35</u>	<u>283,141,536</u>	<u>55.35</u>	<u>—</u>	<u>—</u>
Total	<u>511,501,536</u>	<u>100</u>	<u>511,501,536</u>	<u>100</u>	<u>323,657,534</u>	<u>100</u>

Notes:

1. Mr. Chan Yick Yan Andross, an executive Director and the chief executive officer of the Company, holds 4,204,000 Shares by himself and 93,716,887 Shares through CYH Holdings Limited, a company wholly owned by him.
2. Mr. Lau Hing Tat, Patrick, the chairman and an executive Director of the Company, holds 7,232,000 Shares by himself, 46,003,444 Shares through LSBJ Holdings Limited, a company wholly owned by him and is interested in 1,980,000 Shares held by his spouse.

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

Hong Kong, 25 March 2022

As at the date of this announcement, the executive Directors are Mr. Lau Hing Tat Patrick, Mr. Chan Yick Yan Andross, Mr. Yang Liu and Mr. Qiu Bin; the non-executive Director is Mr. Ma Lida; 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.