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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)

EXERCISE OF THE OVER-ALLOTMENT OPTION IN RELATION TO THE OFFERING OF AMERICAN DEPOSITARY SHARES

Reference is made to the announcements of the Company dated 17 December 2019, 6 August 2020, 5 August 2021, 7 March 2022, 12 August 2022, 17 August 2022 and 22 August 2022 (the “**Announcements**”) in relation to the Offering. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

The Company is pleased to announce that the Underwriter exercised the Over-allotment Option and the Closing in respect of the Over-allotment Option took place on 26 August 2022 (United States eastern time). The Company issued 704,347 Option ADSs (representing 14,086,940 Underlying Shares based on the Representation Ratio), representing approximately 2.17% of the issued Ordinary Shares immediately following the Closing in respect of the Over-allotment Option, at the Offer Price of US\$2.50 per ADS (equivalent to approximately HK\$0.9798 per Underlying Share based on the Representation Ratio).

USE OF PROCEEDS

The gross proceeds in respect of the subscription of the Option ADSs under the Offering are approximately US\$1.8 million (equivalent to approximately HK\$14.1 million). The net proceeds in respect of the subscription of the Option ADSs under the Offering are approximately US\$1.6 million (equivalent to approximately HK\$12.5 million) after deduction of the Underwriting Fee and the estimated expenses in relation to the Offering.

The Company plans to use the aforesaid net proceeds for working capital and general corporate purposes.

CHANGES TO THE SHAREHOLDING

Set out below is the shareholding structure of the Company immediately before and following the Closing in respect of the Offering (including both Firm ADSs and Option ADSs):

Name of Shareholder	Immediately before the Closing				Immediately following the Closing			
	<i>Number of Ordinary Shares</i>	<i>%</i>	<i>Number of Preference Shares</i>	<i>%</i>	<i>Number of Ordinary Shares</i>	<i>%</i>	<i>Number of Preference Shares</i>	<i>%</i>
Mr. Chan Yick Yan Andross (<i>Note 1</i>)	97,920,887	18.09	—	—	97,920,887	15.08	—	—
PBLA Limited	75,123,669	13.88	—	—	75,123,669	11.57	—	—
Mr. Lau Hing Tat Patrick (<i>Note 2</i>)	55,215,444	10.20	—	—	55,215,444	8.50	—	—
Tycoon Partner Holdings Limited	—	—	323,657,534	100	—	—	323,657,534	100
The Subscribers	—	—	—	—	108,000,000 (<i>Note 3</i>)	16.63	—	—
Other public Shareholders	<u>313,126,150</u>	<u>57.83</u>	<u>—</u>	<u>—</u>	<u>313,126,150</u>	<u>48.22</u>	<u>—</u>	<u>—</u>
	<u>541,386,150</u>	<u>100</u>	<u>323,657,534</u>	<u>100</u>	<u>649,386,150</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 Ordinary Shares by himself and 93,716,887 Ordinary Shares through CYY 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 Ordinary Shares by himself, 46,003,444 Ordinary Shares through LSBJ Holdings Limited, a company wholly owned by him and is interested in 1,980,000 Ordinary Shares held by his spouse.
3. Being the Underlying Shares in respect of the Firm ADSs and the Option ADSs.

Unless otherwise specified, translations of US\$ into HK\$ in this announcement are based on the rates of US\$1:HK\$7.8385. No representation is made that any amounts in US\$ and HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

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

Hong Kong, 29 August 2022

As at the date of this announcement, the executive Directors are Mr. Lau Hing Tat Patrick, Mr. Chan Yick Yan Andross 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.