



Monthly Return for Equity Issuer and Hong Kong Depositary Receipts listed under Chapter 19B of the Exchange Listing Rules on Movements in Securities

For the month ended: 31 December 2023

Status: New Submission

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer: Graphex Group Limited (Incorporated in the Cayman Islands with limited liability)

Date Submitted: 04 January 2024

I. Movements in Authorised / Registered Share Capital

1. Class of shares	Ordinary shares	Type of shares	Not applicable	Listed on SEHK (Note 1)	Yes	
Stock code	06128	Description				
	Number of authorised/registered shares	Par value		Authorised/registered share capital		
Balance at close of preceding month	2,000,000,000	HKD	0.01	HKD	20,000,000	
Increase / decrease (-)	0			HKD	0	
Balance at close of the month	2,000,000,000	HKD	0.01	HKD	20,000,000	

2. Class of shares	Preference shares	Type of shares	Not applicable	Listed on SEHK (Note 1)	No	
Stock code	N/A	Description	Non-Convertible Preference Shares			
	Number of authorised/registered shares	Par value		Authorised/registered share capital		
Balance at close of preceding month	1,000,000,000	HKD	0.01	HKD	10,000,000	
Increase / decrease (-)	0			HKD	0	
Balance at close of the month	1,000,000,000	HKD	0.01	HKD	10,000,000	

Total authorised/registered share capital at the end of the month: HKD 30,000,000

II. Movements in Issued Shares

1. Class of shares	Ordinary shares	Type of shares	Not applicable	Listed on SEHK (Note 1)	Yes	
Stock code	06128	Description				
Balance at close of preceding month			788,574,788			
Increase / decrease (-)			109,400,000			
Balance at close of the month			897,974,788			

2. Class of shares	Preference shares	Type of shares	Not applicable	Listed on SEHK (Note 1)	No	
Stock code	N/A	Description	Non-Convertible Preference Shares			
Balance at close of preceding month			323,657,534			
Increase / decrease (-)			0			
Balance at close of the month			323,657,534			

III. Details of Movements in Issued Shares

(A). Share Options (under Share Option Schemes of the Issuer)

1. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes		
Stock code of shares issuable (if listed on SEHK) (Note 1)		06128					
Particulars of share option scheme	Number of share options outstanding at close of preceding month	Movement during the month		Number of share options outstanding at close of the month	No. of new shares of issuer issued during the month pursuant thereto (A)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	The total number of securities which may be issued upon exercise of all share options to be granted under the scheme at close of the month
1). Share Option Scheme	9,677,692			9,677,692	0	9,677,692	0
General Meeting approval date (if applicable)		03 June 2014					

Total A (Ordinary shares): _____ 0

Total funds raised during the month from exercise of options: HKD _____ 0

(B). Warrants to Issue Shares of the Issuer which are to be Listed

1. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes		
Stock code of shares issuable (if listed on SEHK) (Note 1)		06128					
Description of Warrants	Currency	Nominal value at close of preceding month	Movement during the month		Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto (B)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1). Initial Warrant	USD	4,045,000			4,045,000	0	48,228,846
Stock code of the Warrant (if listed on SEHK) (Note 1)							
Subscription price	HKD	0.65					
Date of expiry	10 September 2026						

General Meeting approval date (if applicable)	21 July 2021						
2). Subsequent Warrant	USD	3,455,000			3,455,000	0	41,194,230
Stock code of the Warrant (if listed on SEHK) (Note 1)							
Subscription price	HKD	0.65					
Date of expiry	10 January 2027						
General Meeting approval date (if applicable)	21 July 2021						

Total B (Ordinary shares): _____ 0

(C). Convertibles (i.e. Convertible into Issue Shares of the Issuer which are to be Listed)

1. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes	
Stock code of shares issuable (if listed on SEHK) (Note 1)	06128					
Description of the Convertibles	Currency	Amount at close of preceding month	Movement during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto (C)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1). Convertible Notes due in 2023 – Other Initial Notes (Maturity Date: 24/08/2023)	USD	290,000		290,000	0	3,457,690
Type of convertibles	Bond/Notes					
Stock code of the Convertibles (if listed on SEHK) (Note 1)						
Subscription/Conversion price	HKD	0.65				
General Meeting approval date (if applicable)	15 June 2020					
2). Convertible Notes due in 2024 - Subsequent Note (Maturity Date: 10/01/2024)	USD	250,000		250,000	0	2,980,774
Type of convertibles	Bond/Notes					

Stock code of the Convertibles (if listed on SEHK) (Note 1)	_____
Subscription/Conversion price	HKD _____ 0.65
General Meeting approval date (if applicable)	21 July 2021

Total C (Ordinary shares): _____ 0

Remarks:

Conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.75 (for the purpose of illustration only).

(D). Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be listed, including Options (other than Share Options Schemes)

1. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes	
Stock code of shares issuable (if listed on SEHK) (Note 1)	06128					
Description			General Meeting approval date (if applicable)	No. of new shares of issuer issued during the month pursuant thereto (D)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	
1).	<p>On 19 January 2021, the Company entered into the Subscription Agreement with the Subscriber in relation to the issue and subscription of (i) the Convertible Notes up to the aggregate principal amount not exceeding the Total Commitment of US \$15,000,000 but not less than the Minimum Commitment of US\$5,000,000 and (ii) the Warrants, which are secured by the Share Charge and the purchase of the Warrants at the price of US\$1.00. The Convertible Notes shall be issued in tranches, namely the First Note, the Other Initial Notes and the Subsequent Notes, in the principal amount of US\$500,000, in the amount up to US\$7,590,000 and in Subsequent Notes Amount respectively. The initial Conversion Price of the Convertible Notes is HK\$0.65 per Conversion Share (subject to downward adjustment). The 96,457,692 Conversion Shares issuable under the First Note and the Other Initial Notes of US\$500,000 and up to US\$7,590,000 respectively at the initial Conversion Price of HK\$0.65 per Conversion Share will be issued under the General Mandate granted at the AGM on 15 June 2020.</p> <p>On 1 February, 1 March, 15 March, 12 April, 26 April, 10 May, 27 May, 7 June, 30 June, 14 July, 23 July, 24 August 2021 and 10 January 2022, US\$500,000 Convertible Notes due in 2023 (i.e. First Note), US\$1,000,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$1,250,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$750,000 Convertible</p>			0	95,861,540	

<p>Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$750,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$500,000 Convertible Notes due in 2023 (i.e. Other Initial Notes), US\$840,000 Convertible Notes due in 2023 (i.e. Other Initial Notes) and US \$6,910,000 Subsequent Note due in 2024 were issued by the Company respectively.</p> <p>On 24 May 2021, the Company and the Subscriber entered into a supplemental agreement to amend certain terms and conditions of the Subscription Agreement. On 10 September 2021, the Initial Warrant was issued by the Company to the Subscriber at the Warrant Purchase Price of US\$1.00, which entitles the Warrant holder to exercise the Warrant Subscription Right of up to an Initial Warrant Amount of US\$4,045,000 worth of Warrant Shares equivalent to 48,228,846 Warrant Shares at the initial Warrant Exercise Price of HK\$0.65 per Warrant Share. On 10 January 2022, the Subsequent Warrant was issued by the Company to the Subscriber at the Warrant Purchase Price of US\$1.00, which entitles the Warrant holder to exercise the Warrant Subscription Right of up to the Subsequent Warrant Amount of US\$3,455,000 worth of Warrant Shares equivalent to 41,194,230 Warrant Shares at the initial Warrant Exercise Price of HK\$0.65 per Warrant Share. For details, please refer to the Company's announcements dated 19, 28 and 29 January, 1 February, 1 and 15 March, 12 and 26 April, 10, 24 and 27 May, 7 and 30 June, 14 and 23 July, 24 August, 10 September, 10 November 2021 and 10 January, 16 February, 31 March, 29 September, 26 October, 30 December 2022 and 31 March, 12 and 20 April, 18 May, 14 July and 21 September 2023 and the Company's circular dated 30 June 2021.</p>			
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2. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes	
Stock code of shares issuable (if listed on SEHK) (Note 1)		06128				
Description			General Meeting approval date (if applicable)	No. of new shares of issuer issued during the month pursuant thereto (D)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	
1).	<p>On 30 May 2022, Graphex Technologies, LLC ("Graphex Tech") and Emerald Energy Solutions LLC ("EES") entered into the Agreement in relation to the JV Formation. Upon formation, Graphex Tech will initially own one-third and EES will initially own two-third of the JV Membership Interest. Pursuant to the Agreement, (i) EES granted to Graphex Tech the Call Option for purchasing 30 JV Units (representing one-third of the JV Membership Interest) from EES in consideration for 35,000,000 Consideration Shares; and (ii) Graphex Tech granted EES the Put Option for requiring Graphex Tech to purchase 30 JV Units (representing one-third of the JV Membership Interest) from EES in consideration for 35,000,000 Consideration Shares. The issue price is HK\$1.10 per Consideration Share. Issuance of Consideration Share is subject to approval at EGM. For details, please refer to the Company's announcement dated 30 May 2022 and the Company's circular dated 11 November 2022.</p>		20 December 2022	0	35,000,000	

3. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes	
Stock code of shares issuable (if listed on SEHK) (Note 1)		06128				
Description			General Meeting approval date (if applicable)	No. of new shares of issuer issued during the month pursuant thereto (D)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	
1).	On 6 February 2023, the 2023 Share Award Scheme has been adopted by the Company after the relevant resolutions being passed in the extraordinary general meeting of the Company held on 6 February 2023. The Company has granted a total of 35,231,235 Award Shares, a total of 22,990,000 Award Shares and a total of 10,128,072 Award Shares on 12 June, 24 July and 14 December 2023 respectively pursuant to the Share Award Scheme. The Company has issued and allotted 3,254,797 Award Shares on 5 July 2023 and 6,800,000 Award Shares on 26 July 2023. For details, please refer to the Company's announcement dated 9 January, 12 June, 24 July and 14 December 2023 and the Company's circular dated 12 January 2023.		06 February 2023	0	58,294,510	

4. Class of shares issuable	Ordinary shares	Type of shares	Not applicable	Shares issuable to be listed on SEHK (Note 1)	Yes	
Stock code of shares issuable (if listed on SEHK) (Note 1)		06128				
Description			General Meeting approval date (if applicable)	No. of new shares of issuer issued during the month pursuant thereto (D)	No. of new shares of issuer which may be issued pursuant thereto as at close of the month	
1).	<p>On 27 November 2023 (after trading hours), the Company entered into the Subscription Agreement I with Tycoon Partner Holdings Limited (the "Subscriber I"), pursuant to which the Subscriber I has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 100,000,000 Subscription Shares I at the Subscription Price I in the total sum of HK\$40,500,000, equivalent to HK\$0.405 per Subscription Share I. Subscription I under the Subscription Agreement I is subject to satisfaction of the conditions to the completion of the Subscription I pursuant to the Subscription Agreement I.</p> <p>On 27 November 2023 (after trading hours), the Company entered into the Subscription Agreement II with Chen Stephen Hing Ming (the "Subscriber II"), pursuant to which the Subscriber II has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue an aggregate of 8,000,000 Subscription Shares II at the Subscription Price II in the total sum of HK\$3,237,000, equivalent to approximately HK\$0.405 per Subscription Share II. Subscription II is subject to satisfaction of the conditions to the completion of the Subscription II pursuant to the Subscription Agreement II.</p> <p>On 27 November 2023 (after trading hours), the Company entered into the Subscription Agreement III with Redchip Companies Inc. (the "Subscriber III"), pursuant to which the Subscriber III has conditionally agreed to subscribe for and</p>		29 June 2023	109,400,000	0	

<p>the Company has conditionally agreed to allot and issue an aggregate of 1,400,000 Subscription Shares III at the Subscription Price III in the total sum of HK\$585,000, equivalent to approximately HK\$0.418 per Subscription Share III. Subscription III is subject to satisfaction of the the conditions to the completion of the Subscription III pursuant to the Subscription Agreement III.</p>			
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For details, please refer to the Company's announcement dated 27 November and 11 December 2023.

Total D (Ordinary shares): 109,400,000

Remarks:

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| <p>1. 96,457,692 shares were approved in the AGM held on 15 June 2020; 171,811,537 shares were approved in the EGM held on 21 July 2021
 2. 95,861,540 shares include (i)89,423,076 new shares which may be issued pursuant to the Warrant as stated under "Warrants" above; and (ii) a total of 6,438,464 new shares which may be issued pursuant to the Convertible Notes as stated under "Convertibles" above.</p> |
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(E). Other Movements in Issued Share Not applicable

Total increase / decrease (-) in Ordinary shares during the month (i.e. Total of A to E)	<u>109,400,000</u>
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IV. Information about Hong Kong Depositary Receipt (HDR) Not applicable

V. Confirmations

Not applicable

Submitted by: Kwok Ka Hei

Title: Company Secretary

(Director, Secretary or other Duly Authorised Officer)

Notes

1. SEHK refers to Stock Exchange of Hong Kong.
2. Items (i) to (viii) are suggested forms of confirmation which may be amended to meet individual cases. Where the issuer has already made the relevant confirmations in a return published under Main Board Rule 13.25A / GEM Rule 17.27A in relation to the securities issued, no further confirmation is required to be made in this return.
3. "Identical" means in this context:
 - the securities are of the same nominal value with the same amount called up or paid up;
 - they are entitled to dividend/interest at the same rate and for the same period, so that at the next ensuing distribution, the dividend/interest payable per unit will amount to exactly the same sum (gross and net); and
 - they carry the same rights as to unrestricted transfer, attendance and voting at meetings and rank pari passu in all other respects.
4. If there is insufficient space, please submit additional document.
5. In the context of repurchase of shares:
 - "shares issuable to be listed on SEHK" should be construed as "shares repurchased listed on SEHK"; and
 - "stock code of shares issuable (if listed on SEHK)" should be construed as "stock code of shares repurchased (if listed on SEHK)"; and
 - "class of shares issuable" should be construed as "class of shares repurchased"; and
 - "issue and allotment date" should be construed as "cancellation date"
6. In the context of redemption of shares:
 - "shares issuable to be listed on SEHK" should be construed as "shares redeemed listed on SEHK"; and

- . “stock code of shares issuable (if listed on SEHK)” should be construed as “stock code of shares redeemed (if listed on SEHK)”; and
- . “class of shares issuable” should be construed as “class of shares redeemed”; and
- . “issue and allotment date” should be construed as “redemption date”