GRAPHEX

GRAPHEX GROUP LIMITED

DECEMBER 2021

OTCQX: GRFXY
HKSE: 6128
WWW.GRAPHEXGROUP.COM

Forward Looking Statement

All statements contained herein other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans and our objectives for future operations, are forward-looking statements. The words “believe,” “estimate,” “anticipate,” “expect,” “plans,” “intend,” “may,” “could,” “might,” “will,” “should,” “approximately,” “potential,” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the “Risk Factors” section of the prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Neither Graphex Group Limited, nor any of its officers, employees, advisers, or agents make any representation or warranty, express or implied, as to any matter or as to the truth, accuracy, or completeness of any statement made in this presentation, made in conjunction therewith or in any accompanying materials or made at any time, orally or otherwise, in connection with the matters referred to herein and all liability in respect of any such matter of statements.

Additional Information: Please refer to our annual report filed with the Securities and Exchange Commission, and available on our website at www.graphexgroup.com in the Investor Relations section. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as otherwise required by applicable laws.

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Graphex Group Overview

- **We manufacture key materials for Li-Ion batteries**: used in electric vehicles and for renewable energy storage
- **Our primary product is high volume purified spherical graphite:** manufactured at our factory in Heilongjiang province, strategically located next to our raw material supplier
- **23 patents and utility models**: for manufacturing, processing, equipment and applications of graphite & graphene technology
- Technology and experience in eco-sensitive renewable energy design projects
- LTM revenue Dec 2020: $51 million[1], EBITDA profitable, dual listed: OTCQX(GRFXY) HKSE(6128)
- We produce about **5% of China's Purified Spherical Graphite supply**

Source: [1]Annual report (December 2020); computed at USD/HKD exchange rate of 7.75

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We produce products and develop technologies for enhancement of renewable energy

Our Mission

The company is principally engaged in the development of technologies and processes for renewable energy

Creating Value

We focus on the enrichment and manufacturing of spherical graphite, a key component for electric vehicle lithium-ion batteries, and advanced renewable stored energy solutions.

Competitive Moat

With our existing collection of 23 patents and utility models covering various technological, design, and processing applications for graphite and graphene technology, we seek to further enhance global renewable energy initiatives.

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Key Team

Our single strongest asset is our highly skilled and dedicated people. With over 80% of our employees holding a degree or higher qualification, our industry specialists are a key differentiator, enabling us to create significant value for our customers.

Andross Chan

- Chief Executive Officer: joined the group in 1991 as the Managing Director
- Andross has been the CEO since 2013
- 34 years of experience in operations and management

Mr. John DeMaio

- President of the graphene division: 35 years of experience in executive leadership and operational management in the energy and infrastructure sectors.
- President, CEO, and Board Member of JouleSmart Solutions, GM of Siemens Smart Infrastructure, Vice President of MWH Global, COO of Thompson Solar Technologies

Dan Nye

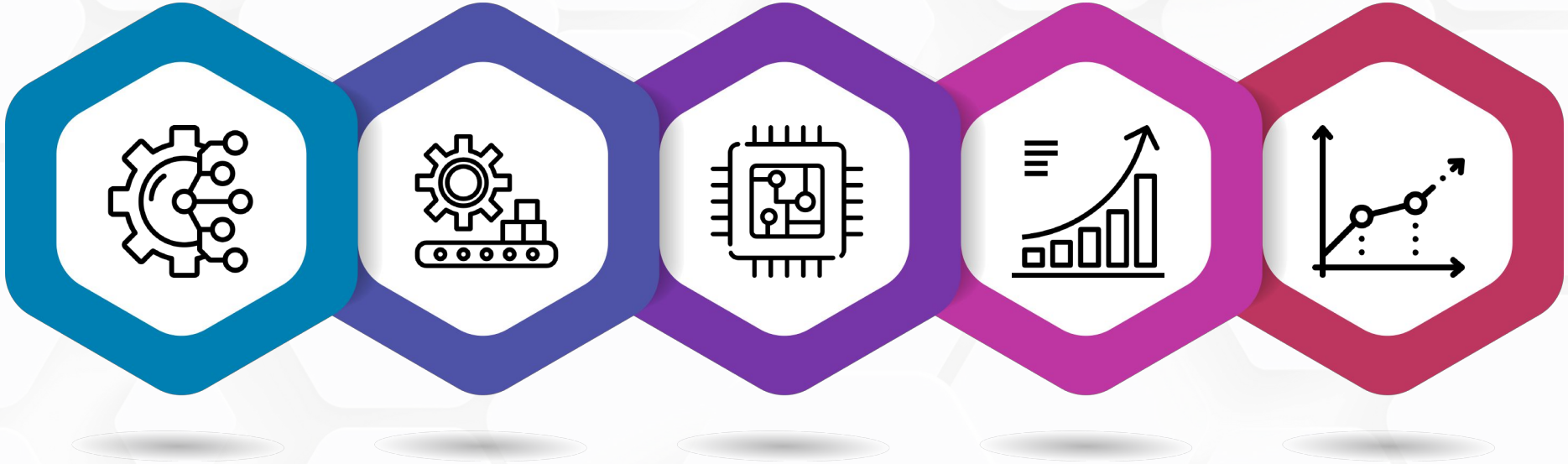
- Chief Strategy Officer: 20 years investing into and building technology businesses
- Bain & Company, Deutsche Bank, CIM Investment Management, US Navy Submarine Officer
- Harvard Business School MBA, Boston University BSc Manufacturing Engineering, MSc Nuclear Engineering

Professor Liqun Luo

- Head of Research: Prof. Luo obtained his Phd in Engineering and Mineral Processing from Wuhan University
- Professor and Senior Engineer at Wuhan University, and a visiting scholar to the University of Queensland
- Professor Luo is an expert in mineral processing

GRAPHEX

How Do We Participate in the EV Lithium-Ion Battery Market



Lithium-Ion battery anodes are made from spherical graphite

We currently produce 10,000 tpa of spherical graphite; about 5% of China's output

Roadmap to expand China capacity to 40,000 tpa over 3 yrs.

NA/Europe/Africa expansion using our Technology-as-Service

Spherical graphite market forecast to grow 18.6%/pa through 2027[1]

Emerging graphene market forecast to grow 35%/pa through 2027[2]

Source: [1] Emergen Research, [2] Global Market Insights

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Primary Products

Spherical Graphite (SG)

Our primary product. A key material for production of anodes for lithium-ion batteries used in electric vehicles and grid energy storage.

The market trend is towards finer SG, a capability we already have

High Purity Graphite(HPG)

A by-product with over 99.9% carbon and less than 0.2% of moisture; superior electric and thermal conductivity, resistance to corrosion, and chemical stability.

Applications include refractory materials and advanced coatings.

Micronized Graphite (MG)

A by-product with oxidation resistance under temperature, lubricative, formability, electric/thermal conductivity, adhesive properties.

Used in corrosion resistant coating, lubricants and composite materials.

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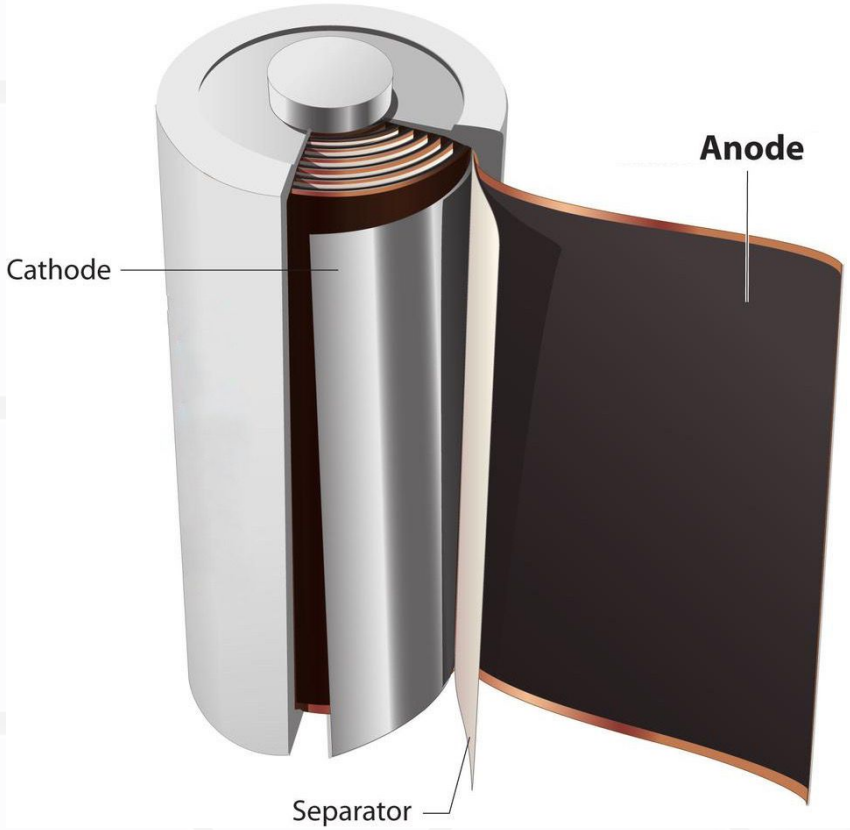
Largest Current Use of Graphene: Electric Vehicle Lithium-Ion Batteries



Typical EV Li-Ion Battery Cell

- Spherical graphite is used by anode makers to form the graphite electrode (anode) of a Li-Ion battery cell.
- When charging, Li-Ions migrate from the cathode, across the separator, and are stored between layers of graphene within the graphite electrode
- The positively charged Lithium ions in graphite electrode are attracted to electrons from the cathode, and as a result store energy
- During discharge Lithium ions flow back to the cathode from the graphite electrode.
- The attracted electrons on the graphite electrode return to the cathode. As they cannot pass through the electrically insulated separator, they instead travel through the battery terminals and power the EV.

Source: Learn Engineering; note Cathode is a NCA material made from Lithium Nickel Cobalt Aluminum Oxides; separator is PVC or Polymer film; 85KW battery has 7,104 cells

Our Competitive Advantage

- Stable Raw Material Supply: our factory is located next to world's largest high-quality flake graphite source
- IP: 23 patents on production methods, equipment design, environmental protection and graphene applications
- Proprietary expertise: in volume SG production at high yields
- High Quality Product: our 6-9 micron spherical graphite is ready for advanced batteries

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Powering Our Growth: Electric Vehicles

- Each EV uses about 70kg of spherical graphite[1], or 1kg/kw
- 2019 Spherical graphite demand in China alone was 200k tons; in 2020, this climbed to 230-240k tons
- By 2026 EV's forecast to consume 1,250k[2] tons of spherical graphite/year
- Significant deficit if new supply not added
- **We produce about 5% of China supply**

Source: [1] The Minerals, Metals & Materials Society (TMS), Materials and Processing for Lithium-ion Batteries, journal Vol. 60 No.9, Sep 2000 Issue; [2] Benchmark Mineral Intelligence

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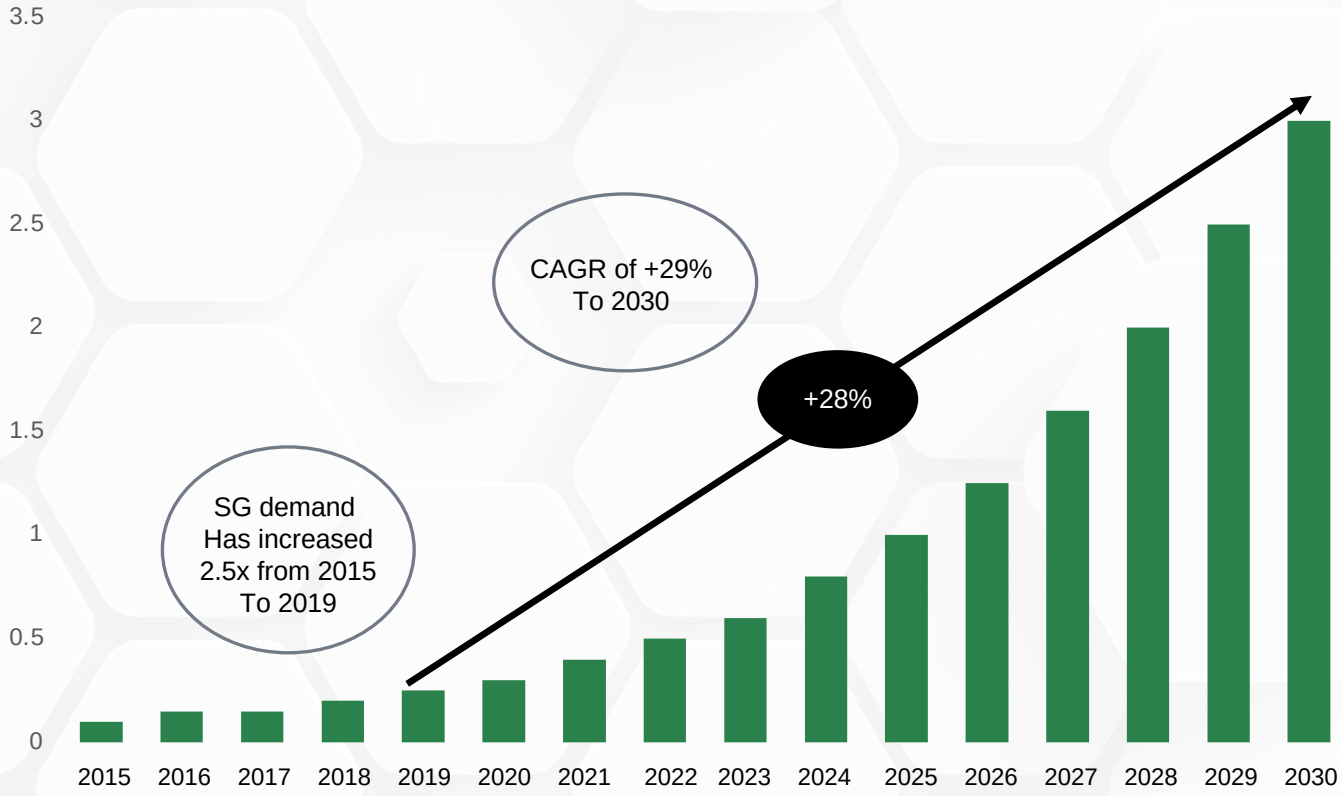
EV Momentum is Driving Unprecedented Demand for Spherical Graphite

SG is used almost exclusively for lithium-ion battery applications and therefore provides more direct exposure to growth in the EV sector.

Spherical Graphite Demand



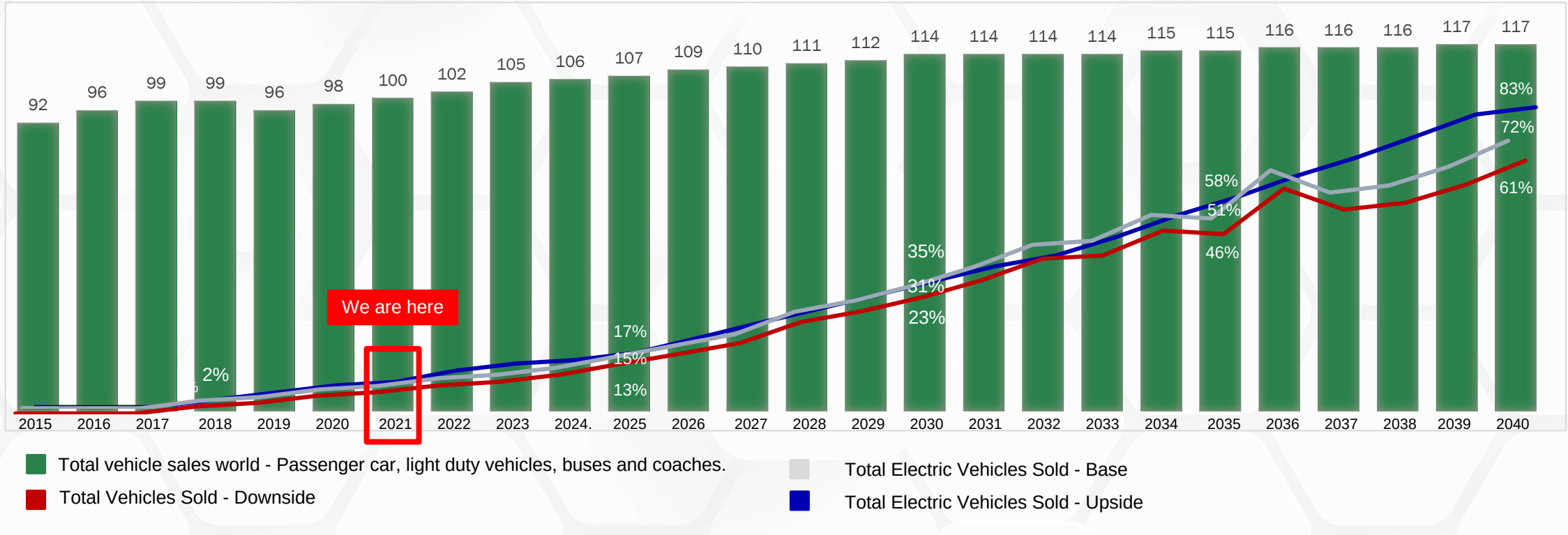
Source: Benchmark Mineral Intelligence

- Industry forecasts show strong demand for graphite as an anode product, dominating volumes for decades
- Power battery anodes use a blend of natural graphite flake SG and synthetic SG. Synthetic SG is usually made from coke.
- Natural graphite SG is expected to increase market share due to its favourable environmental footprint as cost of synthetic feedstock increases and OEMs become increasingly focused on the environmental footprint of the supply chain
- Silicon will largely be used as an additive to graphite-dominant anode blends
- New technologies are expected to take time to commercialise and will see limited mainstream uptake until the mid-2020s, but more likely beyond 2030 (e.g. solid state)

Global EV Growth is Creating a Paradigm Shifting Event for Battery Minerals

Start of a global mega trend that will drive for minerals needed for lithium–ion batteries.

EV Sales as share of total cars



Source: Benchmark Mineral Intelligence

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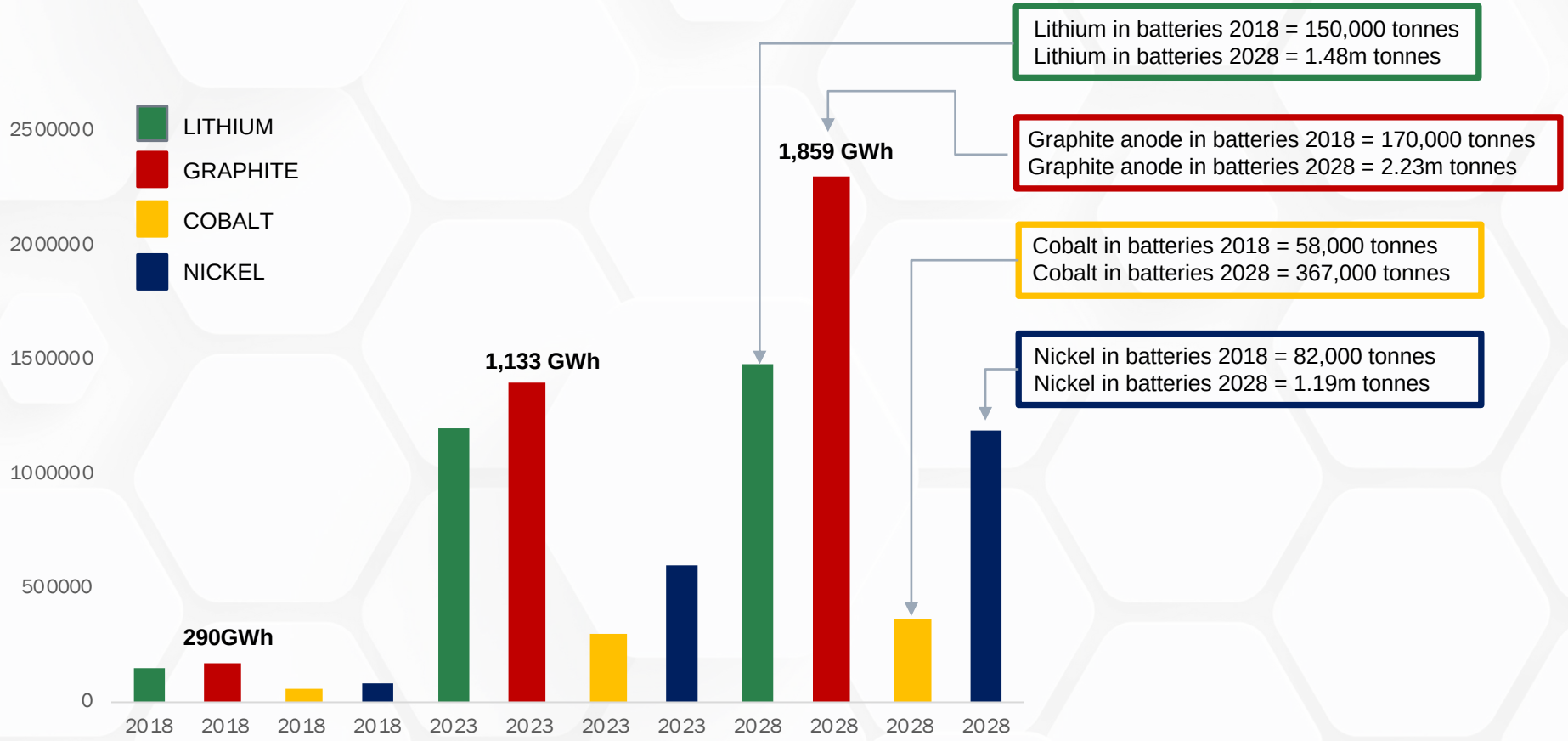
The profound impact of the megafactories on raw material demand

Assuming a 100% utilisation rate, these are the numbers…



Source: Benchmark Mineral Intelligence

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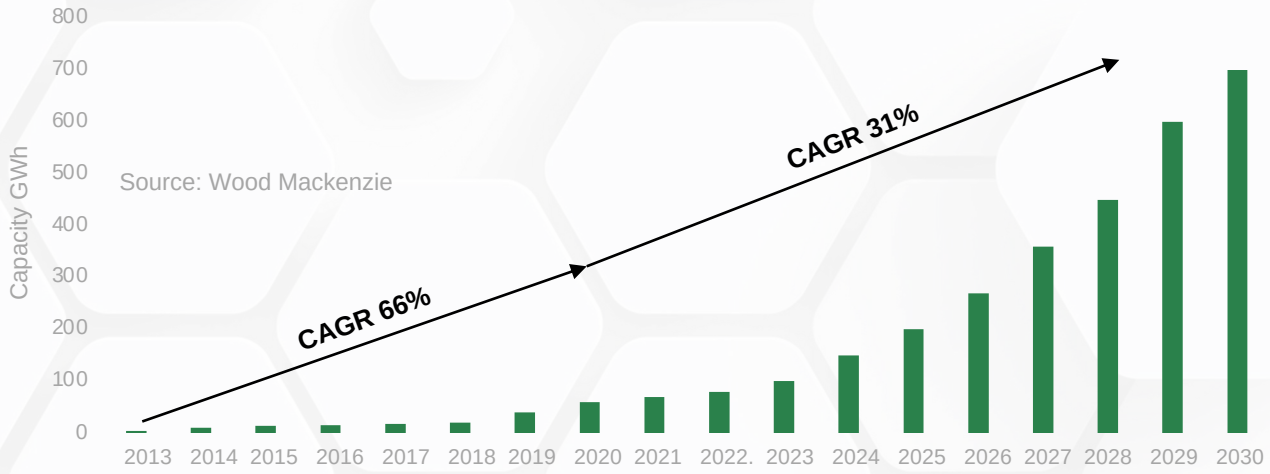
Powering Our Growth: Renewable Energy Storage

- Batteries used to store excess renewable energy, such as solar or wind
- By 2025, 62 GWh battery energy storage will be added per year
- Battery storage technologies (Li-Ion, Vanadium) consume at least 1kg of graphite/kw
- This will need an additional 62k tons/pa spherical graphite by 2025[1]



[1] Source: Investorintel.com, "Why Tesla and the World are Looking at Graphite"

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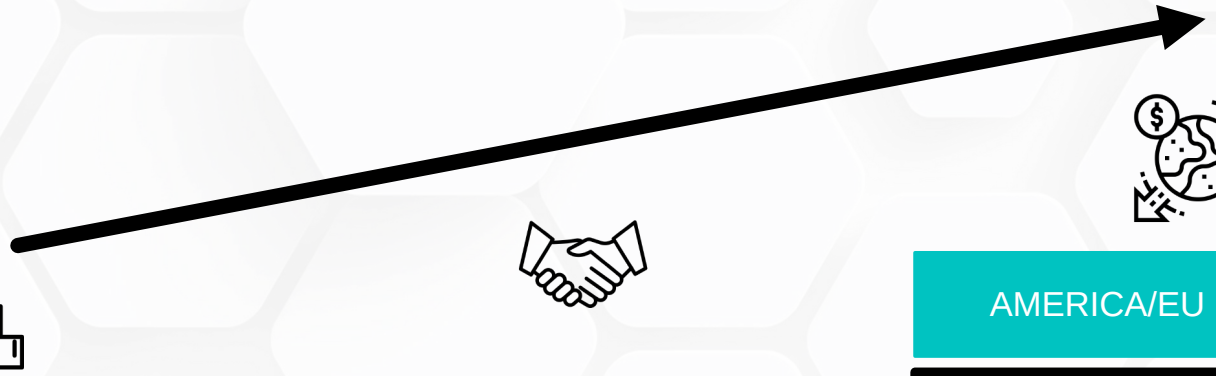
Organic Growth Strategy



CHINA

20,000t of flake graphite processed
10,000t of spherical graphite (SG) produced

CHINA EXPANSION

China Production Expansion[1]
70,000t of flake graphite processed
40,000t of spherical graphite (SG) produced

AMERICA/EU EXPANSION

Create solutions for the construction of facilities, production lines for spherical graphite production, pitch coating and graphite sorting for mining and downstream companies along with local authorities in strategic (USA, Canada) and high volume production regions (Africa). Distribution of other battery minerals (eg Synthetic Graphite Products)

SUPPLY CHAIN / DOWNSTREAM

Partner with auto supply chain companies for production of uncoated and coated spherical graphite.

Downstream expansion into Anode and battery production.

Ongoing/Near-Term | **Longer Term**

1. CAPEX of USD$25,000,000

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Graphex’s China SG Supply Opportunity

Competitive advantage offered by proximity to both a high-quality graphite mine and major Chinese Lithium-Ion battery makers:

Our production is efficient

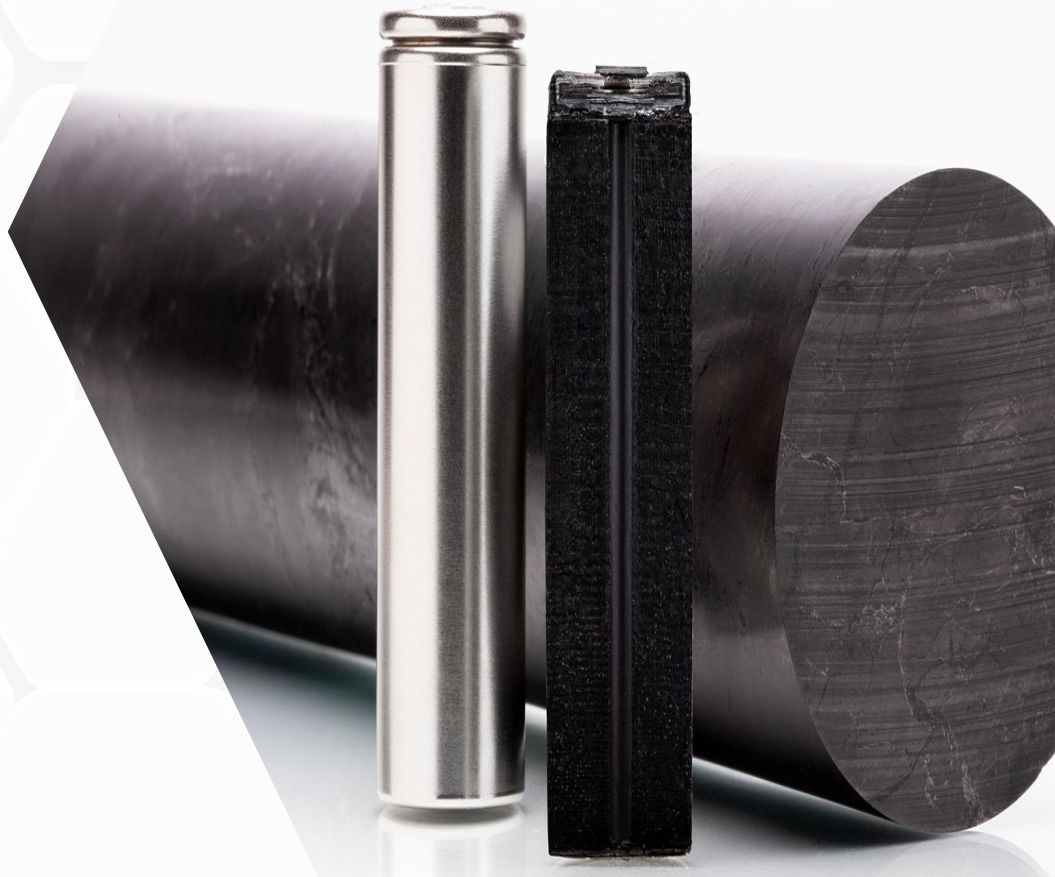
- Highly efficient conversion of Raw Graphite to spherical graphite
- Average yield in excess of 50% for current production line
- Expected 60% yield for 30,000 ton per annum expansion

We use responsibility extracted natural graphite

- Not energy intensive coke-based synthetic graphite

Located next to world’s largest graphite mine in Heilongjiang province

- Short/efficient supply chain for our raw input materials and proximity to our customers



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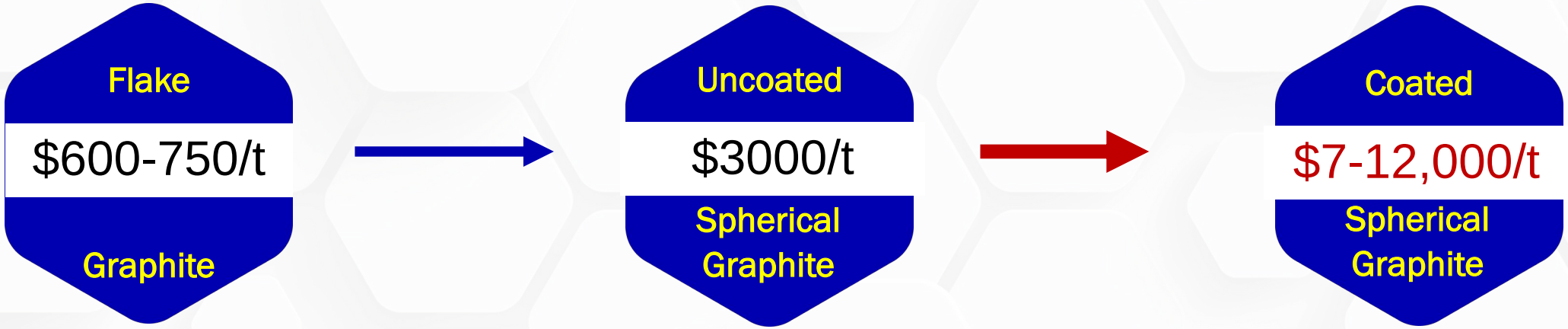
Graphex's Technology-as-a-Service Opportunity



Utilizing our processing technology and proprietary expertise, graphite miners can process and upgrade less valuable flake graphite into ***uncoated or coated Spherical Graphite (SG).***

The value of uncoated SG is up to 5x that of mined raw flake graphite.

Pitch coated spherical graphite is up to 20x that of mined raw flake graphite. In 2020, Western OEMs paid an average of $9,500/tonne for coated spherical graphite for their EV battery cells.[1]

With proprietary knowledge in manufacturing spherical graphite, at volume, with high yield and at battery grade quality, we believe we can create additional shareholder value by marketing our technology as a service.

[1] Leading Edge Materials, April 25th, 2021

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Investment in Internal Research

Continuous development of manufacturing yield / process technology and end-use applications

23 issued patents and utility models protecting intellectual property

Forefront research includes ultra-low temperature anode material & silicon-carbon composite anodes

Actively work in partnership with customers, universities and research institutes

SG production processes, advanced anode technology and graphene research led by head of research, Professor Luo Liqun

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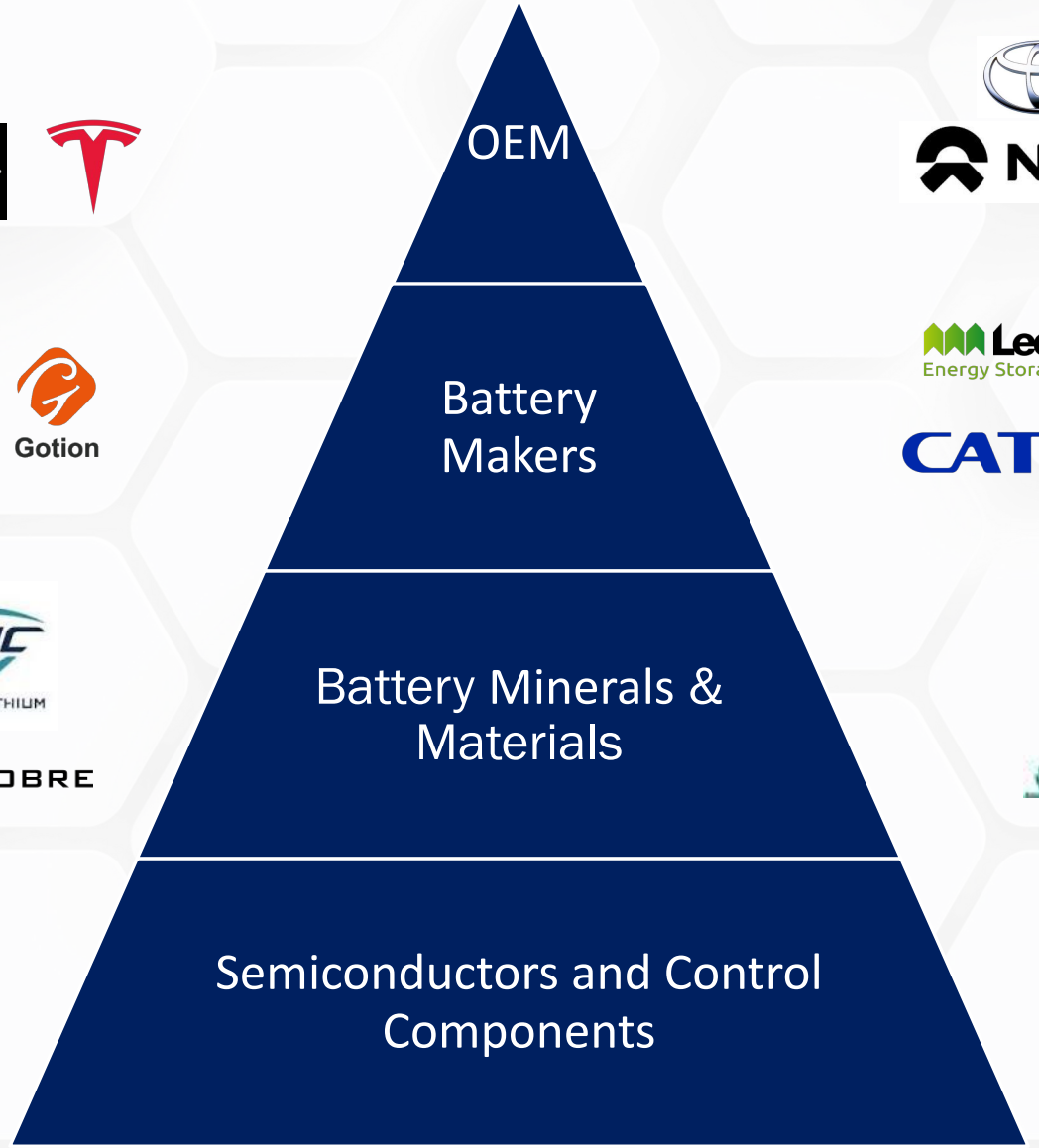
EV Makers committed to LiB technology for expansion-advances required for commercial transition to solid state

EV Manufacturers								
Current Battery Suppliers	CATL Panasonic LG ENERGY SOLUTIONS	CATL Panasonic Gotion LG ENERGY SOLUTIONS SAMSUNG SDI	CATL SK LG ENERGY SOLUTIONS SAMSUNG SDI	CATL LG ENERGY SOLUTIONS	SK	CATL Panasonic	CATL SVOLT LG ENERGY SOLUTIONS SAMSUNG SDI BYD	
Future Battery Suppliers		Gotion northvolt QuantumScape Targeting partnerships in Europe for 240GWh by 2030	FARASIS	ULTIUM CELLS solid energy Targeting partnerships in US for 70GWh by 2025	Ford + SK BlueOvalSK Targeting partnerships in Europe for 65GWh by 2025		STELLANTIS SVOLT Targeting supply Arrangements and partnerships in US and Europe for 260GWh by 2030	
Transition Plan	LiB→LiB→LiB→	LiB (AG anode) SSB from 2025	LiB→LiB→LiB→	LiB SSB→ from 2025	LiB→LiB→LiB→	LiB SSB→ from 2025	LiB SSB→ from 2025	Fe-Mn-&Ni-Mn

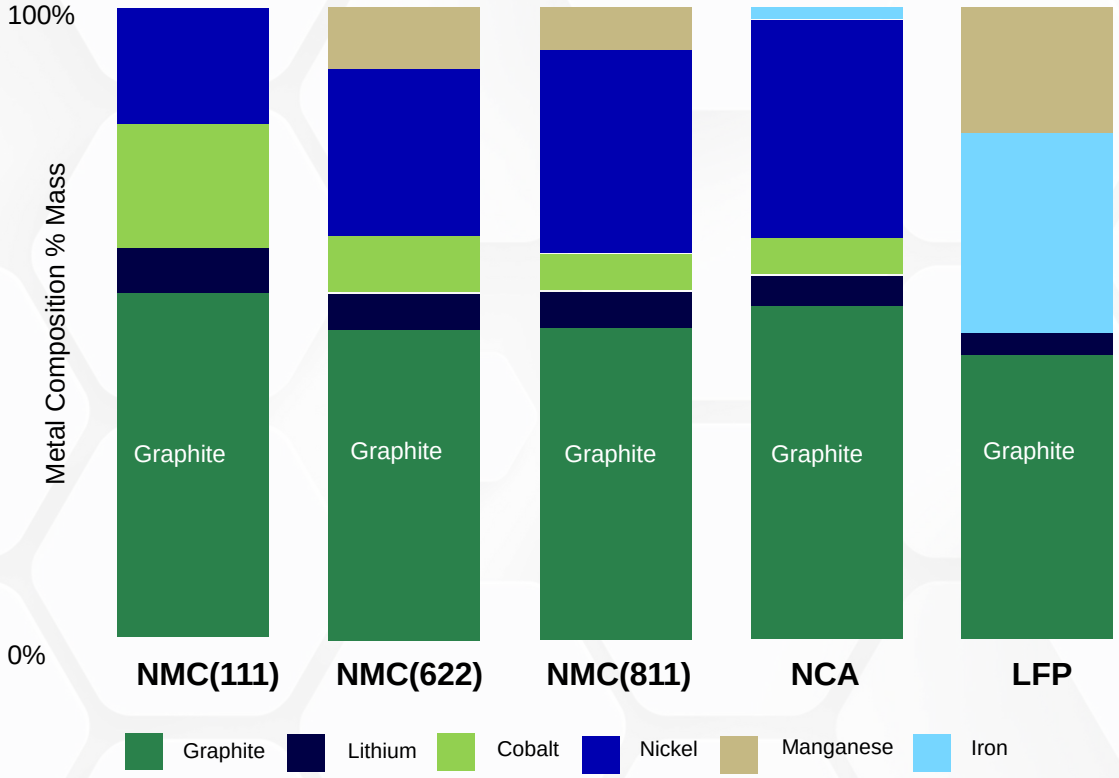
Note: LiB is Lithium-Ion battery with separator; SSB is solid state Lithium-Ion battery (no separator)

A Sample of Key Participants in the EV Battery Chain



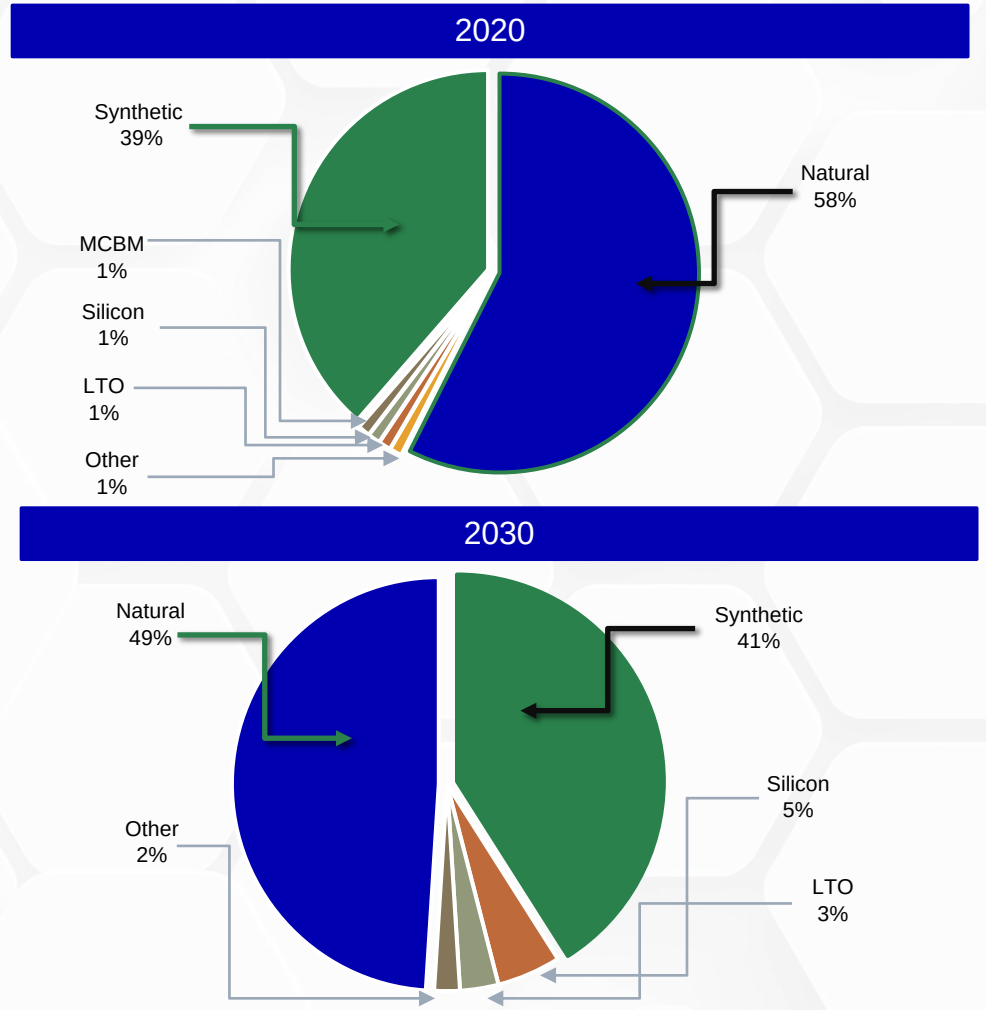
Graphite is a high intensity material in EV batteries - Costs/emissions expected to drive shift towards natural graphite

Battery Mineral Composition of Batteries



Source: Syrah Resources analysis, data from Gaines, L., Richa, K., & Spangenberger, J. (2018) Key issues for Li-ion battery recycling (excludes oxygen), Benchmark Minerals Intelligence. NMC: Lithium nickel manganese cobalt oxide battery.
NCA: Lithium nickel cobalt aluminum oxide battery.
LFP: Lithium iron phosphate battery.
1. Shown as percent of the total sum by elemental mass featured in the analysis for each battery chemistry, excludes oxygen (cathode).

Natural Graphite Demand for Batteries



Source: Benchmark Minerals Intelligence Flake Graphite Forecast, Q2 2021

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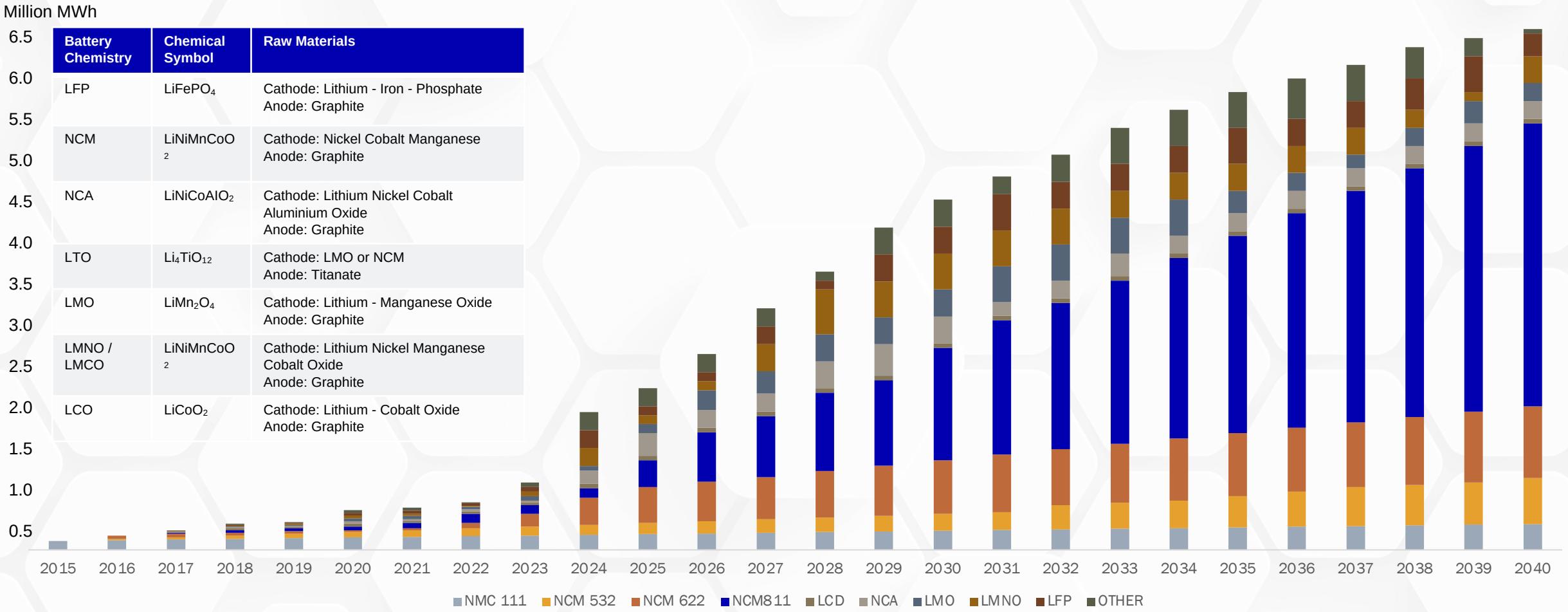
Graphite is an Essential Part of the Transition to Lithium-Ion Batteries

Increasing amounts of natural graphite will be needed to meet projected lithium-ion battery growth

Battery Chemistry	Chemical Symbol	Raw Materials
LFP	$LiFePO_4$	Cathode: Lithium - Iron - Phosphate Anode: Graphite
NCM	$LiNiMnCoO_2$	Cathode: Nickel Cobalt Manganese Anode: Graphite
NCA	$LiNiCoAlO_2$	Cathode: Lithium Nickel Cobalt Aluminium Oxide Anode: Graphite
LTO	Li_4TiO_{12}	Cathode: LMO or NCM Anode: Titanate
LMO	$LiMn_2O_4$	Cathode: Lithium - Manganese Oxide Anode: Graphite
LMNO / LMCO	$LiNiMnCoO_2$	Cathode: Lithium Nickel Manganese Cobalt Oxide Anode: Graphite
LCO	$LiCoO_2$	Cathode: Lithium - Cobalt Oxide Anode: Graphite



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In addition to Asia, both Europe and US will have strong demand for SG

For example, European Li-ion battery manufacturing will require 500,000tpa of graphite anode by 2029

Germany, 2024
10pm 6 GWh, later 24 GWh

Norway, 2024
8GWh, later 32 GWh

Germany, 2022
14 GWH, later 100GWh

United Kingdom, 2010
2.5 GWh

United Kingdom, 2023
10 GWh, later 35

Germany, 2020
1 GWh

Germany & France, 2022
16 GWh, later 64 GWh

Germany, 2023
20 GWh, later 8 GWh

Germany, 202X
4 GWh, later 8 GWh

Germany, 202X
Capacity Unknown

Sweden, 2021
32 GWh, later 40 GWh

Norway, 2023
Ramp up to 32 GWh + 2 GWh

Slovakia, 2024
10 GWh

Germany, 2021
Ramp up to 8-12 GWh

Germany, 2022
16 GWh

Poland, 2018
15 GWh, later 65 GWh

Hungary, 2020
7.5 GWh, later 23.5 GWh

Hungary, 2018
3 GWh, later 15 GWh

Europe, 202X
Capacity Unknown

SOURCE: R. ZENN, JUNE 2020 AND PUBLIC SOURCES.

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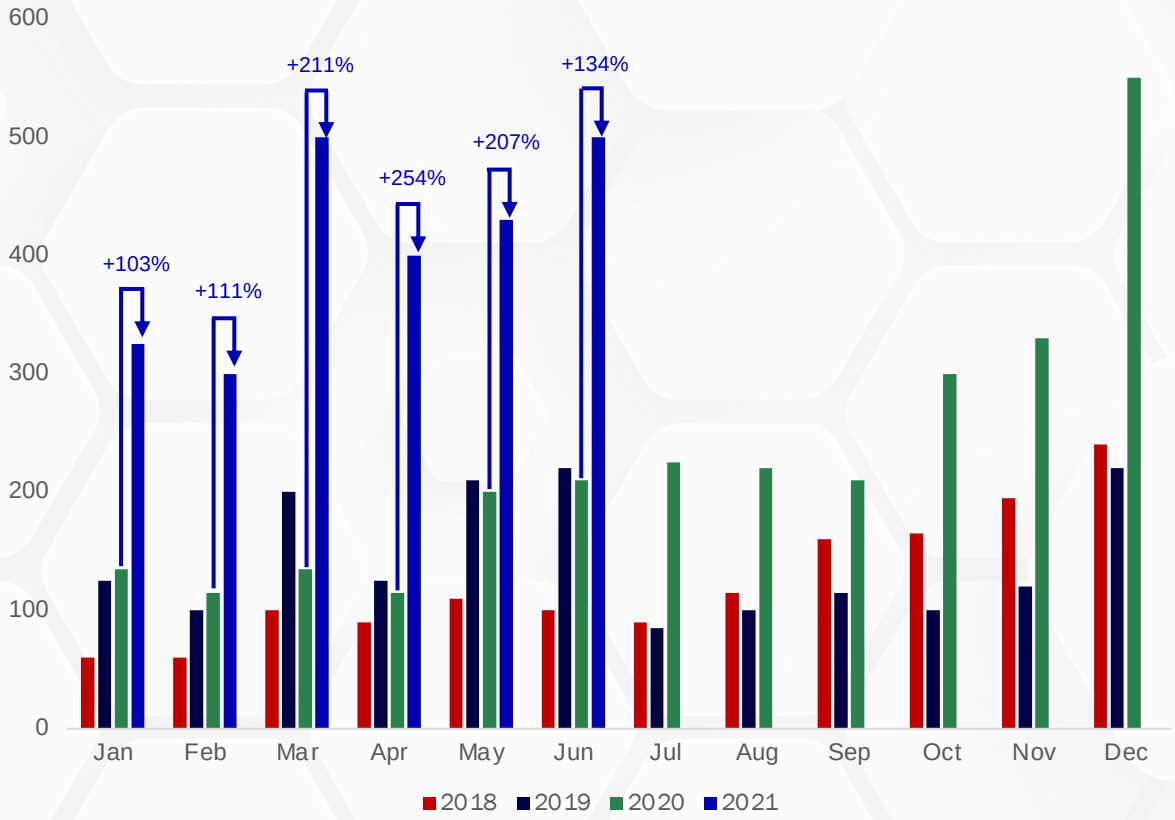
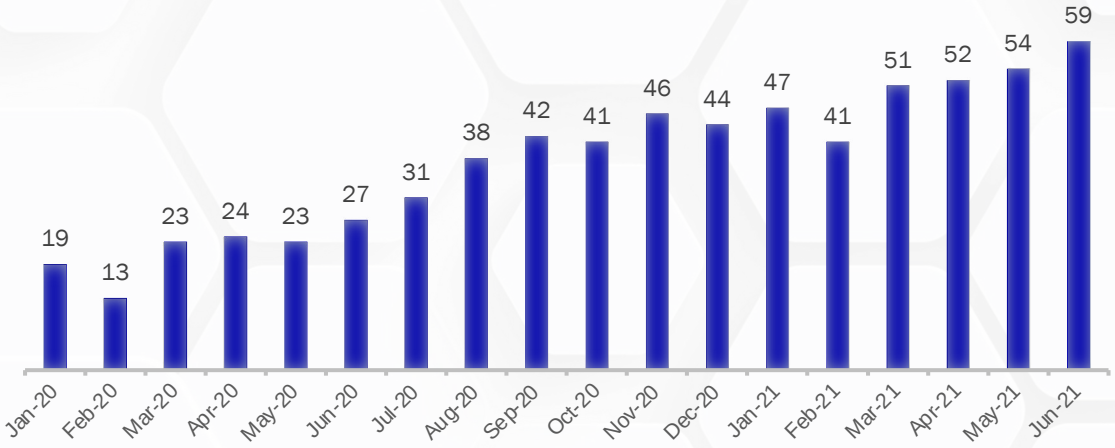
EV sales and anode material volumes rebalancing the natural graphite market

Global EV Sales (‘000 Units)



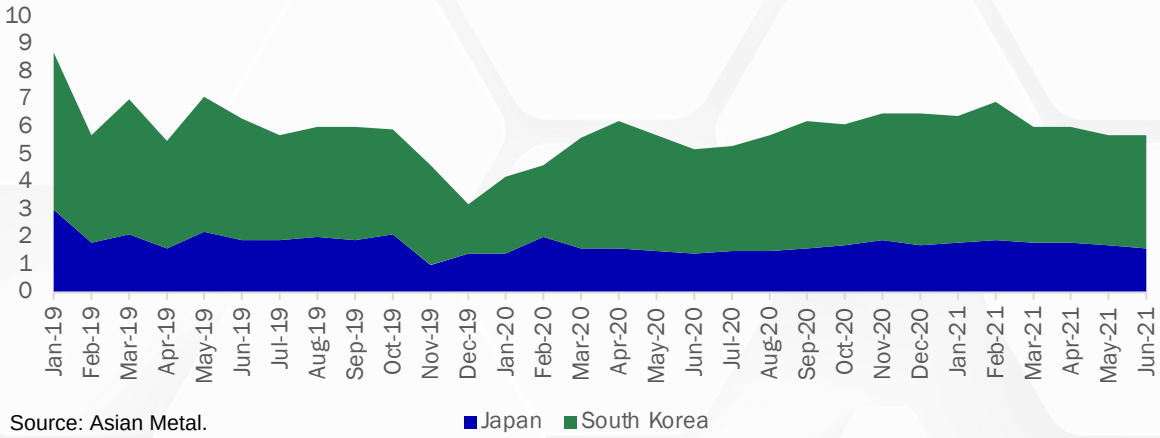
Source: Actual EV sales up to and including May 2021 from MarkLines. June 2021 EV sales based on actual EV sales for key countries (including China, USA, Germany, Norway and Sweden) from MarkLines and Syrah estimate for EV sales in the rest of the world.

Chinese Anode Production (kt)



Source: ICCSino

Chinese Purified Spherical Graphite Exports (kt)



Source: Asian Metal.

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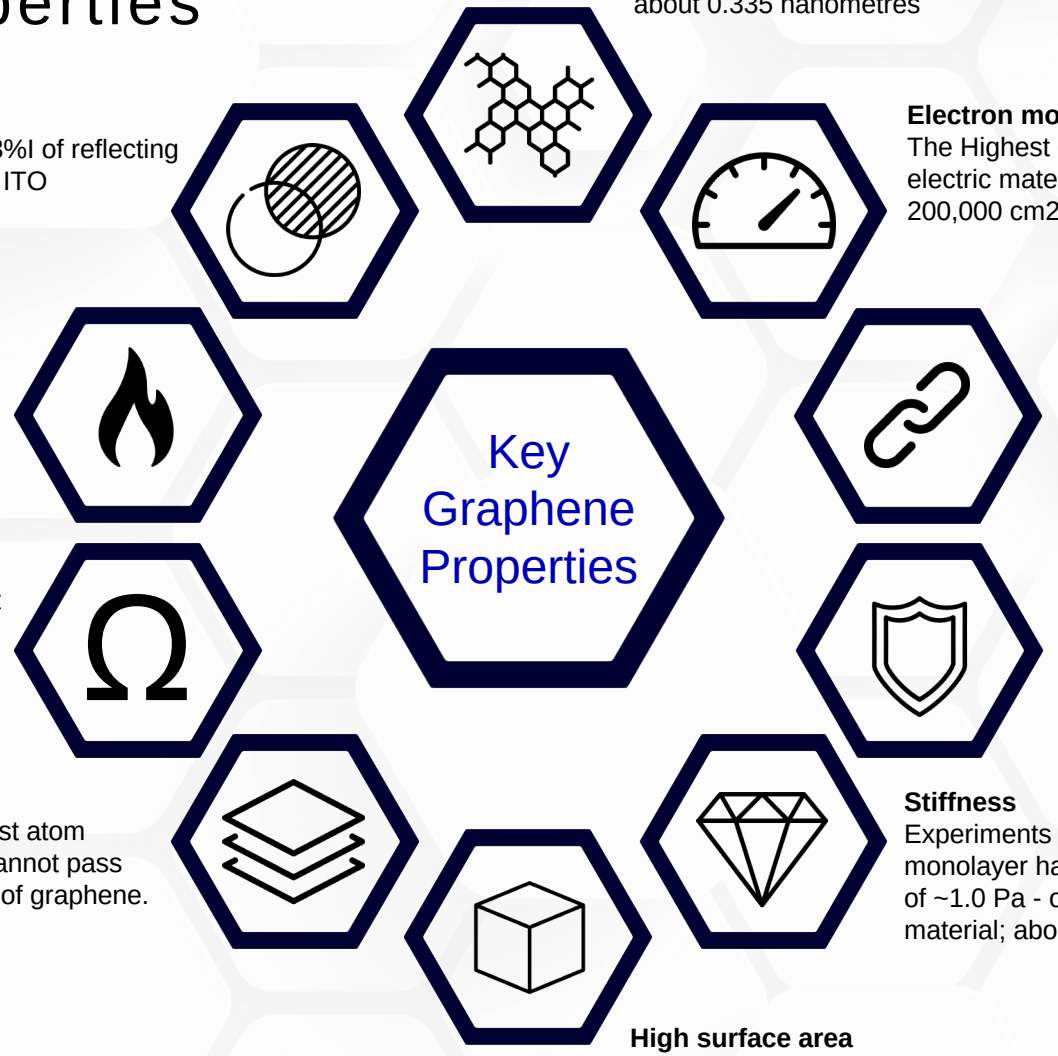
Our Emerging Graphene Technology With its unique Properties

Atomic Thickness
A single layer is only one atom thick (therefore called “2D” or “two dimensional”), about 0.335 nanometres

Transparency
Absorbs only 2.3%I of reflecting light, better than ITO

Electron mobility
The Highest electron mobility of all electric materials with theoretical limit of 200,000 cm2 /(V+s)(> 100x higher than silicon)

Thermal conductivity
Up to 5300 W/mK at room temperature, higher than diamonds.



Strength
Defect-free monolayer graphene is the Strongest material ever tested with a strength of 42 N/m, which equates to an Intrinsic strength of 130 GaP (> 100x stronger Than the strongest steel)

Electrical resistivity
1x10 Ω.m among the lowest Of any known material at Room temperature (~35%% less than copper)

Toughness and Stretchability
although graphene is relatively brittle, it can be stretched by up to 25% - highly relevant for flexible electronics.

Impermeability
Even the smallest atom (helium atom) cannot pass through a sheet of graphene.

Stiffness
Experiments on defect-free graphene monolayer have yielded a Young’s modulus of ~1.0 Pa - one of the highest value of any material; about the same as diamond

High surface area
2630 m^2/g - with less than 3 grams you could cover an entire soccer field

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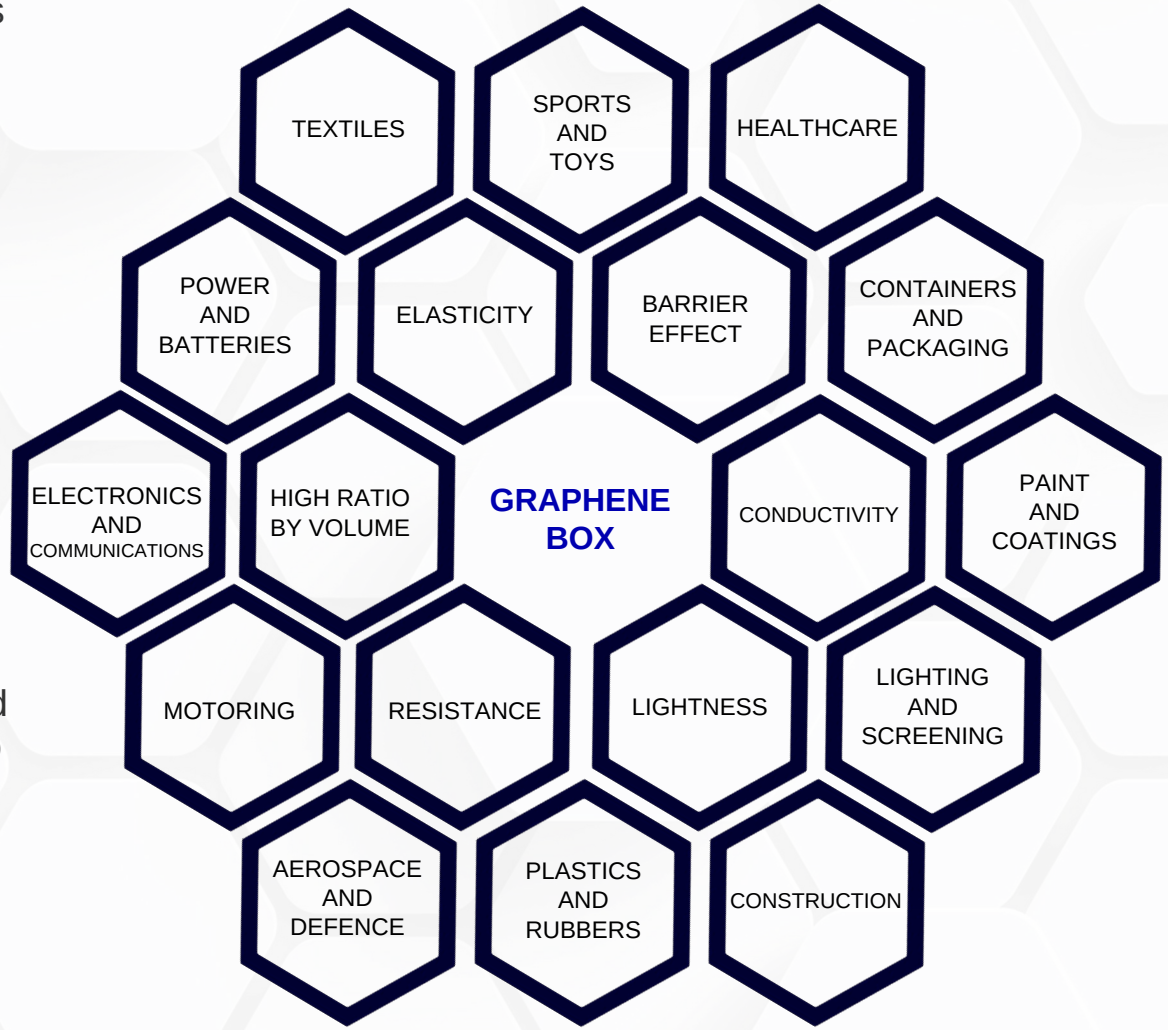
Potential Graphene Applications

Graphene's unique properties allow for ground-breaking biomedical applications. Targeted drug delivery; improved brain penetration; DIY health-testing kits and 'smart' implants.

Graphene-based composite that will hopefully serve as a rust-proofing alternative to the toxic coatings

Graphene can be used as a coating to improve current touch screens for phones and tablets. It can also be used to make the circuitry for our computers, making them incredibly fast



Graphene supercapacitors could provide massive amounts of power while using much less energy than conventional devices. Because they are light, they could also reduce the weight of cars or planes.

Graphene oxide membranes are capable of forming a perfect barrier when dealing with liquids and gasses.

Graphene detects. Ultra-sensitive sensors made from graphene could detect minute dangerous particles helping to protect potentially dangerous environments.

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Earthasia Design Group: our Eco Design division

- Develops urban landscapes, natural ecologies and public/private communities
- Using technology and unique experience in renewable energy concepts, we have designed and are beginning to build the world’s first recharge parks
- Recharge parks use intangible features such as nature, peace & beauty and fuses them with clean energy electrical charging solutions

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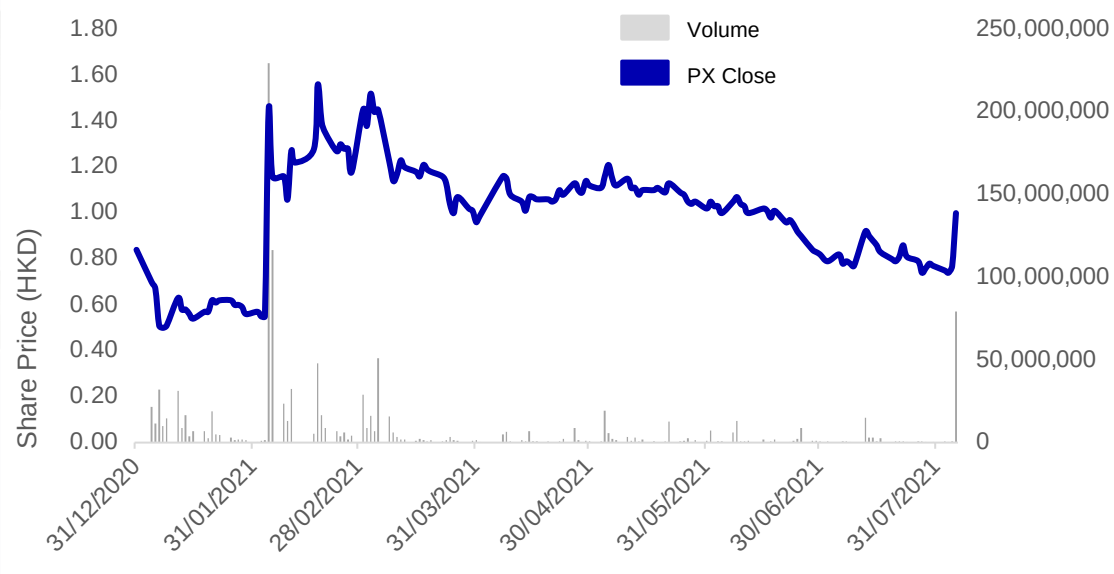
Equity Capital Structure:



Current Share Price (HKSE: 6128)	HK$1.00
Fully Diluted Market Capitalization	HK$608,732,302
	US$ 78,243,227

As at August 5th, 2021; USD/HKD 7.77

Common shares:	482,251,538
Share options (at HK$0.65):	40,000,000
Convertible Notes:	80,480,764
Fully Diluted:	608,732,302

As at Monthly Return of Equity Issuer: August 3rd, 2021

STOCKMARKET CODES/TICKERS

OTCQX: GRFXY

HKSE: 6128

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