

EXECUTION COPY

DATE: 13 MAY 2022

SUI TAI & ASSOCIATES LIMITED

AND

**GRAPHEX GROUP LIMITED
(FORMERLY KNOWN AS
EARTHASIA INTERNATIONAL HOLDINGS LIMITED)**

DEED OF SETTLEMENT

**MICHAEL LI & CO.
19th Floor, Prosperity Tower
39 Queen's Road Central
Central, Hong Kong
(Ref. CCL/KV/CN/2216710)**

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Execution

THIS DEED OF SETTLEMENT (“THIS DEED”) is dated 13 May 2022

BETWEEN:

- (1) **SUI TAI & ASSOCIATES LIMITED**, a company incorporated in Hong Kong with limited liability and having its registered office at 31st Floor, Guangdong Finance Building, 88 Connaught Road West, Sheung Wan, Hong Kong (“**Sui Tai**” or the “**Bondholder**”); and
- (2) **GRAPHEX GROUP LIMITED (FORMERLY KNOWN AS EARTHASIA INTERNATIONAL HOLDINGS LIMITED)**, a company incorporated in the Cayman Islands with limited liability and having its head office and principal place of business in Hong Kong at 11st Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong (the “**Bond Issuer**”).

WHEREAS:

- (A) Sui Tai is the registered holder of a total of four bonds issued by the Bond Issuer including (i) bond certificate number 00000093 with principal amount of HK\$5,500,000 issued on 9 March 2020; (ii) bond certificate number 00000094 with principal amount of HK\$5,000,000 issued on 27 March 2020; (iii) bond certificate number 00000095 with principal amount of HK\$5,000,000 issued on 6 April 2020; and (iv) bond certificate number 00000096 with principal amount of HK\$10,000,000 issued on 28 April 2020 (the “**Bonds**” and each a “**Bond**”);
- (B) Pursuant to clause 6 of the terms and conditions of the Bonds, the Bond Issuer is required to redeem each Bond which remains outstanding by 4:00 p.m. on the date immediately following twenty-four (24) months after the issue of the relevant Bonds (or, if that is not a business day, the first business day thereafter) at 100% of the principal amount. As such, all the Bonds were already due;
- (C) On 11 March 2022, Sui Tai issued a letter to the Bond Issuer to request for repayment of the Bond (certificate number 00000093) with principal amount of HK\$5,500,000;
- (D) On 16 March 2022, Sui Tai received a letter from the Bond Issuer to ask for late repayment of the principal and interest of the Bonds (certificate numbers 00000093 and 00000094) by the end of March 2022;
- (E) On 6 April 2022, Sui Tai received a letter from the Bond Issuer to ask for late repayment of the four Bonds (certificate numbers 00000093, 00000094, 00000095 and 00000096) by 28 April 2022;
- (F) On 8 April 2022, Sui Tai issued a letter to the Bond Issuer that the four Bonds should continue to bear interest at the rate of 6% per annum on the outstanding principal amount thereof up to and until the date of actual payment of the outstanding principal amount of the four Bonds and the total repayment to be made by the Bond Issuer on 28 April 2022 should be HK\$27,119,589;
- (G) On 11 April 2022, Sui Tai received a letter from the Bond Issuer that the Bond

Issuer agreed the four Bonds should continue to bear interest at the rate of 6% per annum on the outstanding principal amount thereof up to and until the date of actual payment of the outstanding principal amount of the four Bonds and the Bond Issuer undertook to repay the total outstanding principal and accrued interests of the four Bonds in the amount of HK\$27,119,589 by 28 April 2022;

- (H) On 4 May 2022, the legal advisers of Sui Tai issued a letter to the Bond Issuer and asked for payment of the principal amount of the four Bonds in the sum of HK\$25,500,000 together with interest accrued up to the date of actual payment to Sui Tai within 7 days from the date of the said letter;
- (I) On 11 May 2022 and 13 May 2022, Sui Tai received from the Bond Issuer HK\$1,600,000 and HK\$82,466 respectively as settlement of all interest accrued on the outstanding principal amount of the Bonds up to and including 12 May 2022;
- (J) As at the date of this Deed, the Bond Issuer is indebted to Sui Tai in the total amount of HK\$25,500,000, being the total outstanding principal amount of the four Bonds (the “**Debt**”); and
- (K) Upon negotiations by the Parties, the Parties agreed to settle the total outstanding principal amount of the four Bonds and the interest accrued/or to be accrued thereon in the manner set forth in this Deed.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. INTERPRETATION

1.1 The headings of this Deed are inserted for convenience only and shall be ignored in construing this Deed. References in this Deed to the singular shall, where the context so requires, be deemed to include references to the plural and vice versa and references to one gender shall include all genders and neuter and references to any person shall include an individual, firm, body corporate or incorporate. The clause headings in this Deed are inserted for convenience only and shall not affect the construction of this Deed.

1.2 References to any statute or statutory provision shall include any statute or statutory provision which amends or replaces or has amended or replaced it and shall include any subordinate legislation made under the relevant statute.

1.3 References to dates and times shall mean Hong Kong date and time unless otherwise stated.

2. TERMS OF SETTLEMENT

2.1 The Bondholder and the Bond Issuer hereby agree that the Bond Issuer shall pay the Bondholder (i) the Debt; and (ii) interest of 8% per annum on the outstanding principal amount of the four Bonds (i.e. HK\$25,500,000) accruing from the date of this Deed up to the date of actual repayment of all outstanding principal amount of the four Bonds (the “**Settlement Sum**”) on or before 1 August 2022 (the “**Extended Repayment Date**”) in full and final settlement of the Bonds.

2.2 Upon full settlement of the Settlement Sum by the Extended Repayment Date, each of the Bondholder and the Bond Issuer irrevocably and unconditionally agrees to release and discharge each other from their respective duties, obligations and liabilities in respect of the Bonds with effect from the date of settlement of the Settlement Sum (the “**Settlement Date**”). Each of the parties hereto irrevocably and unconditionally agrees to release and discharge absolutely without any recourse the others from any or all past, present or future duties, obligations, liabilities, claims, demands, actions, suits, proceedings, costs, expenses, or fees, whether actual or contingent, of whatsoever nature or howsoever, arising out of or otherwise in relation to or in connection with the Bonds and/or any transactions contemplated thereunder from the Settlement Date.

2.3 Upon full settlement of the Settlement Sum, each party hereto agrees, accepts and confirms that the settlement contained in this Deed shall be a full and final settlement of all the rights entitlements and claims that each party may have against each other of whatsoever nature as of the Settlement Date including but not limited to all claims and costs of action arising out of or in connection with or incidental to or otherwise related to the Bonds.

3. GENERAL WARRANTIES AND UNDERTAKING

3.1 Each of the parties hereto hereby irrevocably warrants to each other that:-

- (a) it has full power, authority and legal capacity to enter into and execute this Deed, and to perform the obligations herein provided;
- (b) the execution and performance of this Deed does not contravene any agreement to which it is a party; and
- (c) this Deed shall be binding in all respects on its successors and assigns.

3.2 Each of the parties hereto undertakes to the other parties that it shall not describe or in any way hold itself out as being the agent of the other parties, and shall not allow its affiliates to do so. Each of the parties hereto further declares and warrants that it shall in no circumstances have any power to enter into any transaction on behalf of or in any other way to bind the other party.

4. DEFAULT

If payment of the Settlement Sum could not be effected by the Extended Repayment Date, the Settlement Sum or any outstanding balance thereof shall immediately become due and payable by the Bond Issuer and the Bondholder shall be entitled to take such steps as the Bondholder may in its sole discretion think fit for the recovery of the same together with interest and costs including but not limited to proceeding with any action or legal proceedings already commenced or enforcing this Deed in any way as the Bondholder may also in its sole discretion see fit.

5. COSTS AND EXPENSES

Each party shall bear its own costs and expenses (including legal expenses) in

respect of the transactions contemplated by this Deed and all other expenses for the implementation of such transactions.

6. FURTHER ASSURANCE

The parties shall execute, do and perform or procure to be executed, done and performed by other necessary parties all such further acts, agreements, assignments, assurances, deeds and documents as may be necessary for the purpose of, or in connection with, the implementation and giving effect of this Deed and the matters contemplated herein.

7. ASSIGNS

This Deed shall enure to the benefit of and be binding on each party and its respective successors and permitted assigns provided that none of the parties hereto shall assign or transfer or purport to assign or transfer any of its rights or obligations hereunder without the consent of the other party hereto.

8. INVALIDITY AND SEVERABILITY

Each of the provisions of this Deed is severable. If any such provision is held to be or becomes invalid or unenforceable under the law of any jurisdiction, the Parties shall use all reasonable efforts to replace it with a valid and enforceable substitute provision the effect of which is as close to its intended effect as possible.

9. COUNTERPART

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of parties may execute this Deed by signing any such counterparts.

10. ENTIRE DEED

10.1 This Deed constitutes the entire agreement between the Bondholder and the Bond Issuer relating to the subject matter of this Deed. Each of the Parties acknowledges and confirms that in entering into this Deed, it is not relying upon any statement or representation made by or on behalf of any of the other Parties, whether or not in writing, at any time prior to execution of this Deed which is not expressly set out herein. Each of the Parties expressly agrees that it will not have any right of action in relation to any statement or representation, whether oral or written, made by or on behalf of any of the other Parties in the course of any negotiations which preceded the execution hereof, unless such statements or representations were made fraudulently.

10.2 This Deed may be varied or modified only by the written agreement of the Parties.

11. GOVERNING LAW AND JURISDICTION

11.1 This Deed shall in all respects be governed by and construed in accordance with the laws of Hong Kong (“**Hong Kong**”) Special Administrative Region of the People’s

Republic of China.

11.2 The parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.

11.3 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623, Laws of Hong Kong) to enforce any of the terms of this Deed, and whether so provided in this Deed or not, no consent of third party is required for the amendment to (including the waiver or compromise of any obligation), rescission of or termination of this Deed.

IN WITNESS whereof this Deed has been duly executed by all parties hereto the day and year first above written.

THE BONDHOLDER

EXECUTED AS A DEED by)
affixing the COMMON SEAL of)

SUI TAI & ASSOCIATES LIMITED)

and SIGNED by Lam Kwok Hing)
AND Wong Siu Hong)
for and on its behalf)

in the presence of:)



[Handwritten signature in black ink]
[Handwritten signature in blue ink]

Witness signature: *[Handwritten signature]*
Name of witness: Law Wai Yi

THE BOND ISSUER


EXECUTED AS A DEED by)
affixing the **COMMON SEAL** of)

GRAPHEX GROUP LIMITED)
(FORMERLY KNOWN AS)
EARTHASIA INTERNATIONAL)
HOLDINGS LIMITED))

and **SIGNED** by)
Chan Yick Yan, Andross)
for and on its behalf)

in the presence of:)



Witness signature: 
Name of witness: KWOK KA HEI