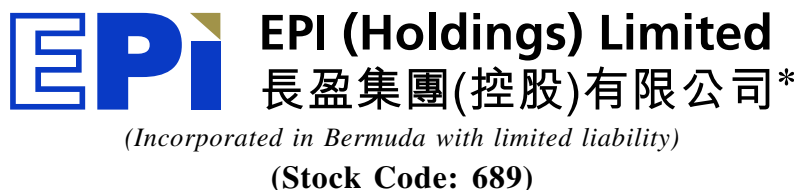


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UPDATE ON THE GROUP'S PETROLEUM OPERATION IN ARGENTINA

The board (the “**Board**”) of directors (the “**Directors**”) of EPI (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) would like to update the shareholders of the Company and potential investors on the Group’s petroleum exploration and production business in the Puesto Pozo Cercado area and the Chañares Herrados area located in Cuyana Basin, Mendoza Province of Argentina (the “**Areas**”).

The Group was notified by the holder (the “**Concessionaire**”) of the hydrocarbon exploitation concession rights in the Areas (the “**Concessions**”) on 24 August 2016 that the department of hydrocarbons of the government of Mendoza has been reviewing the fulfilment of the terms and conditions of the 10-year extension of the Concessions till 2027 previously awarded to the Concessionaire, particularly the status of the investment commitment of the Concessionaire. In the event that the extension is withdrawn, the Concessions in the Puesto Pozo Cercado area and the Chañares Herrados area will expire on 26 June 2017 and 24 September 2017 respectively. The Group is making enquiries with the Concessionaire to understand the situation and seeking legal advice on the matter to assess the impact on the Group’s interest in the operations of the Concessions. Further announcement(s) will be made when there is any material development.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the securities of the Company.

By Order of the Board
EPI (Holdings) Limited
Tse Kwok Fai, Sammy
Executive Director & CEO

Hong Kong, 25 August 2016

As at the date of this announcement, the Board comprises the non-executive chairman, namely Mr. Ho King Fung, Eric; three executive Directors, namely Mr. Tse Kwok Fai, Sammy (chief executive officer), Mr. Chan Chi Hung, Anthony and Mr. Zou Feng; a non-executive Director, namely Mr. Phen Chun Shing Vincent; and three independent non-executive Directors, namely Mr. Qian Zhi Hui, Mr. Teoh Chun Ming and Mr. Zhu Tiansheng.

* for identification purpose only

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.