
THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer(s), this Offer Document and/or the accompanying Form(s) of Acceptance or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in EPI (Holdings) Limited, you should at once hand this Offer Document and the accompanying Form(s) of Acceptance to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

This Offer Document should be read in conjunction with the accompanying Form(s) of Acceptance, the contents of which form part of the terms and conditions of the Offer(s) contained in this Offer Document.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Offer Document and the accompanying Form(s) of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Offer Document and the accompanying Form(s) of Acceptance.

BILLION EXPO INTERNATIONAL LIMITED

(Incorporated in the British Virgin Islands with limited liability)

OFFER DOCUMENT IN RELATION TO VOLUNTARY CONDITIONAL CASH OFFERS JOINTLY BY



結好證券有限公司
GET NICE SECURITIES LIMITED

AND



金融有限公司
OCTAL Capital Limited

**FOR AND ON BEHALF OF BILLION EXPO INTERNATIONAL LIMITED
TO ACQUIRE ALL OF THE OUTSTANDING SHARES
IN THE ISSUED CAPITAL OF
EPI (HOLDINGS) LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY BILLION EXPO INTERNATIONAL LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)
AND
TO CANCEL ALL THE OUTSTANDING OPTIONS OF
EPI (HOLDINGS) LIMITED**

Financial Adviser to the Offeror



金融有限公司
OCTAL Capital Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Offer Document.

A letter from GN Securities and Octal Capital containing, among other things, details of the terms and conditions of the Offers is set out on pages 6 to 22 of this Offer Document.

The procedures for acceptance and settlement of the Offers are set out in Appendix I to this Offer Document and in the accompanying Form(s) of Acceptance.

Acceptances of the Offers should be received by the Receiving Agent (in respect of the Share Offer) or the Company Secretary of EPI (in respect of the Option Offer) by no later than 4:00 p.m. on Wednesday, 19 October 2016 or such later time and/or date as the Offeror may determine and announce with the consent of the Executive, in accordance with the Takeovers Code.

21 September 2016

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EXPECTED TIMETABLE

The timetable set out below is indicative and may be subject to change. Any changes to the timetable will be announced by the Offeror. All the time and date references contained in this Offer Document refer to Hong Kong time and dates.

Despatch date of this Offer Document and the accompanying Form(s) of Acceptance and the commencement of the Offers (*Note 1*) Wednesday, 21 September 2016

Latest date for the posting of the Offeree Document (*Note 2*) Wednesday, 5 October 2016

First Closing Date (*Note 3*) Wednesday, 19 October 2016

Latest time and date for acceptance of the Offers on the First Closing Date by 4:00 p.m. on Wednesday, 19 October 2016

Announcement of the results of the Offers and the level of acceptance as at the First Closing Date, on the website of the Stock Exchange by 7:00 p.m. on Wednesday, 19 October 2016

Latest date of posting of remittances in respect of valid acceptances received under the Offers on the First Closing Date (if the Offers become or are declared unconditional on the First Closing Date) (*Note 4*) Friday, 28 October 2016

Latest time and date by which the Offers can be declared unconditional as to acceptance (*Note 5*) by 7:00 p.m. on Monday, 21 November 2016

Notes:

1. The Offers are made on 21 September 2016, being the date of posting of this Offer Document, and are capable of acceptance on and from that date. The Offers are conditional on the condition set out in the paragraph headed “Conditions to the Share Offer” and “Condition to the Option Offer” in this Offer Document. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in Rule 17 and Rule 19.2 of the Takeovers Code.
2. In accordance with the Takeovers Code, EPI is required to post the Offeree Document to the Shareholders and the Optionholders within 14 days from the posting of this Offer Document, unless the Executive consents to a later date and the Offeror agrees to extend the closing date by the number of days in respect of which the delay in the posting of the Offeree Document is agreed.
3. In accordance with the Takeovers Code, where the Offeree Document is posted after the date on which this Offer Document is posted, the Offers must remain open for acceptance for at least 28 days following the date on which this Offer Document is posted. The Offers, if revised/extended, will be done as the Offeror may determine in accordance with the Takeovers Code (or as permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any revision or extension of the Offers, which will state the next closing date or, if the Offers have become or are at that time unconditional as to acceptance, that the Offers will remain open until further

EXPECTED TIMETABLE

notice. In the latter case, at least 14 days' notice in writing must be given, before the Offers are closed to those Shareholders and the Optionholders who have not accepted the Offers and an announcement must be published. In any event, where the Offers become or are declared unconditional (whether as to acceptances or in all respects), the Offers will remain open for acceptance for not less than 14 days thereafter in accordance with the Takeovers Code.

4. Subject to the Offers becoming or being declared unconditional, remittance in respect of the consideration payable for the Offer Shares tendered under the Share Offer will be posted by ordinary post to the Shareholders accepting the Share Offer at their own risk as soon as possible, but in any event within seven (7) Business Days following the later of the date on which the Share Offer becomes, or is declared, unconditional and the date of receipt by the Receiving Agent of all the relevant documents to render the acceptances under the Share Offer complete and valid in accordance with the Takeovers Code.

Remittance in respect of the consideration payable for the Options tendered under the Option Offer will be sent to the Optionholders at their respective addresses as they appear in the respective duly completed Form of Option Offer Acceptance received by the Company Secretary of EPI as soon as possible, but in any event within seven (7) Business Days following the later of the date on which the Option Offer becomes, or is declared, unconditional and the date of receipt by the Company Secretary of EPI of all the relevant documents to render the acceptances under the Option Offer complete and valid in accordance with the Takeovers Code.

5. Pursuant to the Takeovers Code, unless with the consent of the Executive, the Offers may not become or be declared unconditional as to acceptance after 7:00 p.m. on the 60th day after the date of the posting of the initial Offer Document.

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF THE OFFERS

If there is (i) a tropical cyclone warning signal number 8 or above; or (ii) a "black" rainstorm warning signal: (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the First Closing Date, the latest time and date for acceptance of the Offers will remain at 4:00 p.m. on the same Business Day; or (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the First Closing Date, the latest time and date for acceptance of the Offers will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. or such other day as the Executive may approve.

DEFINITIONS

In this Offer Document, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Accepting Shareholder(s)”	the Independent Shareholder(s) who accept(s) the Share Offer
“acting in concert”	has the meaning given to it in the Takeovers Code
“Announcement”	the announcement dated 31 August 2016 issued by the Offeror in relation to, among other things, the Offers
“associate(s)”	has the meaning given to it in the Takeovers Code
“Business Day(s)”	a day (other than Saturday or Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which the Stock Exchange is open for the transaction of business
“CCASS”	The Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Closing Date”	the First Closing Date, or if the Offers are extended, any subsequent closing date of the Offers as may be announced by the Offeror and approved by the Executive in accordance with the Takeovers Code
“Conditions”	the conditions to the Share Offer, as set out in the paragraph headed “Conditions to the Share Offer” in the section headed “Letter from GN Securities and Octal Capital” in this Offer Document
“Consents”	any consent, approval, authorisation, qualification, waiver, permit, grant, franchise, concession, agreement, licence, exemption or order of, registration, certificate, declaration or permission from, or filing with, or report or notice to, any Relevant Authority(ies) or third parties, including those required under or in relation to any concession rights or licences granted by the Relevant Authority(ies) or third parties to the EPI Group to carry out its operations, whether under applicable laws or regulations, any agreement or arrangement with such Relevant Authority(ies) or third parties, or otherwise
“Director(s)”	the director(s) of EPI from time to time

DEFINITIONS

“Encumbrance”	mortgage, charge, pledge, lien, option, restriction, purchase right, right of first refusal, right of pre-emption, voting trust or agreement, third party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer or retention arrangement) having similar effect
“EPI”	EPI (Holdings) Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 689)
“EPI Group”	EPI and its subsidiaries
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any of his delegates
“Facility”	a loan facility of up to HK\$532 million granted by GN Securities to the Offeror
“First Closing Date”	19 October 2016, being the first closing date of the Offers (or such later date as may be determined and announced by the Offeror in accordance with the Takeovers Code)
“Form(s) of Acceptance”	the Form of Share Offer Acceptance and the Form of Option Offer Acceptance, and “Form of Acceptance” means either of them
“Form of Option Offer Acceptance”	the Yellow form of acceptance in respect of the Option Offer accompanying this Offer Document
“Form of Share Offer Acceptance”	the White form of acceptance and transfer in respect of the Share Offer accompanying this Offer Document
“GN Securities”	Get Nice Securities Limited, a licensed corporation permitted to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being one of the joint agents making the Offers on behalf of the Offeror and the financier of the Offeror
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it
“Last Trading Date”	25 August 2016, being the last full trading day of the Shares on the Stock Exchange before the publication of the Announcement

DEFINITIONS

“Latest Practicable Date”	19 September 2016, being the latest practicable date prior to the printing of this Offer Document for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Mr. Suen”	Mr. Suen Cho Hung, Paul, who indirectly owns the entire issued share capital of the Offeror through Premier United, a company directly wholly and beneficially owned by Mr. Suen, who is the sole director of the Offeror and Premier United, each a party acting in concert with the Offeror
“Octal Capital”	Octal Capital Limited, a licensed corporation permitted to carry out business in Type 1 (dealing in securities relating to corporate finance) and Type 6 (advising on corporate finance) of the regulated activities under the SFO, being one of the joint agents making the Offers on behalf of the Offeror and the financial adviser to the Offeror
“Offer Document”	this offer document issued by or for and on behalf of the Offeror to all the Independent Shareholders and the Optionholders in accordance with the Takeovers Code, containing, among other things, details of the Offers and the terms and conditions of the Offers
“Offer Period”	has the meaning given to it in the Takeovers Code, being the period commencing on 4 August 2016 and ending on the Closing Date
“Offer Share(s)”	issued Share(s) other than those Shares already owned or agreed to be acquired by the Offeror and the parties acting in concert with it
“Offeree Document”	the response document in respect of the Offers to be issued by EPI to the Independent Shareholders and the Optionholders in accordance with the Takeovers Code
“Offeror”	Billion Expo International Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly owned subsidiary of Premier United, which in turn is wholly owned by Mr. Suen
“Offers”	the Share Offer and the Option Offer

DEFINITIONS

“Option Offer”	the voluntary conditional cash offer to be made jointly by GN Securities and Octal Capital for and on behalf of the Offeror for the cancellation of the Options in accordance with the terms and conditions as set out in this Offer Document and the Form of Option Offer Acceptance
“Optionholder(s)”	the holder(s) of the Options
“Options”	the 10,556,460 outstanding share options granted by EPI pursuant to the share option scheme adopted by EPI on 6 November 2006 based on the published information of EPI
“Overseas Optionholder(s)”	Optionholder(s) whose addresses, as shown on the register of Optionholder(s) of EPI, are outside Hong Kong
“Overseas Shareholder(s)”	Shareholder(s) whose addresses, as shown on the register of members of EPI, are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this Offer Document, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Premier United”	Premier United Group Limited, a company incorporated in the British Virgin Islands with limited liability, which directly owns the entire issued share capital of the Offeror and is wholly owned by Mr. Suen, who is also the sole director of Premier United and the Offeror. Each of Premier United and Mr. Suen is a party acting in concert with the Offeror
“Receiving Agent”	Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Relevant Authorities”	any government, governmental, quasi-governmental, statutory or regulatory authority, body, agency, tribunal, court or institution in any jurisdiction that has the authority to grant permit, license or approval or accept registration or filing in relation to the Offers or otherwise
“Relevant Period”	the period commencing on 4 February 2016, being the date falling six months before 4 August 2016 (being the date of the joint announcement of EPI and Always Profit Development Limited in relation to the voluntary conditional cash offers), up to and including the Latest Practicable Date
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of EPI
“Share Offer”	the voluntary conditional cash offer being made jointly by GN Securities and Octal Capital for and on behalf of the Offeror to acquire all of the outstanding Shares in the entire issued share capital of EPI (other than those Shares already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) in accordance with the terms and conditions set out in this Offer Document and the Form of Share Offer Acceptance
“Share Offer Price”	the price of HK\$0.168 per Offer Share payable by the Offeror to the Shareholders for each Offer Share accepted under the Share Offer
“Shareholder(s)”	registered holder(s) of the Share(s)
“Share Registrar”	Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, being EPI’s branch share registrar in Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning given to it in the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers published by the SFC
“Unconditional Date”	the date on which the Offers become or are declared unconditional in all respects
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

LETTER FROM GN SECURITIES AND OCTAL CAPITAL



10th Floor, Cosco Tower
Grand Millennium Plaza
183 Queen's Road Central, Hong Kong



802-805, 8th Floor Nan Fung Tower
88 Connaught Road Central, Hong Kong

21 September 2016

To the Independent Shareholders and the Optionholders

**VOLUNTARY CONDITIONAL CASH OFFERS JOINTLY
BY GET NICE SECURITIES LIMITED AND OCTAL CAPITAL LIMITED
FOR AND ON BEHALF OF BILLION EXPO INTERNATIONAL LIMITED
TO ACQUIRE ALL OF THE OUTSTANDING SHARES
IN THE ISSUED CAPITAL OF
EPI (HOLDINGS) LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE
ACQUIRED BY BILLION EXPO INTERNATIONAL LIMITED AND
THE PARTIES ACTING IN CONCERT WITH IT)
AND
TO CANCEL ALL THE OUTSTANDING OPTIONS OF
EPI (HOLDINGS) LIMITED**

INTRODUCTION

The Offeror announced in the Announcement dated 31 August 2016 that, among other things, GN Securities and Octal Capital would jointly make the Offers.

As at the Latest Practicable Date, the Offeror held 1,287,155,119 Shares, which based on the latest published information of EPI available to the public, represented approximately 29.47% of the issued share capital of EPI.

This letter forms part of this Offer Document which set out, among other things, the details of the Offers, information on the Offeror and the intention of the Offeror regarding the EPI Group. Further details of terms and procedures of acceptance of the Offers are set out in Appendix I to this Offer Document and the accompanying Form(s) of Acceptance.

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

THE OFFERS

The Share Offer

GN Securities and Octal Capital are jointly, for and on behalf of the Offeror, making a voluntary conditional cash offer to acquire all of the outstanding Shares in the entire issued share capital of EPI (other than those Shares already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) on the following terms:

Consideration of the Share Offer

For each Offer Share HK\$0.168 in cash

The Share Offer is extended to all Independent Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Share Offer shall be (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interest of any nature whatsoever; and (c) together with all rights, benefits and entitlements attached thereto (including the right to receive and retain all dividends and other distributions (if any) which may be announced, declared, paid or made thereon by EPI on or after the Closing Date).

Comparisons of value

The Share Offer Price of HK\$0.168 per Offer Share represents:

- (i) the closing price of HK\$0.168 per Share as quoted on the Stock Exchange on 25 August 2016, being the Last Trading Date;
- (ii) a premium of approximately 8.39% over the average closing price of approximately HK\$0.1550 per Share for the last 5 consecutive trading days immediately prior to and including the Last Trading Date;
- (iii) a premium of approximately 11.63% over the average closing price of approximately HK\$0.1505 per Share for the last 10 consecutive trading days immediately prior to and including the Last Trading Date;
- (iv) a premium of approximately 13.13% over the average closing price of approximately HK\$0.1485 per Share for the last 20 consecutive trading days immediately prior to and including the Last Trading Date;
- (v) a premium of approximately 14.05% over the average closing price of approximately HK\$0.1473 per Share for the last 30 consecutive trading days immediately prior to and including the Last Trading Date;
- (vi) a premium of approximately 15.62% to the average closing price of approximately HK\$0.1453 per Share for the last 60 consecutive trading days immediately prior to and including the Last Trading Date; and

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

- (vii) a discount of approximately 28.81% to the closing price of HK\$0.236 per Share as quoted on the Stock Exchange on 19 September 2016, being the Latest Practicable Date.

Highest and lowest Share closing prices

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.250 on 6 September 2016 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.137 on 6 June 2016.

The Option Offer

GN Securities and Octal Capital are jointly, for and on behalf of the Offeror, making an appropriate offer to the Optionholders in accordance with Rule 13 of the Takeovers Code to cancel all the outstanding Options. As the exercise price payable for the underlying Shares on exercise of the Options is above the Share Offer Price, GN Securities and Octal Capital are jointly, for and on behalf of the Offeror, making a nominal cash offer, namely HK\$0.01 for each Option, for the cancellation of such Options.

Following acceptance of the Option Offer, the relevant Options together with all rights attaching thereto will be entirely cancelled and renounced.

The Optionholders will be entitled to exercise the Options for which the Option Offer is not accepted within one month from the Unconditional Date, after which the Options will lapse.

Holdings of Shares and Options by the Offeror and the parties acting in concert with it

As at the Latest Practicable Date, the Offeror, a wholly owned subsidiary of Premier United, which in turn is wholly owned by Mr. Suen, holds an aggregate of 1,287,155,119 Shares, which based on the latest published information of EPI available to the public, represented approximately 29.47% of the existing issued share capital of EPI.

Each of Octal Capital, being the financial adviser to the Offeror and one of the joint agents making the Offers on behalf of the Offeror and GN Securities, being one of the joint agents making the Offers on behalf of the Offeror, is presumed to be parties acting in concert with the Offeror. As at the Latest Practicable Date, neither GN Securities nor Octal Capital is a beneficial owner or registered holder of any Shares.

Save as disclosed herein, the Offeror and the parties acting in concert with it do not hold, control or have direction over any other Shares nor have, control or have direction over any other interests in the issued share capital or voting rights of EPI.

As at the Latest Practicable Date, the Offeror and the parties acting in concert with it do not hold any Options nor have, control or have direction over any outstanding options, derivatives, warrants or securities which are convertible into or exchangeable for securities of EPI.

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

Dealings in securities in EPI

None of the Offeror and parties acting in concert with it had dealt for value in any Shares, convertible securities, warrants or options of EPI or any derivatives in respect of such securities in the six months prior to 4 August 2016 and up to the Latest Practicable Date, save for the following transactions:

Date of transactions on the Stock Exchange	Number of Shares purchased	Approximate % of issued Shares	Highest transaction price per Share (HK\$)	Average transaction price per Share (HK\$)
24 August 2016	1,111,585,119	25.45	0.168	0.168
25 August 2016	100,575,000	2.30	0.168	0.164
1 September 2016	74,995,000	1.72	0.168	0.168
	<u>1,287,155,119</u>	<u>29.47</u>		

Settlement of consideration

Provided that the Offers have become, or have been declared, unconditional in all respects, settlement of the consideration in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) Business Days of (i) the date of receipt of duly completed and valid acceptances in respect of the Offers or (ii) the Unconditional Date, whichever is later.

No fractions of a cent will be payable and the amount of cash consideration payable to a Shareholder or an Optionholder (as the case may be) who accepts the Share Offer or the Option Offer (as the case may be) will be rounded up to the nearest cent.

VALUE OF THE OFFERS

Based on the published information of EPI available as at the Latest Practicable Date, there are (i) 4,367,121,822 Shares in issue; and (ii) 10,556,460 Options outstanding carrying rights to subscribe for an aggregate of 10,556,460 Shares at an exercise price of HK\$1.3277 per Share. Save as disclosed above, the Offeror is not aware of any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of EPI as at the Latest Practicable Date.

On the basis of the Share Offer Price of HK\$0.168 per Offer Share and assuming that no outstanding Options are exercised prior to the Closing Date, the entire issued share capital of EPI is valued at approximately HK\$733,676,466.10. As 1,287,155,119 Shares are held by the Offeror and the parties acting in concert with it, the Share Offer is valued at approximately HK\$517,434,406.10 based on the Share Offer Price and 3,079,966,703 Offer Shares. Assuming none of the outstanding Options is exercised prior to the Closing Date, the total amount required to satisfy the cancellation of all the outstanding Options under the Option Offer is HK\$105,564.60 and the Offers will be valued at approximately HK\$517,539,970.70 in

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

aggregate. Assuming all the outstanding Options are exercised in full by the Optionholders prior to the Closing Date, the maximum value of the Share Offer is approximately HK\$519,207,891.38 (on the basis of 3,090,523,163 Offer Shares). In that case, no amount will be payable by the Offeror under the Option Offer.

CONFIRMATION OF FINANCIAL RESOURCES

The Offeror intends to finance the consideration payable by the Offeror under the Offers by a credit facility provided by GN Securities. For the purpose of making the Offers, GN Securities has granted the Offeror a credit facility in the amount of HK\$532 million, which is to be used to finance the cash required for the Offers in full.

Octal Capital, as the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the total consideration in respect of full acceptance of the Offers.

CONDITIONS TO THE SHARE OFFER

The Share Offer is conditional on the satisfaction or waiver of the following conditions:

- (i) valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by 4:00 p.m. on the Closing Date (or such later time or date as the Offeror may, subject to the Takeovers Code, decide) in respect of such number of Offer Shares which, together with those Shares already owned or agreed to be acquired before or during the Offers, would result in the Offeror and the parties acting in concert with it holding more than 50% of the voting rights in EPI on a fully-diluted basis (after taking into account the new Shares that will be issued upon the exercise in full of the subscription rights attached to all outstanding Options (those Options held by Optionholders who do not accept the Option Offer)) as at the Closing Date;
- (ii) the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the Unconditional Date) save for any temporary suspension(s) of trading in the Shares pending issuance of any announcement(s) in relation to any inside information of EPI (if any) as a result of the Offers and no indication being received on or before the Closing Date (or, if earlier, the Unconditional Date) from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn, other than as a result of either of the Offers or anything done or caused by or on behalf of the Offeror or any party acting in concert with it;
- (iii) (a) all Consents as are necessary for the consummation of the transactions contemplated in the Offers having been obtained in form and substance satisfactory to the Offeror and remaining in full force and effect without material variation from any Relevant Authority(ies) and all conditions (if any) to such Consents having been fulfilled, (b) each member of the EPI Group possessing or having obtained all Consents from the Relevant Authority(ies) that are necessary to carry on its business and (c) all mandatory Consents from third parties having been obtained for the acquisition of the Offer Shares and/or Options under the Offers;

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

- (iv) no event having occurred which would make the Offers or the acquisition of any of the Offer Shares and/or cancellation of the Options under the Offers void, unenforceable or illegal or prohibit the implementation of the Offers;
- (v) no Relevant Authority(ies) in any jurisdiction having taken or instigated any action, proceeding, suit, investigation or enquiry, or enacted or made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Offers or the acquisition of any of the Offer Shares and/or Options under the Offers void, unenforceable or illegal or prohibit the implementation of, or which would impose any material conditions, limitations or obligations with respect to the Offers (other than such items or events as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Offers);
- (vi) since the date of the last audited consolidated financial statements of EPI, there having been no change, effect, fact, event or circumstance which has had or would reasonably be expected to have a material adverse effect on, or to cause a material adverse change in, the general affairs, management, financial position, business, prospects, conditions (whether financial, operational, legal or otherwise), earnings, solvency, current or future consolidated financial position, shareholders' equity or results of operations of the EPI Group as a whole, whether or not arising in the ordinary course of business;
- (vii) no dividend or other distribution (whether in cash or in kind) during the Offer Period having been declared, made or paid by EPI to the Shareholders; and
- (viii) there having been no frustrating action taken by EPI or any member of the EPI Group since the date of this announcement, unless with the consent of the Offeror.

The Offeror reserves the right to waive, in whole or in part, all or any of the Conditions either generally or in respect of any particular matter save that Conditions (i) and (ii) cannot be waived. If any of the Conditions is not satisfied or (where applicable) waived on or before 31 December 2016, the Share Offer will lapse. As at the Latest Practicable Date, based on the information currently available to the Offeror, the Offeror understands that no Consent is required for the consummation of the Offers and the matters stipulated in Condition (iii).

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any of the Conditions so as to cause the Offers to lapse unless the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Offers.

In accordance with Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Share Offer becomes unconditional as to acceptances and when the Offers become unconditional in all respects. The Offers must also remain open for acceptance for at least fourteen (14) days after the Offers become unconditional in all respects.

LETTER FROM GN SECURITIES AND OCTAL CAPITAL

CONDITION TO THE OPTION OFFER

The Option Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

WARNING: Shareholders, Optionholders and/or potential investors of EPI should note that the Share Offer is subject to the satisfaction or waiver (where applicable) of the Conditions, and the Option Offer is subject to, and conditional upon, the Share Offer becoming or being declared unconditional in all respects. Accordingly, the Offers may or may not become unconditional. Shareholders, Optionholders and/or potential investors of EPI should therefore exercise caution when dealing in the securities of EPI (including the Shares and any options or rights in respect of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability and is a wholly owned subsidiary of Premier United, which in turn is wholly owned by Mr. Suen. Mr. Suen is also the sole director of the Offeror and Premier United. Mr. Suen, aged 55, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen is an executive director and the chairman of, and a controlling shareholder indirectly holding approximately 31.30% of the issued share capital in, Enviro Energy International Holdings Limited (“**Enviro Energy**”) (stock code: 1102). Mr. Suen is also indirectly holding approximately 9.89% of the issued share capital in China Strategic Holdings Limited (“**China Strategic**”) (stock code: 235). The shares of both Enviro Energy and China Strategic are listed on the Main Board of the Stock Exchange. Mr. Suen is also indirectly holding approximately 22.89% of the issued share capital of Courage Marine Group Limited (“**Courage Marine**”) (stock code:1145), the shares of which are listed on the Main Board of the Stock Exchange and the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (Singapore stock code: ATL.SI). Mr. Suen is also the sole ultimate beneficial owner of a company which will, subject to fulfillment of certain conditions, become a controlling shareholder of Birmingham International Holdings Limited (“**Birmingham International**”) (stock code: 2309).

Save as disclosed in the section headed “Dealings in securities in EPI” on page 9 of this letter, neither the Offeror nor parties acting in concert with it hold any Shares or any outstanding warrants, options or securities of EPI which are convertible into Shares, nor are there any outstanding derivative in respect of securities in EPI entered into by the Offeror or parties acting in concert with it as at the Latest Practicable Date.

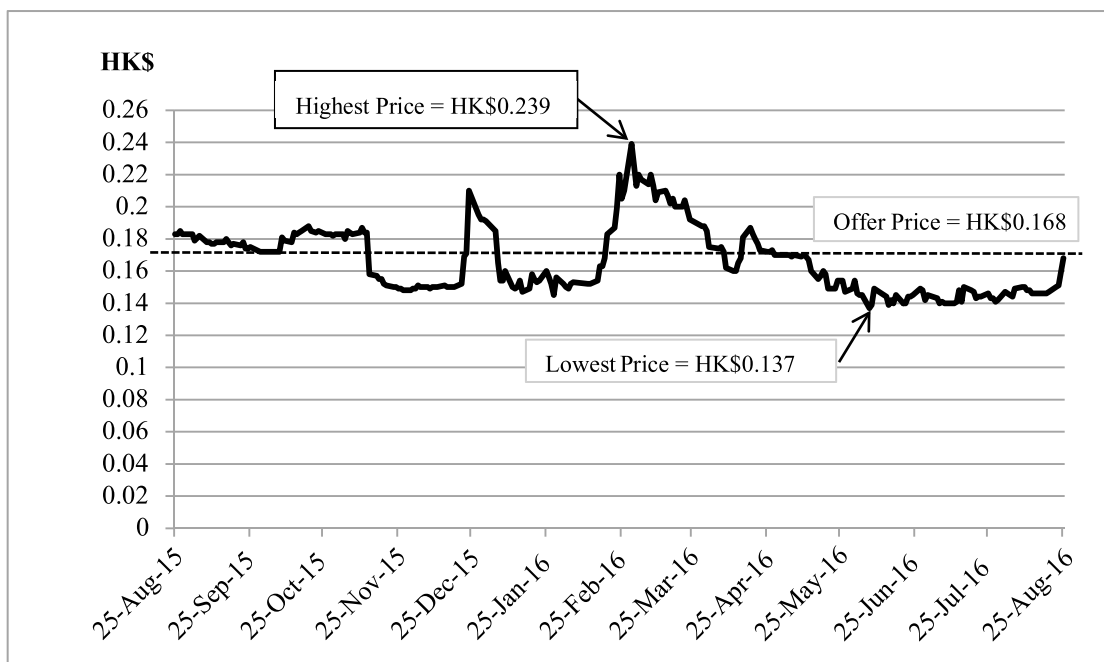
THE REASONABLENESS AND FAIRNESS OF THE OFFER PRICE

The Offeror, when determining HK\$0.168 as the Offer Price, is of view that such Offer Price is fair and reasonable by taking into account, amongst other things, the following:

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(i) Historical Share price performance

Set out below is the trend of the historical share price of EP1 in the last twelve months preceding to the Last Trading Date (the “**Price Review Period**”):

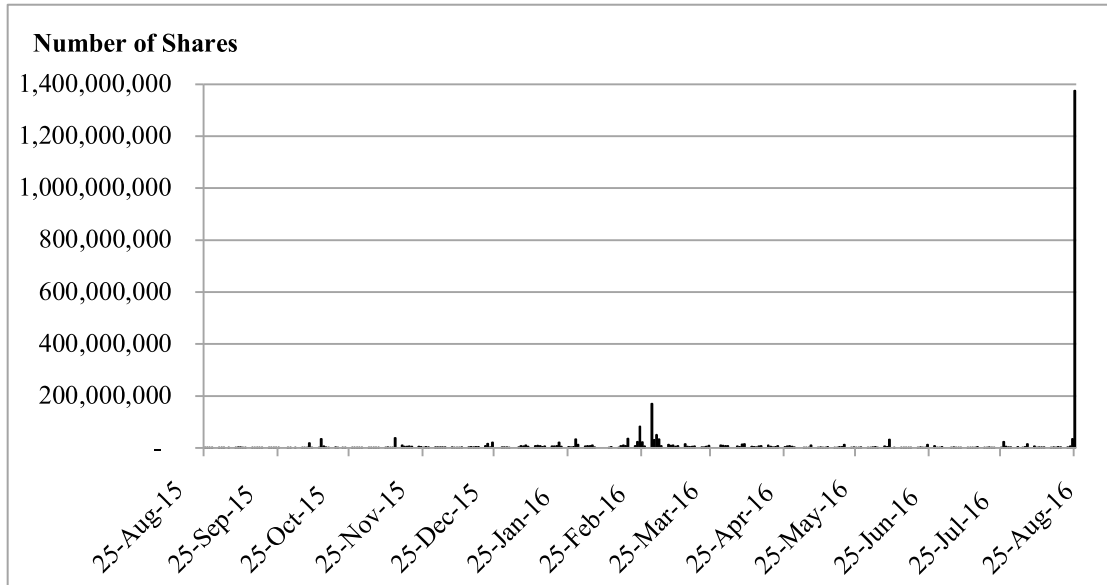


During the Price Review Period, the lowest closing price of HK\$0.137 (the “**Lowest Closing Price**”) was recorded on 6 June 2016, whilst the highest closing price of HK\$0.239 (the “**Highest Closing Price**”) was recorded on 29 February 2016. The Share Offer price of HK\$0.168 represents (i) a premium of approximately 22.63% to the Lowest Closing Price and (ii) a discount of approximately 29.71% to the Highest Closing Price. The Offer Price is higher than the daily closing prices of the Shares for the whole three-month period from 25 May 2016 to the Last Trading Date and most of the trading days from November 2015 to February 2016. The Offer Price has been at a premium of approximately 15.07% over the average daily closing prices of the Shares during the three-month period from 25 May 2016 to the Last Trading Date of HK\$0.146.

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(ii) Low liquidity of the Shares

Set out below is the trading volume of the Shares during the Price Review Period:



The daily average trading volume of the Shares during the Price Review Period of approximately 11,000,000 Shares represented a mere 0.25% of the total number of issued Shares as at the Last Trading Date. Based on the low liquidity of the Shares, the Share Offer is considered as an opportunity for Shareholders to realise their investment in EPI, and especially for those Shareholders with relatively sizeable shareholding of EPI who may have difficulty in disposing of their Shares in such a low liquidity trading of Shares in the market.

(iii) Financial ratio

The Offer Price represents a premium of approximately 110% to the published unaudited consolidated net asset value of EPI of approximately HK\$0.08 per Share based on EPI's unaudited consolidated net assets of approximately HK\$348,405,000 as at 30 June 2016 and 4,367,121,822 Shares in issue as at the Latest Practicable Date.

On the above bases, the Offeror considers that the Share Offer is beneficial to the Independent Shareholders by providing an exit to their investment at a fair and reasonable price in the circumstances.

INFORMATION ON THE EPI GROUP

Based on the published information of EPI available as at the Latest Practicable Date, EPI is a company incorporated in Bermuda with limited liability, the Shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 689). The EPI Group is principally engaged in petroleum exploration and production and money lending business.

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INTENTIONS OF THE OFFEROR IN RELATION TO THE EPI GROUP

Following the close of the Offer, the Offeror intends to continue the existing principal businesses of the EPI Group. The existing principal business of the EPI Group includes petroleum exploration and production and money lending business. The Offeror will conduct a review on the existing principal businesses and the financial position of the EPI Group for the purpose of formulating business plans and strategies for the future business development of the EPI Group. In this regard, the Offeror may look into business opportunities and consider whether any asset disposals, asset acquisitions, business rationalisation, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of EPI. Should such corporate actions materialise, further announcement(s) will be made in accordance with the Listing Rules.

Save for the Offeror's intention regarding the EPI Group as set out above, the Offeror has no intention to (i) discontinue the employment of any employees of the EPI Group; or (ii) redeploy the fixed assets of EPI other than those in its ordinary and usual course of business.

PROPOSED CHANGE OF BOARD COMPOSITION

The Offeror intends to nominate Mr. Suen Cho Hung, Paul, Mr. Sue Ka Lok, Ms. Chan Yuk Yee, Mr. Yiu Chun Kong, Mr. Zhu Kai and Mr. Chan Shui Yuen as executive Directors and Mr. To Yan Ming, Edmond, Mr. Pun Chi Ping and Ms. Leung Pik Har, Christine as independent non-executive Directors to the board of Directors and such appointments will be subject to the approval of the board of Directors and will not take effect earlier than the date of posting of this Offer Document or such other date as permitted under the Takeovers Code. Any appointments to the board of Directors will be made in compliance with all the applicable regulatory requirements, including the Takeovers Code and the Listing Rules.

Set out below are the biographical details of the above-mentioned nominees for appointment as executive Directors and independent non-executive Directors. Further details required by Rule 13.51(2) of the Listing Rules will be announced after the appointments take effect:

Mr. Suen Cho Hung, Paul

Mr. Suen Cho Hung, Paul, ("**Mr. Suen**"), aged 55, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen has extensive experience in strategic planning and corporate management of business enterprises in Hong Kong and the PRC. Mr. Suen is an executive director and the chairman of, and a controlling shareholder indirectly holding approximately 31.30% of the issued share capital in, Enviro Energy. Mr. Suen is also indirectly holding approximately 9.89% of the issued share capital in China Strategic. The shares of both Enviro Energy and China Strategic are listed on the Main Board of the Stock Exchange. Mr. Suen is also indirectly holding approximately 22.89% of the issued share capital of Courage Marine, the shares of which are listed on the Main Board of the Stock Exchange and the SGX-ST and the sole ultimate beneficial owner of a company which will, subject to fulfillment of certain conditions, become a controlling shareholder of Birmingham International.

Mr. Suen was a non-executive director of BEP International Holdings Limited ("**BEP International**") (stock code: 2326) until 1 June 2015 and was an executive director and the chairman of BEP International until 27 January 2014. Mr. Suen was also an executive director and the chairman of Skyway Securities

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Group Limited (“**Skyway**”) (formerly known as Poly Capital Holdings Limited) (stock code: 1141) until 3 March 2015, and an executive director and the chairman of Huajun Holdings Limited (“**Huajun**”) (formerly known as New Island Development Holdings Limited) (stock code: 377) until 25 September 2014. Mr. Suen was also a non-executive director of Hailiang International Holdings Limited (formerly known as Sunlink International Holdings Limited) (“**Hailiang International**”) (stock code: 2336) until 3 June 2014 and an executive director and the chairman of Hailiang International until 11 September 2012. All of the above companies are listed on the Main Board of the Stock Exchange.

As at the Latest Practicable Date, Mr. Suen is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

Save as disclosed in the section headed “Dealings in securities in EPI” on page 9 of this letter, Mr. Suen does not hold any Share interests within the meaning of Part XV of the SFO.

Mr. Sue Ka Lok

Mr. Sue Ka Lok (“**Mr. Sue**”), aged 51, holds a Bachelor of Economics degree from The University of Sydney in Australia and a Master of Science in Finance degree from the City University of Hong Kong. Mr. Sue is a fellow of the Hong Kong Institute of Certified Public Accountants, a certified practising accountant of the CPA Australia and a fellow of The Hong Kong Institute of Chartered Secretaries, the Institute of Chartered Secretaries and Administrators and the Hong Kong Securities and Investment Institute. He has extensive experience in corporate management, finance, accounting and company secretarial practice. Mr. Sue is an executive director and the chairman of Courage Marine, an executive director of Tianli Holdings Group Limited (“**Tianli Holdings**”) (formerly known as EYANG Holdings (Group) Co., Limited) (stock code: 117) and an executive director and the company secretary of China Strategic. All of the above companies are listed on the Main Board of the Stock Exchange and Courage Marine is also listed on the SGX-ST.

Mr. Sue was an executive director and the chief executive officer of Enviro Energy until 7 October 2015; and the chief executive officer and an executive director of BEP International until 10 January 2014 and 13 July 2015 respectively. Mr. Sue was also the chairman and a non-executive director of Winshine Science Company Limited (“**Winshine**”) (formerly known as China Tycoon Beverage Holdings Limited) (stock code: 209) until 4 November 2014 and 27 November 2014 respectively; an executive director and the chairman of Hailiang International until 3 June 2014 and an executive director and the chief executive officer of Skyway until 31 October 2014. All of the above companies are listed on the Main Board of the Stock Exchange.

As at the Latest Practicable Date, Mr. Sue is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Sue does not hold any Share interests within the meaning of Part XV of the SFO.

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Ms. Chan Yuk Yee

Ms. Chan Yuk Yee (“**Ms. Chan**”), aged 48, holds a Master of Business Law degree from Monash University in Australia and is an associate of both The Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. She has extensive experience in corporate administration and company secretarial practice. Ms. Chan is an executive director of Courage Marine and the company secretary of Hailiang International and Enviro Energy. She was an executive director of Huajun until 25 September 2014 and an executive director and the company secretary of Winshine until 10 November 2014 when she was redesignated as a non-executive director of Winshine and served until 8 April 2015. She was also the company secretary of Skyway until 2 July 2014. All of the above companies are listed on the Main Board of the Stock Exchange and Courage Marine is also listed on the SGX-ST.

As at the Latest Practicable Date, Ms. Chan is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Ms. Chan does not hold any Share interests within the meaning of Part XV of the SFO.

Mr. Yiu Chun Kong

Mr. Yiu Chun Kong (“**Mr. Yiu**”), aged 31, holds a Bachelor of Business Administration in Accountancy degree from The Hong Kong Polytechnic University. He has experience in auditing, accounting and finance.

As at the Latest Practicable Date, Mr. Yiu is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Yiu does not hold any Share interests within the meaning of Part XV of the SFO.

Mr. Zhu Kai

Mr. Zhu Kai (“**Mr. Zhu**”), aged 29, holds a Bachelor of Science in Actuarial Science degree from Heriot-Watt University in the United Kingdom. He has experience in business and market research and analysis.

As at the Latest Practicable Date, Mr. Zhu is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Zhu does not hold any Share interests within the meaning of Part XV of the SFO.

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Mr. Chan Shui Yuen

Mr. Chan Shui Yuen (“**Mr. Chan**”), aged 35, holds a Bachelor of Business Administration in Accountancy degree from City University of Hong Kong and a Master Degree of Financial Analysis from The University of New South Wales. Mr. Chan is a fellow of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. He has experience in auditing, accounting and finance.

As at the Latest Practicable Date, Mr. Chan is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Chan does not hold any Share interests within the meaning of Part XV of the SFO.

Mr. To Yan Ming, Edmond

Mr. To Yan Ming, Edmond (“**Mr. To**”), aged 44, holds a Bachelor of Commerce Accounting degree from Curtin University of Technology in Western Australia. Mr. To is a Certified Public Accountant (Practising) in Hong Kong, a certified practising accountant of the CPA Australia and an associate of the Hong Kong Institute of Certified Public Accountants. He had worked for Deloitte Touche Tohmatsu, an international accounting firm, and has extensive experience in auditing, accounting, initial public offerings and taxation matters. Mr. To is also a director of Edmond To CPA Limited, R.C.W. (HK) CPA Limited and Asian Alliance (HK) CPA Limited. Mr. To is an independent non-executive director of China Vanguard Group Limited (stock code: 8156), Courage Marine, Tianli Holdings, Wai Chun Group Holdings Limited (stock code: 1013) and Wai Chun Mining Industry Group Company Limited (stock code: 660). He was an independent non-executive director of China Household Holdings Limited (stock code: 692), Theme International Holdings Limited (stock code: 990) and BEP International until 10 December 2015, 31 May 2015 and 20 December 2013 respectively. All the above companies are listed on the Main Board/Growth Enterprise Market of the Stock Exchange and Courage Manine is also listed on the SGX-ST.

As at the Latest Practicable Date, Mr. To is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. To does not hold any Share interests within the meaning of Part XV of the SFO.

Mr. Pun Chi Ping

Mr. Pun Chi Ping (“**Mr. Pun**”), aged 49, holds a Master of Science in Finance degree from the City University of Hong Kong and a Bachelor of Arts in Accountancy degree from the City Polytechnic of Hong Kong (now known as the City University of Hong Kong). Mr. Pun is a fellow of the Association of Chartered Certified Accountants and an associate of the Hong Kong Institute of Certified Public

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Accountants. Mr. Pun is an independent non-executive director of Huajun and the financial controller of Poly Property Group Co., Limited (stock code: 119), a company listed on the Main Board of the Stock Exchange.

As at the Latest Practicable Date, Mr. Pun is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Mr. Pun does not hold any Share interests within the meaning of Part XV of the SFO.

Ms. Leung Pik Har, Christine

Ms. Leung Pik Har, Christine (“**Ms. Leung**”), aged 47, holds a Bachelor of Business Administration degree from The Chinese University of Hong Kong. She has extensive experience in banking and financial services industries and had worked at several international financial institutions including Citibank, N.A. Hong Kong, Bank of America, Industrial and Commercial Bank of China (Asia) Limited and Fubon Bank (Hong Kong) Limited. Ms. Leung is an independent non-executive director of Enviro Energy and was an independent non-executive director of Winshine until 10 November 2014, both companies are listed on the Main Board of the Stock Exchange.

As at the Latest Practicable Date, Ms. Leung is not related to any Directors, senior managers or substantial/controlling Shareholders of EPI and, save as disclosed above, has not held directorship in any other listed companies in Hong Kong or overseas in the last three years.

As at the Latest Practicable Date, Ms. Leung does not hold any Share interests within the meaning of Part XV of the SFO.

MAINTAINING THE LISTING STATUS OF EPI

The Offeror intends the issued Shares to remain listed on the Stock Exchange after the close of the Offers.

Pursuant to the Listing Rules, if, upon the close of the Offers, less than the minimum prescribed percentage applicable to EPI, being 25%, of the issued Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then the Stock Exchange may exercise its discretion to suspend trading in the Shares.

The Offeror will use reasonable endeavours to maintain the listing status of the Shares on the Stock Exchange and procure that not less than 25% of the entire issued share capital in EPI be held by the public in compliance with the Listing Rules. The sole director of the Offeror and the new directors to be appointed to the board of Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Offers to ensure that sufficient public float exists in the Shares.

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FURTHER TERMS OF THE OFFERS

Acceptance of the Share Offer and the Option Offer

In addition to the Conditions set out in this letter, the Share Offer is made on the basis that acceptance of the Share Offer by any person will constitute a warranty by such person or persons to the Offeror that the Offer Shares acquired under the Share Offer are sold by such person or persons as (a) fully paid; (b) free from all liens, equities, mortgages, charges, encumbrances, rights of pre-emption and other third party rights and interest of any nature whatsoever; and (c) together with all rights, benefits and entitlements attached thereto (including the right to receive and retain all dividends and other distributions (if any) which may be announced, declared, paid or made thereon by EPI on or after the Closing Date).

Acceptance of the Option Offer by the Optionholders will result in the cancellation of those outstanding Options, together with all rights attaching thereto.

The Offers will be made in compliance with the Takeovers Code which is administered by the Executive.

Stamp Duty in Hong Kong

Sellers' ad valorem stamp duty arising in connection with acceptance of the Share Offer will be payable by each Accepting Shareholder at the rate of HK\$1.00 for every HK\$1,000 or part thereof of the consideration payable by the Offeror for such person's Offer Shares and will be deducted from the cash amount due to such Accepting Shareholder. The Offeror will pay the buyer's ad valorem stamp duty in relation to the Share Offer on its own behalf.

No stamp duty is payable in connection with the Option Offer.

GENERAL MATTERS RELATING TO THE OFFERS

Availability of the Offers

The Offeror intends to make the Share Offer and the Option Offer available to all Independent Shareholders and Optionholders, respectively, including those who are not resident in Hong Kong. The making and the implementation of the Share Offer and the Option Offer to Independent Shareholders and Optionholders who are not resident in Hong Kong may be subject to the laws of the relevant overseas jurisdictions in which such Independent Shareholders and Optionholders are located. Such Independent Shareholders and Optionholders should inform themselves about and observe any applicable requirements and restrictions in their own jurisdictions. Independent Shareholders and Optionholders who have registered addresses outside Hong Kong and wish to accept the Offers should satisfy themselves as to the full observance of the applicable laws and regulations of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes payable by such Accepting Shareholders and Optionholders in such jurisdiction).

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In the event that the receipt of the Offer Document by overseas Shareholders or Optionholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Offer Document, subject to the Executive's consent, will not be despatched to such overseas Shareholders or Optionholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Any arrangements for overseas Shareholders or Optionholders to collect the Offer Document will be set out in a further announcement.

COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offers.

GENERAL

To ensure equality of treatment to all Independent Shareholders, those registered Independent Shareholders who hold any Offer Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owners of the Offer Shares whose investments are registered in the names of nominees to accept the Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the Share Offer. The attention of Independent Shareholders with registered addresses outside Hong Kong is also drawn to the section headed "Overseas Shareholders" in Appendix I to this Offer Document.

To accept the Share Offer, Independent Shareholders should complete and sign the accompanying Form of Share Offer Acceptance in accordance with the instructions printed thereon. The Form of Share Offer Acceptance forms part of the terms of the Share Offer. The duly completed and signed Form of Share Offer Acceptance together with the relevant Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) must be sent by post or by hand to the Receiving Agent at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in an envelope marked "EPI (Holdings) Limited – Share Offer" as soon as possible but in any event so as to reach the Receiving Agent no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code.

To accept the Option Offer, the Optionholders should complete and sign the accompanying Form of Option Offer Acceptance in accordance with the instructions printed thereon. The Form of Option Offer Acceptance forms part of the terms of the Option Offer. The duly completed and signed Form of Option Offer Acceptance together with the relevant certificate(s) of the Options (if applicable) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) must be sent by post or by hand to the Company Secretary of EPI at Room 1108-09, 11/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong in an envelope marked "EPI (Holdings) Limited – Option Offer" as soon as possible but in any event so as to reach the Company Secretary of EPI no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code.

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No acknowledgement of receipt of any Form(s) of Acceptance, together with (in respect of the Share Offer) the share certificate(s) and/or transfer receipt(s) and/or (in respect of the Option Offer) option certificate(s) (if applicable), and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

All documents and remittances sent to the Independent Shareholders and the Optionholders by ordinary post will be sent to them at their own risk. Such documents and remittances will be sent to the Independent Shareholders and the Optionholders at their respective addresses as they appear in the register of members of EPI and the respective duly completed Form of Option Offer Acceptance received by the Company Secretary of EPI, or in the case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the register of members of EPI. None of the Offeror, GN Securities, Octal Capital, the Receiving Agent or any of their respective directors or professional advisers or any other parties involved in the Offers will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the Offers set out in the Appendices to this Offer Document and the accompanying Form(s) of Acceptance, which form part of this Offer Document.

In considering what action to take in connection with the Offers, you should consider your own tax or financial position and if you are in any doubt, you should consult your professional advisers.

For and on behalf of
Get Nice Securities Limited
Larry Ng
Director

For and on behalf of
Octal Capital Limited
Alan Fung
Managing Director

To accept the Offers, you should complete and sign the accompanying Form(s) of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offers. The instructions set out in this Offer Document should be read together with the instructions printed on the Form(s) of Acceptance which form part of the terms of the Offers.

1. PROCEDURES FOR ACCEPTANCE OF THE OFFERS**A. The Share Offer**

- (a) If the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in your name, and you wish to accept the Share Offer, you must send the duly completed and signed Form of Share Offer Acceptance together with the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), by post or by hand to the Receiving Agent at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in an envelope marked "EPI (Holdings) Limited — Share Offer" as soon as possible but in any event so as to reach the Receiving Agent no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code.
- (b) If the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Share Offer in respect of your holding of Shares (whether in full or in part), you must either:
 - (i) lodge your Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, and with instructions authorising it to accept the Share Offer on your behalf and requesting it to deliver the Form of Share Offer Acceptance duly completed together with the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Receiving Agent; or
 - (ii) arrange for the Shares to be registered in your name by EPI through the Share Registrar, and deliver the Form of Share Offer Acceptance duly completed and signed together with the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Receiving Agent; or

- (iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Share Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
 - (iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, give your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.
- (c) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your Share certificate(s), and you wish to accept the Share Offer in respect of your Shares, you should nevertheless complete and sign the Form of Share Offer Acceptance and deliver it to the Receiving Agent together with the transfer receipt(s) duly signed by yourself. Such action will constitute an irrevocable authority to the Offeror, GN Securities and/or Octal Capital or their respective agent(s) to collect from EPI or the Share Registrar on your behalf the relevant Share certificate(s) when issued and to deliver such Share certificate(s) to the Receiving Agent on your behalf and to authorise and instruct the Receiving Agent to hold such Share certificate(s), subject to the terms and conditions of the Share Offer, as if it was/they were delivered to the Receiving Agent with the Form of Share Offer Acceptance.
- (d) If the Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Share Offer in respect of your Shares, the Form of Share Offer Acceptance should nevertheless be completed and delivered to the Receiving Agent together with a letter stating that you have lost one or more of your Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it is/they are not readily available. If you find such document(s) or if it/they become(s) available, the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) should be forwarded to the Receiving Agent as soon as possible thereafter. If you have lost your Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title, you should also write to the Share Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Receiving Agent.

- (e) Acceptance of the Share Offer will be treated as effective and valid only if the completed Form of Share Offer Acceptance is received by the Receiving Agent on or before the latest time for acceptance of the Share Offer and the Receiving Agent has recorded that the acceptance and any relevant documents required by Note 1 to Rule 30.2 of the Takeovers Code have been so received, and is:
 - (i) accompanied by the relevant Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if that/those Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant Shares; or
 - (ii) from a registered Shareholder or his/her/its personal representatives (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the Shares which are not taken into account under another subparagraph of this paragraph (e)); or
 - (iii) certified by the Share Registrar or the Stock Exchange.

If the Form of Share Offer Acceptance is executed by a person other than the registered Independent Shareholder, appropriate documentary evidence of authority (e.g. grant of probate or certified copy of a power of attorney) to the satisfaction of the Receiving Agent and the Share Registrar must be produced.

- (f) Seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Share Offer and calculated at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholder on acceptance of the Share Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Independent Shareholders and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.
- (g) No acknowledgement of receipt of any Form of Share Offer Acceptance, Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

B. The Option Offer

- (a) The duly completed and signed Form of Option Offer Acceptance should be sent, together with the certificate(s) of the Options (if applicable) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), by

post or by hand, to the Company Secretary of EPI at Room 1108-09, 11/F, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong in an envelope marked “EPI (Holdings) Limited — Option Offer” as soon as possible but in any event so as to reach the Company Secretary of EPI no later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offeror may determine and announce with the consent of the Executive in accordance with the Takeovers Code.

- (b) If the certificate(s) of the Options (if applicable) is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the Option Offer, the Form of Option Offer Acceptance should nevertheless be completed and delivered in an envelope marked “EPI (Holdings) Limited — Option Offer” to the Company Secretary of EPI together with a letter stating that you have lost one or more of your option certificate(s) (if applicable) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Company Secretary of EPI as soon as possible thereafter. If you have lost your Option certificate(s) (if applicable), you should also write to EPI requesting a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Company Secretary of EPI.
- (c) No stamp duty will be deducted from the amount paid or payable to Optionholders who accept the Option Offer.
- (d) No acknowledgment of receipt of any Form of Option Offer Acceptance, the certificate(s) of the Options (if applicable) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

2. ACCEPTANCE PERIOD AND REVISIONS

Unless the Offers have previously been declared unconditional or extended or revised with the consent of the Executive in accordance with the Takeovers Code, the latest time and date for acceptance will be 4:00 p.m. on the First Closing Date, or if the Offers are extended, any subsequent closing date of the Offers that is extended will be announced by the Offeror in accordance with the Takeovers Code. The Offers shall be conditional upon, among other things, the Offeror having received acceptances in respect of the Offer Shares which, together with the Shares acquired or agreed to be acquired before or during the Offer Period, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of EPI. In the event that the Offers become or are declared unconditional as to acceptances, the Offers will remain open for acceptance for not less than 14 days thereafter.

The Offers, if revised/extended, will be done as the Offeror may determine in accordance with the Takeovers Code (or permitted by the Executive in accordance with the Takeovers Code). The Offeror will issue an announcement in relation to any revision or extension of the Offers, which will state the next closing date or, if the Offers have become or are at that time unconditional as to acceptances, that the Offers will remain open until further notice and at least 14 days’ notice in writing must be given to those Shareholders who have not accepted the Offers before the Offers are closed and an announcement must be published. If the Offeror revises the terms of the Offers, all Shareholders, whether or not they have already

accepted the Offers, will be entitled to accept the revised Offers under the revised terms. If the Offers are extended or revised, the announcement of such extension or revision will state the revised Closing Date. If the Offers are revised, the Offers will remain open for acceptance for a period of not less than 14 days from the posting of the revised Offer Document to the Shareholders. If the Closing Date of the Offers is extended, any reference in the Offer Document and in the Form(s) of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the Closing Date of the Offers so extended.

The Offeror may introduce new condition(s) to be attached to revised Offers, or any subsequent revision thereof but only to the extent necessary to implement the revised Offers and subject to the consent of the Executive in accordance with the Takeovers Code.

If there is (i) a tropical cyclone warning signal number 8 or above; or (ii) a “black” rainstorm warning signal: (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the First Closing Date, the latest time and date for acceptance of the Offers will remain at 4:00 p.m. on the same Business Day; or (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the First Closing Date, the latest time and date for acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. or such other day as the Executive may approve.

3. ANNOUNCEMENTS

- (a) By 6:00 p.m. (or such later time and/or date as the Executive may in exceptional circumstances permit) on the First Closing Date, the Offeror must inform the Executive and the Stock Exchange of its decision in relation to the revision, extension, expiry or unconditionality of the Offers. The Offeror must publish an announcement on the website of the Stock Exchange by 7:00 p.m. on the First Closing Date stating, among others, information required under Rule 19.1 of the Takeovers Code, whether the Offers have been revised or extended, have expired or have become or been declared unconditional (and, in each case, whether as to acceptance or in all respects). The announcement will state the following:
 - (i) the total number of Shares and Options and rights over Shares and Options for which acceptances of the Offers have been received;
 - (ii) the total number of Shares and Options and rights over Shares and Options held, controlled or directed by the Offeror and parties acting in concert with any of them before the Offer Period; and
 - (iii) the total number of Shares and Options and rights over Shares and Options acquired or agreed to be acquired by the Offeror and parties acting in concert with any of them during the Offer Period.

The announcement will include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of EPI which the Offeror and any parties acting in concert with it have borrowed or lent, save for any borrowed securities which have been either on-lent or sold, and specify the percentages of the relevant classes of issued share capital of EPI and the percentages of voting rights of EPI represented by these numbers of Shares.

- (b) In computing the total number of Shares and Options represented by acceptances, only valid acceptances that are complete and in good order and in compliance with Note 1 to Rule 30.2 of the Takeovers Code, and which have been received by the Receiving Agent or the Company Secretary of EPI (as the case may be) no later than 4:00 p.m. on the First Closing Date, being the latest time and date for acceptance of the Offers, shall be included.
- (c) As required under the Takeovers Code, all announcements in respect of the Offers must be made in accordance with the requirements of the Takeovers Code and the Listing Rules respectively.

4. RIGHT OF WITHDRAWAL

- (a) Acceptances of the Offers shall be irrevocable and cannot be withdrawn, except in the circumstances set out in sub-paragraph (b) below or in compliance with Rule 17 of the Takeovers Code, which provides that an acceptor of any of the Offers shall be entitled to withdraw his/her/its acceptance within 21 days from the First Closing Date if the Offers have not by then become unconditional as to acceptance. An acceptor of the Offers may withdraw his/her/its acceptance by lodging a notice in writing signed by the acceptor (or his/her/its agent duly appointed in writing and evidence of whose appointment is produced together with the notice) to the Receiving Agent or the Company Secretary of EPI, as the case may be.
- (b) If the Offeror is unable to comply with the requirements set out in the paragraph headed "Announcements" above, the Executive may require that the Independent Shareholders and the Optionholders who have tendered acceptances to the Offers be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

If an acceptor withdraws his/her/its acceptance, the Offeror shall, as soon as possible but in any event within 10 days thereof, return, by ordinary post and at the risk of the relevant acceptor, in respect of the Share Offer, the Share certificate(s) and/or transfer receipt(s) and/or (in respect of the Option Offer) the Option certificate(s) (if applicable) and/or other document(s) or title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form(s) of Acceptance to the relevant Shareholder and/or Optionholder.

5. SETTLEMENT OF THE OFFERS**A. The Share Offer**

Subject to the Share Offer becoming or being declared unconditional and provided that a valid Form of Share Offer Acceptance and the relevant Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Receiving Agent before the close of the Share Offer, a cheque for the amount due to each of the Independent Shareholders who accept the Share Offer less seller's ad valorem stamp duty in respect of the Offer Shares tendered by him/her/it under the Share Offer will be despatched to such Independent Shareholder, or in the case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the register of members of EPI, by ordinary post at his/her/its own risk as soon as possible but in any event within seven (7) Business Days of the later of the date on which the Share Offer becomes or is declared unconditional and the receipt of all the relevant documents by the Receiving Agent to render such acceptance complete and valid.

Settlement of the consideration to which any Independent Shareholder is entitled under the Share Offer will be implemented in full in accordance with the terms of the Share Offer (save with respect to the payment of seller's ad valorem stamp duty), without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Independent Shareholder.

B. The Option Offer

Subject to the Option Offer becoming or being declared unconditional and provided that a valid Form of Option Offer Acceptance and the relevant certificate(s) (if applicable) and/or letter(s) of grant (as the case may be) of the Options are complete and in good order in all respects and have been received by the Company Secretary of EPI before the close of the Option Offer, a cheque for the amount due to the Optionholders in respect of the Options tendered by him/her/it under the Option Offer will be sent to the respective addresses as they appear in the respective duly completed Form of Option Offer Acceptance received by the Company Secretary of EPI as soon as possible but in any event within seven (7) Business Days of the later of the date on which the Share Offer becomes or is declared unconditional and the receipt of all the relevant documents by the Company Secretary of EPI to render such acceptance complete and valid.

Settlement of the consideration to which any Optionholder is entitled under the Option Offer will be implemented in full in accordance with the terms of the Option Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Optionholder.

6. EXERCISE OF OPTIONS

An Optionholder who wishes to accept the Share Offer may exercise his/her/its Options (to the extent exercisable) by completing, signing and delivering a notice for exercise the Options together with a cheque for payment of the subscription monies and the related certificates (if applicable) for the Options to EPI no later than 4:00 p.m. on the First Closing Date, or such other time and/or date as the Offeror may, subject to the Takeovers Code, determine and announce. Optionholders should at the same time complete and sign the Form of Share Offer Acceptance and deliver it to the Receiving Agent together with a copy of the set of documents delivered to EPI for exercising the Options. Exercise of the Options is subject to the terms and conditions of the relevant share option scheme and the terms attaching to the grant of the relevant Options. Delivery of the completed and signed Form of Share Offer Acceptance to the Receiving Agent will not serve to complete the exercise of the Options but will only be deemed to be an irrevocable authority to the Offeror, GN Securities and/or Octal Capital and/or any of their respective agent(s) or such other person(s) as they may direct to collect from EPI or the Share Registrar on his/her/its behalf the relevant Share certificate(s) when issued on exercise of the Options as if it was/they were delivered to the Receiving Agent with the Form of Share Offer Acceptance. If an Optionholder fails to exercise his/her/its Options as aforesaid, there is no guarantee that EPI may issue the relevant Share certificate(s) in respect of the Share(s) allotted pursuant to his/her/its exercise of the Option(s) to such Optionholder in time for him/her/it to accept the Share Offer as a Shareholder of such Share(s) under the terms of the Share Offer.

7. LAPSE OF OPTIONS

Nothing in this Offer Document or the Option Offer will serve to extend the life of any Option which lapses under the relevant share option scheme. No exercise of Options or acceptance of the Option Offer may be made in relation to any Option that has lapsed.

8. OVERSEAS SHAREHOLDERS AND OVERSEAS OPTIONHOLDERS

The making of the Offers to the Overseas Shareholders and/or Overseas Optionholders may be prohibited or affected by the laws of the relevant jurisdictions in which they are resident. Overseas Shareholders and/or Overseas Optionholders should obtain appropriate legal advice regarding the implications of the Offers in the relevant jurisdictions or keep themselves informed about and observe any applicable legal or regulatory requirements. It is the responsibility of Overseas Shareholders and/or Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of all relevant jurisdictions in connection with the acceptance of the Offers (including but not limited to the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all other necessary formalities, regulatory and/or legal requirements and the payment of any transfer or other taxes) due by the accepting Shareholders and/or Optionholders.

Acceptance of the Offers by any Overseas Shareholder and/or Overseas Optionholders will be deemed to constitute a warranty by such person that such person is permitted under all applicable laws and regulations to receive and accept the Offers, and any revision thereof, and such acceptance shall be valid and binding in accordance with all applicable laws and regulations. Any such person is recommended to seek professional advice on deciding whether or not to accept the Offers.

9. TAX IMPLICATIONS

Independent Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their acceptance of the Offers. It is emphasised that none of the Offeror, GN Securities, Octal Capital, their respective ultimate beneficial owners and parties acting in concert, the Receiving Agent or any of their respective directors, officers, advisers, associates, agents or any persons involved in the Offers is in a position to advise the Independent Shareholders and/or Optionholders on their individual tax implications, nor do they accept responsibility for any taxation effects on, or liabilities of, any person or persons as a result of their acceptance of the Offers.

10. GENERAL

- (a) All communications, notices, Form(s) of Acceptance, certificate(s), Share certificate(s), transfer receipt(s), other document(s) of title and/or any satisfactory indemnity or indemnities required in respect thereof and remittances to settle the consideration payable under the Offers will be delivered by or sent to or from the Independent Shareholders and/or the Optionholders or their designated agents, by ordinary post at their own risk, and none of the Offeror, GN Securities, Octal Capital, the Receiving Agent, or other parties involved in the Offers or any of their respective directors, officers, advisers, associates, agents accepts any liability for any loss or any other liabilities that may arise as a result thereof.
- (b) The provisions set out in the Form(s) of Acceptance form part of the terms and conditions of the Offers.
- (c) The accidental omission to despatch this Offer Document and/or Form(s) of Acceptance or any of them to any person to whom the Offers are made will not invalidate the Offers in any way.
- (d) The Offers are, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of the Form(s) of Acceptance by or on behalf of a Shareholder/Optionholder will constitute such Shareholder's/Optionholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Offers.
- (e) Due execution of the Form(s) of Acceptance in accordance with Note 1 to Rule 30.2 of the Takeovers Code will constitute an authority to the Offeror, GN Securities, Octal Capital or such person or persons as the Offeror, GN Securities or Octal Capital may direct to complete, amend and execute any document on behalf of the person or persons accepting the Offers and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, or such person or persons as it may direct, the Shares/Options in respect of which such person or persons has/have accepted the Offers.

- (f) Acceptance of:
- (i) the Share Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror, GN Securities and Octal Capital that the Shares tendered under the Share Offer are sold by such person or persons free from all Encumbrances and together with all rights accruing or attaching to them as at the date of this Offer Document or subsequently being attached to them, including, without limitation, the rights to receive all future dividends and other distributions, declared, made or paid, if any, by EPI on or after the Closing Date.
 - (ii) the Option Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror, GN Securities and Octal Capital that the Options tendered under the Option Offer are sold by such person or persons free from all Encumbrances and together with all rights accruing or attaching to them on or after the Closing Date.
- (g) Acceptance of the Offers by any nominee will be deemed to constitute a warranty by such nominee to the Offeror that the number of Shares and/or Options in respect of which it is indicated in the Form(s) of Acceptance is the aggregate number of Shares and/or Options held by such nominee for such beneficial owners who accept the Offers.
- (h) If no number is inserted or a number inserted is greater or smaller than your registered holding of Share(s)/Option(s) or those physical Share(s)/certificate(s) of the Options (if applicable) tendered for acceptance of the Share Offer or Option Offer and you have signed the Form(s) of Acceptance, the Form(s) of Acceptance will be returned to you for correction and resubmission. Any corrected form must be resubmitted and received by the Receiving Agent or the Company Secretary of EPI (as the case may be) on or before 4:00 p.m. on the First Closing Date.
- (i) Reference to the Offers in this Offer Document and in the Form(s) of Acceptance shall include any extension or revision thereof.
- (j) In making their decisions, Independent Shareholders and Optionholders must rely on his/her/its/their own examination of the Offeror and the terms of the Offers, including the merits and risks involved. The contents of this Offer Document, including any general advice or recommendations contained therein, and the Form(s) of Acceptance are not to be construed as legal or business advice. Shareholders and Optionholders could consult with his/her/its/their own professional advisers for professional advice.
- (k) If the Offers lapse for any reason, they shall cease to be capable of further acceptance and the Offeror, GN Securities and Octal Capital shall cease to be bound by any of the prior acceptances.

- (l) If the Offers lapse for any reason, any share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) lodged with the Form(s) of Acceptance will be returned to the relevant Independent Shareholder(s) and Optionholder(s) who have accepted the Offers by ordinary post at the relevant Independent Shareholders' and Optionholders' own risks as soon as possible but in any event within 10 days after the Offers have lapsed.
- (m) The Offers are being made by the issue and despatch of this Offer Document on 21 September 2016.
- (n) The Offers are made in accordance with the Takeovers Code.
- (o) All acceptances, instructions, authorities and undertakings given by the Independent Shareholders or Optionholders in the Form(s) of Acceptance shall be irrevocable except as permitted under the Takeovers Code.
- (p) The English text of this Offer Document and of the Form(s) of Acceptance shall prevail over their respective Chinese text for the purpose of translation.

1. RESPONSIBILITY STATEMENT

This Offer Document includes particulars given in compliance with the Takeovers Code for the purpose of providing information to the Shareholders and the Optionholders with regard to the Offeror and the Offers.

The sole director of the Offeror and Premier United accepts full responsibility for the accuracy of the information contained in this Offer Document (other than the information relating to the EPI Group), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this Offer Document have been arrived at after due and careful consideration and there are no other facts not contained in this Offer Document, the omission of which would make any statement in this Offer Document misleading.

The information relating to the EPI Group in this Offer Document has been extracted from or based on the published information of the EPI Group. The only responsibility accepted by the sole director of the Offeror and Premier United in respect of such information is for the correctness and fairness of the extraction of such information and/or its reproduction or presentation.

2. MARKET PRICES

The table below shows, based on publicly available information of EPI, the closing price of the Shares quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Date; and (iii) the Latest Practicable Date.

Date	Closing price per Share (HK\$)
2016	
29 February 2016	0.239
31 March 2016	0.185
29 April 2016	0.170
31 May 2016	0.154
30 June 2016	0.145
29 July 2016	0.142
25 August 2016 (Last Trading Date)	0.168
31 August 2016	trading suspended
19 September 2016 (Latest Practicable Date)	0.236

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period were HK\$0.250 per Share on 6 September 2016 and HK\$0.137 per Share on 6 June 2016 respectively.

3. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the Offeror holds 1,287,155,119 Shares, representing approximately 29.47% of the entire issued share capital of EPI. Save for the aforesaid, the Offeror and parties acting in concert with it do not have any other interests in the share capital or voting rights of EPI. None of the Offeror and parties acting in concert with it had dealt for value in any relevant securities as defined in Note 4 to Rule 22 of the Takeovers Code of EPI during the Relevant Period and up to the Latest Practicable Date, save for the following transactions:

Date of transaction on the Stock Exchange	Number of Shares purchased	Unit price per Share (HK\$)
24 August 2016	1,650,000	0.155
24 August 2016	555,000	0.158
24 August 2016	1,125,000	0.159
24 August 2016	9,375,000	0.160
24 August 2016	1,098,880,119	0.168
25 August 2016	780,000	0.159
25 August 2016	6,000,000	0.160
25 August 2016	10,755,000	0.161
25 August 2016	8,100,000	0.162
25 August 2016	6,300,000	0.163
25 August 2016	26,700,000	0.164
25 August 2016	13,740,000	0.165
25 August 2016	19,890,000	0.166
25 August 2016	5,310,000	0.167
25 August 2016	3,000,000	0.168
1 September 2016	74,995,000	0.168
	1,287,155,119	

Save as disclosed in this paragraph 3,

- (a) the sole director of the Offeror and Premier United did not have any interests in any Shares, convertible securities, warrants, options of EPI or any derivatives in respect of such securities, or had dealt for value in any Shares, convertible securities, warrants, options of EPI or any derivatives in respect of such securities;
- (b) as at the Latest Practicable Date, no arrangement of the kind referred to in the third paragraph of Note 8 to Rule 22 of the Takeovers Code existed between the Offeror or any parties acting in concert with it and any other person;

- (c) as at the Latest Practicable Date, no arrangement of any kind referred to in Note 8 to Rule 22 of the Takeovers Code exists between a person who owned or controlled Shares or convertible securities, warrants, options or derivatives of EPI and the Offeror or any parties acting in concert with it or the Offeror's associates (as defined under the Takeovers Code); and
- (d) as at the Latest Practicable Date, none of the Offeror and any party acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of EPI.

4. ARRANGEMENTS IN CONNECTION WITH THE OFFERS

As at the Latest Practicable Date,

- (a) there was no agreement or arrangement to which the Offeror is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;
- (b) the Offeror had not received any irrevocable commitment to accept or reject the Offers;
- (c) the Offeror shall deposit all the Offer Shares or Shares acquired by it to a securities account maintained in GN Securities as security for the Facility. Save as disclosed, the Offeror and parties acting in concert with it had no agreement, arrangement or understanding to transfer, charge or pledge any of the Offer Shares acquired pursuant to the Share Offer to any other persons;
- (d) no agreement, arrangement or understanding (including any compensation arrangement) existed between the Offeror or any person acting in concert with it and any of the Directors, recent Directors, and Shareholders or recent Shareholders which had any connection with or dependence upon the Offers; and
- (e) no benefit (other than statutory compensation required under the applicable laws) had been or would be given to any Director as compensation for loss of office or otherwise in connection with the Offers.

5. CONSENT AND QUALIFICATIONS

The following are the qualifications of the experts who have given an opinion or advice in this Offer Document:

Name	Qualifications
GN Securities	a licensed corporation permitted to carry out business in Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO

Octal Capital a licensed corporation permitted to carry out business in Type 1 (dealing in securities relating to corporate finance) and Type 6 (advising on corporate finance) of the regulated activities under the SFO

GN Securities and Octal Capital has given and has not withdrawn their written consent to the issue of this Offer Document with copy of their letter and the references to their names included in the form and context in which they are respectively included.

6. GENERAL

- (a) The registered office of the Offeror is OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.
- (b) The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability and is a wholly owned subsidiary of Premier United, which in turn is wholly owned by Mr. Suen. Mr. Suen is also the sole director of the Offeror and Premier United. Mr. Suen, aged 55, holds a Master of Business Administration degree from the University of South Australia. Mr. Suen is an executive director and the chairman of, and a controlling shareholder indirectly holding approximately 31.30% of the issued share capital in, Enviro Energy. Mr. Suen is also indirectly holding approximately 9.89% of the issued share capital in China Strategic. The shares of both Enviro Energy and China Strategic are listed on the Main Board of the Stock Exchange. Mr. Suen is also indirectly holding approximately 22.89% of the issued share capital of Courage Marine, the shares of which are listed on the Main Board of the Stock Exchange and the SGX-ST. Mr. Suen is also the sole ultimate beneficial owner of a company which will, subject to fulfillment of certain conditions, become a controlling shareholder of Birmingham International. As at the Latest Practicable Date, the Offeror holds a total of 1,287,155,119 Shares, representing approximately 29.47% of the entire issued share capital of EPI.
- (c) As at the date of this Offer Document, Mr. Suen is the sole director of each of the Offeror and Premier United.
- (d) The registered office of Octal Capital is situated at Rooms 802-805, 8/F, Nan Fung Tower, 88 Connaught Road Central, Hong Kong.
- (e) The registered office of GN Securities is situated at 10/F, Cosco Tower, Grand Millennium Plaza, 183 Queen's Road Central, Hong Kong.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection on the SFC's website at <http://www.sfc.hk>; the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of EPI at <http://www.epiholdings.com> from the date of this Offer Document for as long as the Offers remain open for acceptance:

- (a) the articles of association of the Offeror;
- (b) the letters of consent from GN Securities and Octal Capital referred to in the paragraph headed "Consent and qualifications" in this Appendix;
- (c) the letter from GN Securities and Octal Capital, the text of which is set out on pages 6 to 22 of this Offer Document;
- (d) the loan agreement dated 31 August 2016 entered into between the Offeror as borrower and GN Securities as lender pursuant to which GN Securities granted the Facility to the Offeror (the "**Loan Agreement**");
- (e) the share charge dated 31 August 2016 entered into between the Offeror as chargor and GN Securities as lender pursuant to which the Offeror charged the Shares already held by it and the Shares to be acquired under the Share Offer to GN Securities;
- (f) the guarantee dated 31 August 2016 executed by Mr. Suen as guarantor in favour of GN Securities to guarantee the obligations of the Offeror under the Loan Agreement and other related security documents; and
- (g) the subordination agreement dated 31 August 2016 entered into between the Offeror as borrower, Premier United and Mr. Suen as subordinated lenders and GN Securities as lender pursuant to which the subordinated lenders agreed to subordinate the indebtedness of the Offeror to them to the Facility.