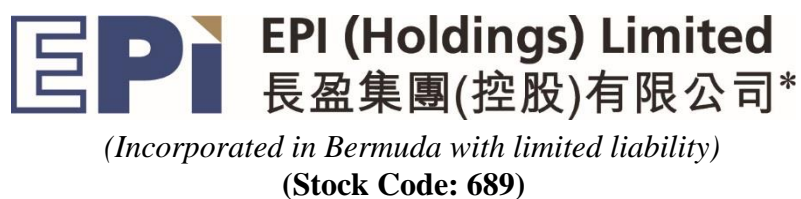


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UPDATES ON THE LEGAL ACTIONS REGARDING THE GROUP'S PETROLEUM OPERATION IN ARGENTINA

References are made to the circular (the “**Circular**”) of EPI (Holdings) Limited (the “**Company**”) dated 8 October 2020 in relation to, among others, the proposed acquisition of the Chañares Concession and the announcements of the Company dated 14 December 2020, 22 December 2020, 12 March 2021, 15 March 2021 and 16 March 2021 in relation to the updates of the Bidding Process (collectively the “**Announcements**”). Unless otherwise defined, terms used herein shall have the same meanings as defined in the Circular and the Announcements.

UPDATES ON THE LEGAL ACTIONS REGARDING THE GROUP'S PETROLEUM OPERATION IN ARGENTINA

On 11 March 2021 (Argentina time), the Group received from the Hydrocarbons Department of Mendoza Province the Decree issued by the Ministry of Economy and Energy of the Mendoza Government, Argentina which stated that the Chañares Concession shall be awarded to a new concessionaire other than the Company's indirect wholly owned subsidiary. The Group lodged the Appeal Letter objecting against the Decision and it was stated in the Decree that the Appeal Letter shall be denied. The Group was informed by Chañares that the new concessionaire had taken over the Chañares Concession on 13 March 2021 (Argentina time).

In respect of the Group's Appeal Letter objecting against the Decision, the Governor of Mendoza Province sent a final notification to the Group on 29 March 2021 (Argentina time) repeating that the Appeal Letter objecting against the Decision was denied for the same reason of disqualifying the Company's indirect wholly owned subsidiary to become a bidder as mentioned in the announcement of the Company dated 22 December 2020 and that the appeal action against the Decision was final within the administrative regime of the Mendoza Government and the Group could bring the matter to the court if it elected to. As advised by the Argentina legal advisor of the Group, the Group could commence a legal action in the court against the Decision, however, as the government authorities are vested with the absolute discretion in accordance with applicable rules and laws in determining the eligibility of the bidders for the Bidding Process, the chance of success in setting aside the Decree is slim. Having considered the advice from the Argentina legal advisor, the Group has decided that it will not take any legal action against the Mendoza Government.

* For identification purpose only

Chañares has recently informed the Group that it has commenced legal action(s) against the Mendoza Government regarding the termination of the Chañares Concession and has sought monetary compensation payable to it. The Group has requested Chañares for further updates on the matter and is awaiting reply from Chañares in this regard.

In March 2021, the Group has issued letters to Chañares to claim for certain debts due to the Group. The Group is also preparing to file a claim against Chañares for monetary compensation for its failure to comply with its obligation to maintain the concession under the operation agreement signed with the Group on 5 June 2012. It recently came to the Group's knowledge that Chañares is in financial difficulties and has commenced a debt reorganisation proceeding which allows Chañares to reorganise its debts with its creditors, subject to their agreements, without going into bankruptcy. It is announced that the creditors of Chañares can file a claim for the proposed debt reorganisation scheme before 2 July 2021. The Group, being a creditor of Chañares, will file the aforesaid claims accordingly.

The Company will publish announcement(s) to inform the Shareholders of any further updates as and when appropriate.

By Order of the Board
EPI (Holdings) Limited
Sue Ka Lok
Executive Director

Hong Kong, 3 June 2021

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Sue Ka Lok, Mr. Yiu Chun Kong, Mr. Chan Shui Yuen and Mr. Liang Weijie; and three Independent Non-executive Directors, namely Mr. Pun Chi Ping, Ms. Leung Pik Har, Christine and Mr. Kwong Tin Lap.