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**VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING
IN RELATION TO POSSIBLE ACQUISITION**

This announcement is made by EPI (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

THE MEMORANDUM OF UNDERSTANDING

The Board of Directors (the “**Board**” or the “**Directors**”) of the Company is pleased to announce that on 27 July 2021 (Hong Kong time) (after the trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with a target company incorporated in Canada (the “**Target Company**”) and the shareholders’ representative of the Target Company (the “**Shareholders’ Representative**”), pursuant to which the Company will acquire and the Shareholders’ Representative will procure the sale of the entire issued share capital (the “**Possible Acquisition**”) of the Target Company which is principally engaged in upstream operations in the exploration, development and production of crude oil and gas in Canada.

To the best of the Directors’ information, knowledge and belief having made all reasonable enquiries, the Target Company, the ultimate beneficial owners of the Target Company and the Shareholders’ Representative are third parties independent of and not connected with the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) as at the date of this announcement.

Pursuant to the MOU, the Group has the right to conduct legal, financial, commercial and technical due diligence investigations that it may consider necessary or desirable with respect to the Target Company and the Possible Acquisition during the three (3) months starting from the date of the MOU. The entering into of a legally binding sale and purchase agreement and the determination of the amount and payment structure of the consideration for the Possible Acquisition shall be subject to the due diligence review to be performed by the Company and negotiation between the Company and the Shareholders’ Representative. It is currently expected that the majority of the consideration may consist of cash with the remaining portion to be settled by notes and/or shares of the Company.

** For identification purpose only*

Save and except that each party agrees to be bound by certain provisions in the MOU relating to confidentiality obligations and the governing law and dispute resolution, the MOU does not constitute a legally binding commitment of the Company in respect of the Possible Acquisition.

REASONS FOR AND BENEFITS OF THE MOU

As mentioned in the annual report of the Company for the year ended 31 December 2020, the Group has been actively exploring investment opportunities in natural resources exploration and production, including an oilfield project in Canada. The Directors believe that the Possible Acquisition, if materializes, will be a valuable and attractive business opportunity for the Group to leverage on its strength and resources. The Directors consider the terms of the MOU are fair and reasonable, on normal commercial terms and believe that the Possible Acquisition will be in the best interest of the Company and its shareholders as a whole.

GENERAL

If the Possible Acquisition materializes, it may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 27 July 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.